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Friday, May 2, 1986
Vaisakha, 12, 1908 (Saka)

LOK SABHA DEBATES

(English Version)

Fifth Session
(Eighth Lok Sabha)



सत्यमेव जयते

LOK SABHA SECRETARIAT
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LOK SABHA DEBATES

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LOK SABHA

Friday, May 2, 1986
Vaisakha 12, 1908 (Saka)

The Lok Sabha met at
Eleven of the Clock

[MR. SPEAKER *in the Chair*]

[English]

DR. G. S. RAJHANS : Sir, the Chief Minister, Shri Barnala and his Government deserve congratulations for the action they have taken against the terrorists.

(*Interruptions*)

SHRI ANANDA GAJAPATHI RAJU : Sir, the Akali Government should be congratulated by the Chair for taking such prompt and effective measures to keep the unity of India. (*Interruptions*)

SHRI BHANU PRATAP SHARMA
Sir, it is a bold and a very brave step.

(*Interruptions*)

[Translation]

MR. SPEAKER : The point is that this is what was expected of a person who is loyal to the country, who is an Indian, a patriot, an elected representative of the people, and true to the expectations he has taken action in the complete success. For this, he certainly deserves congratulations. We are living in a democracy, and in a democracy the representatives of the people act on behalf of the people. They are expected to act judiciously and in the interest of the country; this he did. Therefore, everyone who works in the interest of the country needs to be encouraged. Similarly, all of you act unitedly against

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any person who works against the interests of the country; all of you should work with complete co-operation at such an hour. This Parliament has always worked unitedly whenever the country faced a crisis. Therefore, I would also like to congratulate all of you and hope that the miscreants who do absurd things, kill the innocent people will also learn a lesson from this and I do hope that you will teach them such a lesson. In future also, you and the Punjab Government as well as other State Governments for that matter, have to work unitedly. Therefore, I congratulate you as well as them.

SHRI VIRDHI CHANDER JAIN :
Mr. Speaker, Sir, a unanimous resolution should be adopted.

MR. SPEAKER : Yes, Sir. I have said this with the consent of all. I have said that we must work unitedly and we do that.

ORAL ANSWERS TO QUESTIONS

[English]

India's Participation in the IMF and
World Bank Meeting in Washington

*888. SHRI K. PRADHANI :

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DR. B. L. SHAILESH :

Will the Minister of FINANCE be
pleased to state :

(a) whether India participated in the International Monetary Fund and World Bank meetings in Washington during the last month;

(b) if so, what transpired at these meetings;

(c) the stand taken by India as a leading member of the third world countries on the various issues particularly the debt burden, primary function of the multilateral institutions of providing development assistance, etc.; and

(d) the financial assistance which India expects from the above institutions during the current financial year;

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) to (d).
A statement is given below.

Statement

India participated in the meetings of the Interim and Development Committees of the world Bank/IMF held in Washington in April, 1986. The conclusions reached at these meetings are set out in the form of Press Communiques which are laid on the Table of the House.

[Placed in Library see No. L.T. 2729/86]

In these meetings India expressed her solibarity with the rest of the developing countries in their attempts to overcome their problems of debt and low economic growth. Among the points empassised by India were :

A echesive and comprehensive programme of action for stimulating the world economy and for accelerating growth in the developing countries be resolved.

The need for multilateral institutions to provide resources for development without interfering in the decision making process of the borrowing countries.

The expectation that IDA-3 Replenishment would be sufficient to make-up the shortfall of IDA-7.

The need to help indebted countries grow out of debt and the importance of enhancing financial flows on appropriate terms.

The need for improvement in the international environment more parti-

cularly in the area of further reduction of real interest rates and growth in world import demand.

The need to stimulate growth and expand markets through reduction of protectionism.

The need to maintain the unconditional nature of the SDRs and improve the mechanisms for distribution of SDRs in favour of higher allocations to developing countries.

Each year Government of India poses a pipeline of projects to the World Bank Group (IDA and IBRD) for assistance. This is based on the availability of Bank Group funds for the financial year. The availability of funds with the Bank group during the current financial year is yet indeterminate and no clear picture can be given at this stage of the loans expected to be obtained during the Bank's financial year 1986-87 (1st July 1986 to 30th June 1987). The amount of World Bank group assistance indicated in the Aid India Consertium for the Bank's fiscal year 1986 (1st July 1985 to 30th June 1986) was US \$ 2500 million. So far the World Bank group have approved loans/credits amounting to US \$2066.1 million.

SHRI K. PRADHANI : Mr. Speaker, Sir, I have received a very lengthy reply and I could not go through that.

[Translation]

MR. SPEAKER : The question asked by you itself is such that it calls for a lengthy reply.

[English]

SHRI K. PRADHANI : It runs into 10 or 15 pages. Now, Sir, in view of the recent development during the past few days, I would like to know from the hon. Minister whether India is going to get any allotment from the IDA-8 replenishment and if so, to what extent ?

SHRI JANARDHANA POOJARY : Now, the negotiations are going on and it will be known only in the month of September, 1986.

SHRI K. PRADHANI : Regarding the SDRs, that is, the Special Drawing Rights, from the World Bank, that is, IMF or the IDA, I would like to know whether our Government have approached the World Bank to get more Special Drawing Rights from the IMF or the IDA. If so, what is the extent of Special Drawing Rights that our Government is likely to get ?

SHRI JANARDHANA POOJARY : We have been receiving the SDR quota. From the total fund quota of SDR 89236.30 million, India's quota was SDR 2207.70 million, equivalent to 2.453 per cent. The total allocation of SDR is 21.5 million and the allocation of SDR to India is SDR 681.17 million.

SHRI ANANDA GAJAPATHI RAJU : Regarding trade, aid and liquidity, we are running into problems with these institutions. Will the Minister assure us that proper stand will be taken in the GATT meeting scheduled to be held in the next few weeks to see that the services of the developing countries are protected. We are contributing a lot towards the services. How and when will this be protected ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : GATT comes within my jurisdiction. I may submit that the United States and other developed countries are pressing in GATT for services being included and we are determined to oppose it.

SHRI ANANDA GAJAPATHI RAJU : How ?

MR. SPEAKER : Vociferously.

SHRI P. SHIV SHANKER : We are also mobilising the opinion of the various other countries. NAM has now passed a resolution. Even in ESCAP we have taken up this issue. The countries in the South-Eastern region have also passed a resolution that they would oppose the services and investments being included in the GATT.

RBI Scheme to Boost Foreign Trade
*889. **DR. G.S. RAJHANS :**

+
SHRI BANWARI LAL PUROHIT :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has introduced a new scheme to boost foreign trade as reported in the Indian Express of 10 April 1986;

(b) if so, the details of the proposed new scheme; and

(c) the extent to which importers, exporters, shipping and airline companies will be benefitted through this scheme and the export production target will be achieved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). A statement is given below.

Statement

With effect from 28th December, 1985, Reserve Bank of India has introduced new forward cover facilities to enable Indian Importers and exporters of goods and services to cover their exchange fluctuation risks on eligible transactions. These facilities have been designed to benefit importers, exporters, shipping and airlines companies for stabilising cost and helping export production.

Further in order to encourage exports, Reserve Bank of India has rationalised the interest rate structure for pre-shipment credit by prescribing an uniform rate structure for all commodities with interest rates varying only according to the period for which the credit is sanctioned. The interest rates for pre-shipment credit effective from 1-3-1986 would be as follows :

Lending Rates for Pre-shipment credit:	Rate of interest per annum.
(i) Upto 180 days	12.0
(ii) Beyond 180 days, and upto 270 days.	14.0
(iii) Beyond 270 days Not exceeding.	16.5

DR. G. S. RAJHANS : May I request the hon. Minister to kindly explain the reply in layman's language so that those who are not conversant with economics and those who are not conversant with the techniques of foreign trade may also understand it ?

SHRI JANARDHANA POOJARY : These steps have been taken to encourage exporters as also importers. A forward contract is a contract between a bank authorised to deal in foreign exchange and the customer, whether he is an exporter or an importer. For example, an exporter exports goods worth hundred dollars today, and that is equivalent to Rs. 1200. The value of the dollar may fall down after six months when the payment is made. It is to protect his interest, otherwise he will lose after six months. If the value of the dollar comes down to Rs. 11, instead of Rs. 1200 after six months, he will get Rs. 1100. In order to protect his interest, an agreement is entered between the bank authorised to deal in foreign exchange as also the importer or the exporter as the case may be. This sort of arrangement is to protect the interest of the importer or the exporter.

DR. G. S. RAJHANS : Part (c) of my question has not been properly replied. I had asked : the extent to which importers, exporters, shipping and airline companies will be benefited through this scheme and the export production target will be achieved. I want a specific reply to this.

SHRI JANARDHANA POOJARY : Sir, at this stage we are not in a position to say what the total quantum is, because it has been introduced only recently.

[Translation]

SHRI BANWARI LAL PUROHIT : The hon. Minister has stated that this scheme has been introduced with a view to provide facility to the traders. But, Mr. Speaker, Sir, the rate of interest as stated by the hon. Minister, has been kept at 12 per cent upto 180 days and beyond 180 days, the rate of interest has been raised to 14 per cent and thereafter to 16 per cent. In forward contracts, the machinery

exporters take full one year to supply the machinery. In that case, they have raised the rate of interest still higher. This is not going to benefit the people. On the contrary, it will have an adverse impact. Therefore, the rate of interest up to one year should be kept at the minimum, i.e. 12 per cent. Will the hon. Minister kindly consider it ?

[English]

SHRI JANARDHANA POOJARY : This pre-shipment credit is given for the manufacture of goods. Here when the goods are manufactured, I am told that it is adequate and I am also told that 180 days is sufficient for production. If the hon. member has got any specific incident, then we will find out. So far as we are concerned, it has helped the exporters in the production and manufacturing of their goods and they also welcomed this step.

SHRI AMAL DATTA : In our anxiety to boost our exports, Government has launched scores of schemes to give advantage to the exporters. But unfortunately, it appears that the Government does not do any monitoring as to what is happening under any particular scheme. To give an example, Government allows exporters to import in advance materials required for manufacturing the commodity, which they promise to export later. The period of interval given between actual import and export is six months. But not only the Government keeps on extending the time, many people taking advantage of this scheme have cheated the country of foreign exchange worth more than one thousand crores. And this aspect has been brought out by the recent report submitted by the Public Accounts Committee also. What is Government going to do about this type of thing ? What kind of monitoring do they propose to have to see that undue advantage is not taken or abuse of the scheme is not done by the unscrupulous exporters ?

SHRI JANARDHANA POOJARY : We share the concern of the hon. member. If the hon. member kindly directs these suggestions as also specific incidents to the Commerce Ministry, I think they will be in a better position to give a proper reply.

SHRI AMAL DATTA : Are you not concerned ?

SHRI JANARDHANA POOJARY
Monitoring is theirs.

**Promotion of Japanese Tourist Traffic
to India**

*891. **SHRIMATI MADHUREE SINGH** : Will the Minister of PARLIAMETARY AFFAIRS AND TOURISM be pleased to state :

(a) whether a Symposium on promotion of Japanese tourist to India held recently in New Delhi suggested measures for improvement in tourist flow;

(b) the present flow of the Japanese tourists to India;

(c) whether any target has been fixed for the coming year in this regard;

(d) the steps Government propose to take to promote Japanese tourist traffic to India;

(e) whether the constraints in the way of promotion of Japanese tourist traffic to India have been identified; and

(f) if so, the details thereof ?

THE MINISTER OF PARLIAMETARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (f). A statement is given below.

Statement

(a) The Federation of Indian Chambers of Commerce and Industry in association with the Chamber of Commerce of Japan had organised a symposium in New Delhi on 2.4.1986 for promotion and Development of Tourist Traffic from Japan to India. This symposium had put forth a number of suggestions which are under examination by the Department.

(b) Between January to November 1985, 26,585 Japanese tourists visited India in comparison to 26,253 who had

visited in the corresponding period in 1984, thereby showing an increase of 1.3%.

(c) The target fixed for Operation East Asia including Japan is 52,000 by 1990 as per the draft 7th Five Year Plan.

(e) The major constraints in the way of stepping up Japanese tourist traffic to India are inadequate airlines capacity between Japan and India, high cost of air travel and the absence of any promotional fares or cheap group fare, Japanese' complaint of the standard of cleanliness and hygienic conditions in India; infrastructural inadequacies such as absence of clean accommodation and wayside amenities in the Buddhist circuit which attracts a sizeable number of Japanese travellers, non-availability of a sufficient number of Japanese speaking staff and guides in India and Japanese language difficulty and uncertainty and difficulty of obtaining reservation on the domestic flights and in the railways

(d) and (f). The Department of Tourism has been attaching considerable importance to Japan as a market of great potential. The specific promotional measures being undertaken are :

(i) Launching of a more effective publicity campaign for visiting India during the off season, promoting specific destinations such as Kashmir, Goa and the Buddhist circuit in Eastern India.

(ii) Inviting Japanese travel agents, travel writers, film units, photographers and TV programmers on familiarisation tours to India under the Department's Hospitality Scheme.

(iii) Sending promotional tours of officials and travel trade representatives to hold promotional programmes at various important tourist centres in Japan.

(iv) In order to evoke further interest in India Quiz programmes were organised by the Regional Director which proved popular and successful.

- (v) Production of tourist publicity material including literature, films, audio visuals in Japanese language.
- (vi) Mounting of exhibitions related to the life of Buddha.
- (vii) Organising of multi-media presentation and Discover India programmes
- (viii) Development of infrastructural facilities at Buddhist sites and places of interest to travellers from Japan.

[Translation]

SHRIMATI MADHUREE SINGH : Mr. Speaker, Sir, the hon Minister has himself admitted that very few Japanese tourists visit India due to inadequate airlines service and high cost of air travel. Japan is a friendly country. Therefore, when the air fare for Europe and the U S A. is comparatively lower than for Japan, why do the Government not think of reducing the air fare for Japan ?

At the same time, I would like to ask another question. There are a number of Buddhist Centres in India which are places of attraction for the Japanese tourists. Some of these are Rajgir, Bodh Gaya, Sarnath and Sanchi. Due to inadequate transport facilities, the tourists face a lot of inconvenience. Therefore, my humble request to the Government is why permission is not granted to foreign chartered planes for landing at Patna which is the major Centre of Buddhism particularly when suitable customs arrangements are available there. I would like to know whether Government would consider providing international airport facilities at Patna ?

SHRI H. K. L. BHAGAT : Mr. Speaker, Sir, as stated by the hon. Lady Member, it is true that the Japanese people have a great attraction for India—the land of Lord Buddha. At the same time, it is also true that through Japanese are keen tourists, yet they rarely visit India. Their number is not as high as it should have been. There are many types of tourists there—some tourists are quite rich and

some are middle class tourists. Thus, they have different categories of tourists and they travel in groups. Japan has the maximum number of tourists in the world, but our share therein is just negligible. The Japanese people spend about 10 billion U S. dollars on tourism, but not even a fraction thereof comes to us. They very rarely visit India. Some suggestions were given in the seminar referred to by the hon. lady Member and some of them are under consideration of the Government. One of the suggestions is that the air fares are not rational and there is need to reduce them. Besides, other suggestions are also under consideration. So far as the question of Buddhist Centres is concerned, the Government are taking and would continue to take steps for their development. I myself had visited some of the places two—three weeks ago. So far as the question of building international airport at Patna is concerned, I cannot say anything right now, but I shall talk to the hon Minister of Transport.

SHRIMATI MADHUREE SINGH : A large number of tourists from Japan visit Africa for Safari. Forests and games sanctuaries are there in India also to which Japanese tourists can be attracted. I would like to suggest to the hon. Minister that arrangements should be made to bring Japanese tourists to India so that they could be shown our forests, our natural and our wild life. This will attract them to visit India regularly.

SHRI H. K. L. BHAGAT : There are many places in India which can be a source of attraction for the Japanese tourists to which the hon. lady Member has also referred. In this connections, I have also held consultations with the State Government including the Chief Minister of that State. I have asked him to give us some suggestions about these places. The Central Government on their part will consider what assistance they can provide for this purpose.

[English]

SHRI PARAG CHALIHA : Will Government consider relaxing the presently existing total restriction of entry permits to foreign tourists into Assam where, among others exist the Kaziranga National Park ?

SHRI H. K. L. BHAGAT : This question relates to...

MR. SPEAKER : Something else.

SHRI H. K. L. BHAGAT : Anyway, I will answer this question. This question related to the seminar on tourism, but...

MR. SPEAKER : No.

SHRI H. K. L. BHAGAT : I will answer his question.

MR. SPEAKER : Why do you answer irrelevant questions ?

SHRI H. K. L. BHAGAT : We have received some...the hon. Speaker has allowed it.

MR. SPEAKER : I have disallowed him.

SHRI H. K. L. BHAGAT : That is all right. The Assam Government...

MR. SPEAKER : Now Prof. Narain Chand Parashar.

PROF. NARAIN CHAND PARASHAR : In the statement, infra-structural difficulties have also been pointed out as one of the difficulties for Japanese tourists visiting India. Earlier, there was a special train known as the Great Indian Rover which started from Calcutta and went round places like Patna, Bodh Gaya, Rajgir, Sarnath and Gorakhpur. Now, that has been discontinued. May I know whether the train would be reintroduced; and places of Buddhist interest like Riwalasar in Himachal Pradesh, Sanghol in Ludhiana district of Punjab, Ladakh in Jammu and Kashmir as also Ajanta and Ellora in Maharashtra Nagarjun Kadna of Andhra Pradesh would also be covered by the provision of these facilities for these Japanese tourists, because ordinarily only places in the States of U.P. and Bihar are considered suitable, for these tourists, for the purpose of provision of these facilities ? May I know if the places I have suggested in States other than these two States would also be included for this purpose ?

SHRI H. K. L. BHAGAT : We would very much like the Japanese tourists not only to come to places connected with Lord Buddha or with Buddhism. We would like them to visit almost all the attractive places in India, as many as possible, and as much as they can... That is our intention. We would like them not to confine themselves to those places.

As far as this particular train is concerned, it was mentioned to me. So far, I have not made any enquiry. Now that the hon. Member has mentioned it too, I shall make enquiries and find out from the Ministry concerned.

Incentives for Cotton Export

*892 **SHRI DIGVIJAY SINH :** Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that largely due to the replacement of natural cotton fibre by man-made fibres there is a gult in the production of cotton crop in India often bringing the price below support price levels;

(b) whether competition in World market is difficult despite ex-port controls having been relaxed by Government; and

(c) whether Government are contemplating to give export incentives for effectively competing in the World market to procure better price for the cotton producers ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). A statement is given below.

Statement

(a) to (c). No, Sir. The fall in the prices of cotton during the current cotton seasons is due to the shortfall of demand over supply of cotton in the country. The production of cotton during this year is now estimated at about 107.00 lakh bales as against the production estimates of 101.5 lakh bales during the last cotton season.

(b) and (c). India is facing stiff competition in export of cotton during the current cotton year due to easy cotton supply position in the world market. The Government of India have released 10.00 lakh bales of long and extra long staple cotton for export during the current year. With a view to increasing exports, the condition of minimum export price for export of cotton has been withdrawn by the Government. Further, unlike in the past, export quota has also been released in favour of Private trade. Government have also announced liberalised long term policy for export of cotton yarn.

SHRI DIGVIJAY SINH : The statistics given are 107 lakh bales of production in India this year as against 101 lakh bales of consumption. That means there is a glut. But I don't see why they have accepted this stand of mine which I have asked in my question—whether replacement of natural cotton fibre by man made fibre is the main reason for this because if you accept it, then it is a continuous process, if it is a continuous process, they have to think about it in a long term policy. Therefore, I asked a very specific question that merely relaxing export of cotton will not suffice. You cannot compete in the world market because this situation of over-production of cotton, because of man made fibre replacing cotton is exiomatic throuout the world. Therefore, the only way we can compete in the world market is, if you have a cash compensation support scheme and, if you include this as a cash compensation support (CCS scheme) only then it can compete in the world market. Will government think of it ?

SHRI KHURSHID ALAM KHAN : I would like to explain that the mill consumption of cotton this year is 87 lakh bales, and this is slightly higher than what was last year. Although, last year, the full fibre flexibility has been allowed, but I don't think it would be possible for the commodity of the type to recommend any CCS at the present moment.

SHRI DIGVIJAY SINH : Which other subsidy can be given to facilitate this product to stand in the world market especially in relation to what are the announced libera-

lised long term policies of export which are mentioned in the answer ?

SHRI KHURSHID ALAM KHAN : In the first place, various facilities and the concessions are provided by the State Government and their Agriculture Department. Apart from that, we are also in touch with the Agriculture Ministry of the Central Government so that they try to help as much as possible. Now, as regards long-term policy, this year, we have allowed 10 lakh bales for export, I have given an assurance to the exporters that even in the next two years term, next year and year after, at least a guarantee of 5 lakh bales will be available for export purposes so that the importing countries have confidence that they will be able to import this country on a regular basis.

SHRIMATI BASAVARAJESWARI : Has it come to the notice of the government that the huge quantity of cotton both in Karnataka and Andhra Pradesh has been damaged in fire and whether it has been assessed ? If so, what action the government propose to take to find out the total loss in the recent fire accident ?

SHRI KHURSHID ALAM KHAN : A fire accident has taken place and an enquiry has been ordered. Unless I receive an enquiry report, I would not be able to say anything about it.

SHRI KADAMBUR JANARDHANA : Is it a fact that owing to the new textile policy with regard to excise duty reduction of synthetic fibre, the cotton consumption has been reduced considerably in our country, particularly in this over-production year and whether that mainly causes glut of cotton in the market ?

SHRI KHURSHID ALAM KHAN : It is not a fact that the consumption of cotton has been decreased, in fact, it has slightly increased as against last year's consumption.

[Translation]

MR. SPEAKER : Then why the price is falling ? Why are there no buyers of farmers Cotton ?

[English]

SHRI KHURSHID ALAM KHAN :
The only problem is that there has been over production. Besides there were more than 24.40 lakh bales of carry-over from last year; and this is not only in this country but there has been over production in China, in Pakistan and there is a glut of cotton in the international market.

[Translation]

MR. SPEAKER : What steps have you taken to save the farmers ?

[English]

SHRI KHURSHID ALAM KHAN :
We have been buying it on the support price; about 50 lakh bales we have been buying. That is, the Cotton Corporation of India has been buying.

[Translation]

SHRI DILEEP SINGH BHURIA :
MR. Speaker, Sir, through you, I want to know that duty on polyester fibre has been reduced as a result of which import of polyester fibre has become cheaper...

MR. SPEAKER : Do you want the import to be reduced ?

SHRI DILEEP SINGH BHURIA : As a result thereof, cloth based on polyester fibre is being manufactured more. This in turn has resulted in fall in the price of cotton being grown by the farmers and there are no buyers for that. Today, there is no buyer of cotton even at Rs. 250 a quintal. Due to this, the farmers are suffering a lot. Therefore, I would like to know whether keeping in view the interests of the farmers, the hon. Minister will formulate a clear cut policy ?

[English]

SHRI KHURSHID ALAM KHAN :
If the announcement for export of 10 lakh bales was not made, then there would have been further depression in the prices of cotton in the domestic market. Therefore, this has been done for the first time in order to help the farmers so that they get better prices in the domestic market.

[Translation]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, through you, I would like to know from the hon Minister whether he would consider afresh the entire import policy in respect of the items you import against cotton ?

SHRI KHURSHID ALAM KHAN :
There is no barter system in respect of cotton export; the cotton is only sold.

SHRI BALKAVI BAIRAGI : I have asked whether he would consider giving a fresh thought to the entire import policy ?

[English]

SHRI KHURSHID ALAM KHAN : It is not linked with imports.

[Translation]

**Curb in Import of Indian Garments by
U. S. A.**

*893 **SHRI BALWANT SINGH
RAMOOWALIA :**
+
**SHRI P. R. KUMARA-
MANGALAM :**

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the USA introduced quota system in order to reduce import of garments from India;

(b) if so, the facts in this regard;

(c) whether Government have held any talks with the USA in this regard; and

(d) if so, the outcome thereof ?

[English]

**THE MINISTER OF STATE OF THE
MINISTRY OF TEXTILES (SHRI
KHURSHID ALAM KHAN) :** (a) to (d).
A Statement is given below.

Statement

The exports of garments from India to U. S. A. are governed by the Indo-US Textile Bilateral Agreement valid from 1st

January, 1983 to 31st December, 1986. When the agreement was originally negotiated, specific restraints on the export of garments were placed on six garment items under an overall limit for garments as a whole. During 1984 and 1985, the U. S. Government brought in restrictions on five more garment items. Based on the consultations held between the Government of India and the Government of U.S.A., the U. S. Government withdraw restrictions on four garment items imposing restriction on one garment item, cotton play suits. Recently, in March, 1986, U. S. Government has proposed restriction on the import of ladies blouses of man-made fibres falling under category 641. As per the Agreement, the Government of India will hold consultations with U. S. Government on this.

SHRI BALWANT SINGH RAMOOWALIA : From the statement laid on the Table of the House it is clear that the Government of U.S.A. has brought restrictions and has violated the Indo-US Textile Bilateral Agreement. What steps the Government and the Minister have taken to convince the U.S. Government or to get the agreement implemented in totality ?

SHRI KHURSHID ALAM KHAN : The matter was taken up with the U.S. Government and after detailed discussion it was agreed that for the time being restrictions only on item i. e. ladies blouses of cotton would be kept.

SHRI BALWANT SINGH RAMOOWALIA : The agreement was to expire on 31 December, 1986 and due to the mid-term review of the agreement by the Government of U. S. A. it is clear that the garment making units and industry have suffered heavy losses. What steps Government is taking to compensate them and save them ?

SHRI KHURSHID ALAM KHAN : The garment exporters have not suffered any losses. In fact, there has been export worth Rs. 1087 crores of garments from this country to quota and non-quota countries. As regards U.S.A. the present agreement is upto 31st December, 1986.

Now consultation will start for the restrained items under the agreement.

SHRI P. R. KUMARAMANGALAM : The answer laid on the Table of the House speaks of bilateral agreement but the rest of the statement indicates that there are unilateral actions. Does the agreement provide for a unilateral action on the part of U.S. Government ? Such unilateral action also amounts to economic aggression to ensure that the developing countries are not really to export. They restrain small fellows like us while they do not restrain their other big brothers. The short question is : Does this agreement provide for unilateral action on the part of the U. S. Government to impose restraint or restriction on the import to the country and export from our country ?

If so, under what circumstances did we sign such an agreement, and if not, what is the action that we have taken for breach of agreement because unilateral action has not been taken once; according to your statement it has been done more than once. Within a short period of three years, they have done it thrice. They cannot go on doing it. Then what is the use of having bilateral agreement ? So, I would like to know whether, first of all, unilateral action is permitted and if so, why did they sign such an agreement and if not, then what action have they taken.

SHRI KHURSHID ALAM KHAN : The whole problem is the quota system and in this quota system the importing countries have got certain advantages.

SHRI P. R. KUMARAMANGALAM : I wanted to know in what circumstances did he sign it. The country should know why do we go on agreeing.

Inter-Ministerial Committee Regarding Export Problems

*894. **SHRIMATI KISHORI SINHA** Will the Minister of COMMERCE be pleased to state :

(a) whether an Inter-Ministerial Committee has been set up to take on-the-spot decisions regarding export problems; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) There are a number of Inter-Ministerial Committees in existence which meet from time to time to discuss policy measures and problems in different sectors regarding India's exports. For export processing zones, there are separate Authorities. No new Committee has been set up.

(b) Does not arise.

SHRIMATI KISHORI SINHA : Mr. Speaker, Sir, I would like to know from the Government whether several industrial organisations including the Association of Indian Engineering Industry have demanded the setting up of an Export Authority of India or some such high-powered body and if so, what is the Government's reaction to it.

SHRI P. SHIV SHANKER : The point, as I have said, is that there are large number of export councils including the Engineering Export Council which already exist. Therefore, hon. Member's question does not arise.

SHRIMATI KISHORI SINHA : I would like to put my second supplementary. Is there any proposal to have one high-powered committee consisting of the concerned Cabinet Ministers to take the decision quickly so that the delay caused by the time-taking processes by different authorities before being put up to Government for decision could be avoided, and if so, whether that body will be competent to take decision without reference to the Government.

SHRI P. SHIV SHANKER : Sir, so far as the officials are concerned, there is one secretarial committee. But with reference to the Ministers, the proposal is pending and perhaps the decision would be taken at the earliest so that a ministerial committee is set up in order to go into the entire gamut of the licensing, the investment, the export and so on and so forth, and it should be case of a single window clearance.

[Translation]

SHRI JAI PRAKASH AGARWAL : Mr. Speaker Sir, many a time it so happens that the export shipments are held up at the other end for months together. This is what happened in the U. S. A. last time. Goods worth about Rs. 40 crores were held up at the port for six months. The goods were held up on the plea that these were not powerloom products, but were handloom products and as such, they could not give clearance. I would like to know which Committee or Body takes care of these things in such a situation and why does it take so much time to take a decision?

[English]

SHRI P. SHIV SHANKER : Of course, my hon. friend has asked about a matter which is within the jurisdiction of the Textile, but I must submit that if the goods of the specification are not exported from here, then the problems do arise at the ports, and what happens is these matters are sorted out by the respective Councils. Textile Corporation is also there, Textile Export Promotion Council is also there. These are the matters which are sorted out. But normally the complaint that comes in is with reference to the specified goods not having been exported to the countries which have imported the goods.

Inflation in India

*895. **SHRI AMAR ROYPRADHAN :** Will the Minister of FINANCE be pleased to state :

(a) the present rate of inflation in the country and the causes thereof;

(b) how does the rate of inflation in India compare with other developing countries; and

(c) the steps Government propose to take to check inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). A statement is given below.

Statement

(a) and (c). The annual inflation rate in India in 1985-86 in terms of Wholesale Price Index, on a point to point basis, was 3.7 per cent. Price behaviour depends on a number of factors, including the demand and supply situation in respect of individual commodities and overall liquidity in the economy.

Government has taken a number of anti-inflationary measures towards effective supply and management, including strengthening of public distribution system of essential commodities, supply of food-grains to weaker sections under special schemes, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control.

(b) For the group of developing countries as a whole, the annual inflation rate in 1985, is estimated by IMF on the basis of available data was 39.5 per cent.

SHRI AMAR ROYPRADHAN : Mr. Speaker, Sir, if you kindly go through the reply, you will find that the answer to parts (a) and (c) of the question is like a school boy's reply, but regarding (b) it is a clear intention of the Minister to avoid it and it is an evasive reply.

Sir, if you see the question you will find that I have asked : "How does the rate of Inflation in India compare with other developing countries ?". The Minister in his reply says 'As a whole'. What is this ? This is an evasive reply. If you go through the reply to part (b) you will find that the Minister has referred to IMF. So, I would like to know whether he has gone through the report that has been placed by the IMF before the World Bank. The IMF has placed a report called "World Economic Outlook" before the World Bank. In that report it was clearly stated :

"Inflation rises in poor countries"
"Inflation decreases were noted in Hong Kong, Indonesia, Singapore and Pakistan while sizeable increases were shown in Burma, Nepal, Thailand and in India."

This is what they have stated. So, in the light of this, May I know from the Minister what is his reaction regarding this IMF report ?

SHRI JANARDHANA POOJARY : The hon. Member in part (b) asked : "How does the rate of inflation in India compare with other developing countries ?". There are so many developing countries. My answer is this. "For the group of developing countries as a whole, the annual inflation rate in 1985 as estimated by IMF on the basis of available data was 39.5 per cent."

So, I have stated 39.5 per cent in developing countries on an average. I have stated that.

SHRI AMAR ROYPRADHAN : How many are these developing countries ? What is the number ? It can be numbered.

SHRI JANARDHANA POOJARY : So far as inflation rate in India is concerned, we have said, it is 3.7 per cent.

(Interruptions)

MR. SPEAKER : It is all right. Why do you compare ?

SHRI AMAR ROYPRADHAN : We have to compare it with other developing countries. India should be compared with other developing countries like Indonesia, Pakistan, etc.

MR. SPEAKER : You should be proud of the achievement.

SHRI SAIFUDDIN CHOUDHARY : That is untrue.

MR. SPEAKER : I don't believe that they are more right than what we are ! They might be wrong.

SHRI JANARDHANA POOJARY : If you compare it with the group of developing countries, they have 39.5 per cent. So far as India is concerned, it is 3.7 per cent. We should be proud of it also. We are not complacent. The

Government has been closely watching the matter, inflation rate and other things. In a developing economy this inflation to a certain extent is rather inevitable. We cannot say that there is no inflation at all. If there is no inflation it means there is no development in the country. In a developing economy, there is bound to be a certain amount of inflation always.

(Interruptions)

MR. SPEAKER : He said, it is 3.7 per cent in India.

(Interruptions)

SHRI AMAR ROYPRADHAN : Sir, it is not a proper reply. The inflation rate in India is much more than that of other developing countries like Pakistan, like Indonesia, Singapore, etc.

(Interruptions)

MR. SPEAKER : Order please. He has already replied. He has stated, 3.7 per cent.

SHRI AMAR ROYPRADHAN : It is in the IMF report. India's inflation is much more. It is much more than Pakistan, Indonesia, etc.

MR. SPEAKER : We have got 3.7 per cent He said that. What is the dispute about it ? No. I am satisfied with the answer. Yes. Now, Prof. Kurien.

(Interruptions)

SHRI AMAR ROYPRADHAN : My second supplementary is this...

MR. SPEAKER : Then put in.

SHRI AMAR ROYPRADHAN : Sir, only the wholesale price index is not sufficient enough to determine this. The consumer price index also has to be taken into account which is of the order of 8 per cent every year. There are various other factors which are there to determine the rise in inflation. So the average is 11 to 12 per cent. What are the steps taken by the Government to control inflation ? What

he has given is only an evasive reply. What are the steps taken by Government to stop—

(a) budget-deficit induced inflation; and

(a) black money inflation ?

This is my question.

SHRI JANARDHANA POOJARY : Sir, we are looking into regional C. P. I. So far as the deficit which leads to inflation and other factors leading to inflation is concerned, my point is this. Even the deficit which is shown in the Budget is within the manageable limits.

Sir, we have taken action against the black money. For the information of the hon. Member, as against the budget estimates, the revenue collection is also Rs. 2,411 crores more. It is a record after Independence, and so far we have not been able to collect this amount of Rs. 2,411 crores, as against the Budget estimates for 1985-86. This is one of the steps that have been taken in order to contain inflation. Other steps have also been taken. We are providing foodgrains to the weaker sections and also the tribal people at subsidised rate and also the public distribution system has been streamlined and money supply is also kept under control.

PROF. P. J. KURIEN : It seems that the hon. Member is not satisfied with the small rate of inflation. He simply wants more,—higher rate of inflation.

My question is only this. In spite of this inflation which has been stated by the Minister, is it not a fact that the purchasing power of our people has increased when compared with other developing countries ?

SHRI JANARDHANA POOJARY : Sir, that information I am not having.

Opening of Tourist Offices in Foreign Countries

*896. SHRI CHINTAMANI JENA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the steps taken to open our tourist offices in foreign countries to propagate and encourage tourists towards India;

(b) the number of offices opened so far and in which countries; and

(c) the number of offices likely to be opened during the Seventh Five Year Plan and at which places ?

THE MINISTER FOR PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). To propagate and accelerate tourist traffic to India, 20 Tourist Offices are at present functioning abroad. A statement showing the Tourist Offices in the different regions is given below.

(c) The location of offices overseas is under constant review, and existing offices are abolished or relocated, and new offices are opened on the basis of the changing needs of the various markets abroad.

Statement

Operation-wise offices

1	2
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AMERICA

1. New York
2. Chicago
3. Los Angeles
4. Toronto

U. K.

5. London

EUROPE

6. Geneva
7. Paris
8. Brussels
9. Stockholm
10. Vienna
11. Milan
12. Frankfurt

1	2
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AUSTRAIASIA

13. Sydney
14. Singapore
15. Kuala Lumpur

EAST ASIA

16. Tokyo
17. Bangkok

WEST ASIA

18. Kuwait
19. Dubai

Also, one Information Assistant is based at Kathmandu, Nepal.

SHRI CHINTAMANI JENA : Sir, I am very much thankful to the hon. Minister and his Ministry for taking keen interest in the international tourist flow into our country. In this context, may I know from the hon. Minister whether his ministry has chalked out a very ambitious programme of international tourists to be increased to 2.5 millions by 1990? If so, when the hon. Minister was replying to the earlier question you might have heard that he was telling that Japan is spending 10 billion U.S. Dollars per year. So, in that context, you will see from the statement that in East Asia they are giving only two offices and also in West Asia, who are the oil barons, there are only two offices. So, may I know from the hon. Minister he is thinking to increase the offices in East Asia and West Asia? If so, by which time and how many offices to be opened?

SHRI H. K. L. BHAGAT : Sir, I agree with the hon. Member that India's share of the world tourist trade is certainly meagre as compared to the tourist attractions which India offers. Steps are very much needed to boost tourist traffic rate to India not only from Japan, but from various parts of the world. We have to tap not only traditional areas, but some non-traditional areas also. Certainly offices are a necessity. But mere setting up of offices does not do. As I said, the Government recently appointed a Committee which went into the question of location of offices. We are not proposin^g

to increase any offices. On the other hand, we are thinking of reducing some offices, making the existing offices more effective, and also trying to effect some economy in foreign exchange. But wherever an office is considered very necessary for promotion of tourist traffic, certainly that will be considered.

SHRI CHINTAMANI JENA : May I tell the hon. Minister that from our experience we notice that foreign tourists are facing difficulties or experiencing many types of difficulties while travelling by air as well as railways and also getting good accommodation in the tourist-hotels in places like Konarak, puri Bhuvaneswar etc. In view of this, may I know from the hon. Minister whether his Ministry is thinking to have an inter-Ministerial Committee to coordinate with all the Ministries like Home etc. Sir, you might be knowing.....

MR. SPEAKER : Don't explain to me. You put a simple question.

SHRI CHINTAMANI JENA : Will he coordinate with all the Ministries including Home because the tourists have been exploited by touts in various places. In view of this, may I know from the hon. Minister whether he is going to have inter-Ministerial coordination committee to coordinate various things?

SHRI H. K. L. BHAGAT : We do propose to have coordination not only between Ministries at the Central level but also at other levels. For that, setting up of some kind of coordinating authority is under consideration. At the same time, we have suggested to the state Governments to have a Tourist Advisory Board consisting representatives of all concerned and we are very keen that the tourists should not be exploited and they should not be given any genuine cause of complaint. We have also suggested to the State Governments to examine the question of having suitable laws; there is one law in Jammu & Kashmir, and taking that law before them, they should consider whether any further laws of that kind are necessary.

But I entirely agree with him that coordination is very necessary and we are considering achieving that coordination in the best possible manner.

SYED SHAHABUDDIN : Mr. Speaker, Sir, the question is really related to the promotional campaign abroad. Now, we have these 20 offices, and I am happy to learn from the hon. Minister that their location is kept under constant review.

But I know, on the basis of my personal experience, that there is apparently not much correlation between the expenditure incurred by a particular office and the tourists attracted from the region of its operation. So, I would, therefore, like to know from the hon. Minister whether he can give us, in respect of these 20 offices' the promotional expenditure incurred by each of these offices per tourist drawn from that region.

SHRI H. K. L. BHAGAT : Sir, I must say that I don't have this information with me with regard to each office, how much it is spent on it and how many tourists come from the region or area which is under its control. This is the consideration which is kept in view while fixing this. But with regard to each particular office and the tourist traffic which is flown from that particular zone, in relation to the expenditure incurred, I do not have the information with me.

SYED SHAHABUDDIN : You can give expenditure per tourist for one year or the last three years.

SHRI H. K. L. BHAGAT : For example, I can give you the general...

SYED SHAHABUDDIN : Mr. Speaker, Sir, I am not asking for the absolute expenditure. I am asking for the expenditure per tourist.....

MR. SPEAKER : It can be collected and given to you.

SHRI D. N. REDDY : Sir, there is a general complaint that foreign embassies of our countries abroad are not helpful

to tourists from our countries. What is the policy of the Government regarding tourists from our countries to other countries? Would you give direction to our embassies to be more helpful to them, more sympathetic to them? This is a general complaint—they are not at all helpful to our tourists. I would like to know the policy of the Government. Are you going to encourage tourists from our countries to other countries, Western countries or not?

SHRI H. K. L. BHAGAT: Certainly, I would agree with the hon. Member that tourists from our country, when they go to other countries, should get all possible courtesy and cooperation from our offices abroad.

Research on Rubber Cultivation.

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

(a) whether any research work has been on undertaken by the Rubber Board on various aspects of Rubber cultivation;

(b) if so, the details of the work done in this field;

(c) whether the benefit of the research done has reached the growers; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) to (d). A Statement is given below.

Statement

(a) to (b). Yes Sir, the Rubber Research Institute of the Rubber Board is undertaking research covering all relevant aspects of Rubber cultivation. Of note is the work relating to the evolution of high-yielding varieties of Rubber, evolution of an optimal package of inputs and plant protection practices. Rubber growers have benefited from this research and substantial area under rubber cultivation including that held by small growers is

now covered by high yielding varieties. Adoption of package of inputs and plant protection measures recommended has also been widespread.

PROF. P. J. KURIEN: Sir, the hon. Minister, has said in his statement that our researchers have produced high yielding variety of rubber and the benefit of research has been substantially passed on to the growers. I would like to know what is the productivity due to this high yielding variety and how does it compare with those in other rubber producing countries.

It is also said that the benefit passed on to the growers is mostly to the large estate owners. What steps would he take to see that the benefit of research is passed on to the small growers also?

SHRI P. SHIV SHANKER: The first question is with reference to increase in productivity. In 1951-52, the productivity per hectare was 298 kg. In 1984-85, this productivity has increased to 886 kg per hectare because of the various measures that have been taken. This increase in productivity is substantial.

The other part of the question which the hon. Member has asked is about the small growers. Various plans have been conceived for the purpose of increasing the production through the process of research. So far as the small growers are concerned, they are given a capital subsidy of Rs. 5,000/- per hectare plus 3% interest subsidy as compared to the capital subsidy of Rs. 3,000/- to the large growers. So, they get Rs. 200/- per hectare more plus 3% interest subsidy also.

Apart from that, the small growers who have less than six hectares are also given the additional incentives, for example, input subsidy, reimbursement of cost of planting material, soil conservation subsidy and 50% subsidy in fertilisers. These are the benefits that the small growers get.

PROF. P. J. KURIEN: The fact is that majority of small growers are still not using the high yielding variety of rubber and actually it is the large estate owners

who are using high-yielding variety; that is about my first supplementary.

My second supplementary is that the results of research show that there can be new variety of rubber plant capable of being used in non-traditional area. It has been said that even desert areas, can be used, for rubber cultivation. But practically no research is made in that direction, in our country.

I would like to know whether any research in this regard is made in our country. If not, will you take it up with the concerned Rubber Board Department so that research is conducted in that direction also ?

SHRI P. SHIV SHANKER : Research has been conducted in that direction in our country. As a result of that research, various measures have in fact been taken recently so far as the Eastern region is concerned, in the North-Eastern region in order to develop the rubber Plantation. In 1984, an outlay of Rs. 3 crores was sanctioned for that purpose so that the nurseries, research farms, nucleus rubber estates and trading centres could be established. Various steps have been taken for setting up the offices etc. in the area also. What is happening is, this particular Research Board is trying to expand the area for the purpose of cultivation of rubber in the non-traditional areas and, as my hon. friend has said, one of these areas is the North-Eastern region.

Consortium Finance of Cooperative Banks

*898. **SHRI DHARAM PAL SINGH MALIK :** Will the Minister of FINANCE be pleased to state what role National Bank for Agriculture and Rural Development and the Reserve Bank of India contemplate to play in arranging consortium finance of Cooperative Banks for meeting the credit needs of the National Cooperative Organisations in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : A Statement is given below.

Statement

NABARD has already taken a decision to allow the State Cooperative Banks to join the various consortiums of banks in financing the national level cooperative organisations. State Cooperative Banks would be permitted to join the various consortium arrangements if they satisfy the following conditions.

- (i) They should have fulfilled the requirement of providing 25% of their internal lendable resources for short-term agricultural lending.
- (ii) They should have adequate long term disposable resources with them which could be conveniently spared for participating in the consortium arrangements.
- (iii) They should have resources of long term nature to participate in the consortium arrangement at least for a period of three to five years so as to avoid any possibility of abrupt withdrawal by them from the consortium arrangements.

State/Central Cooperative Banks have been advised to prepare their performance budgeting and credit planning on an on-going basis. This will be monitored by **NABARD**.

SHRI DHARAM PAL SINGH MALIK : May I know from the hon. Minister whether it is not a fact that the Agriculture Refinance Development Corporation has been charging an interest at the rate of 10 to 11% for agricultural loans given to the farmers in the country whereas the World Bank is charging 0.75% interest for long-term agricultural loans? In this connection, I would like to know what are the reasons for charging so much high rate and whether Government proposes to reduce the interest for the long-term loans given for agricultural purposes in the country.

SHRI JANARDHANA POOJARY : The National Bank for Agriculture and Rural Development is charging 7% to the State Cooperative Banks and then these

Cooperative Banks, in turn, lend the money to the District Central Cooperative Bank at 7.5%. Then, the Central Bank to the Society at 9%. So there is no proposal for reducing this rate of interest.

SHRI DHARAM PAL SINGH MALIK:
I want to know whether the cost of the agricultural land is assessed very low while giving loans by the Co-operative Banks and the Scheduled Banks as compared to the industrial sector. What is the reason for that?

SHRI JANARDHANA POOJARY : We are not discriminating between agricultural land and the industrial land.

Losses Suffered by National Textiles Corporation

*899. **SHRI UTTAM RATHOD :**
Will the Minister of TEXTILES be pleased to state :

(a) the value of the products of the mills under the National Textile Corporation during the last year and that expected during the year 1986-87;

(b) whether any losses were sustained by the National Textile Corporation during 1985-86 and if so, the amount of losses; and

(c) the steps being taken to improve the performance of the mills under the Corporation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). A Statement is given below.

Statement

(a) The production value of the mills under National Textile Corporation during 1985-86 is estimated at Rs. 967.76 crores. The likely production value during 1986-87 is estimated at Rs. 1010.00 crores.

(b) During the year 1985-86 (April-85 to February-86) the nationalised mills under NTC incurred losses amounting to Rs. 117.44 crores and the managed mills in-

curred losses amounting to Rs. 49.95 crores during the above said period.

(c) Some of the important steps taken/being taken, within the limited resources, to improve the performance of the mills under NTC are as under :

- (i) arrangements are being made for timely procurement of cotton from different available channels;
- (ii) working capital has been replenished to make up for cash losses;
- (iii) to overcome the power shortage, self-generating capacity has been provided;
- (iv) selective modernisation programme have been adopted for result-oriented gains making best use of limited resources;
- (v) cost control methods have been introduced for reduction in cost at all levels;
- (vi) efforts are being made for reducing the non-operational administrative expenses;
- (vii) workers' participation scheme in the management is being encouraged to achieve higher productivity; and
- (viii) the performance of NTC is being monitored closely to reduce costs, improve efficiency and quality.

SHRI UTTAM RATHOD : In reply to part (c) the Minister has stated in (i) that arrangements are being made for timely procurement of cotton from different available channels.

May I know which are the channels? Private or co-operatives or the CCI?

SHRI KHURSHID ALAM KHAN : They are the Co-operatives and the CCI.

SHRI UTTAM RATHOD : May I know which are the NTC units which are

making the greatest losses and which are in the urban areas ?

SHRI KHURSHID ALAM KHAN : There are 8 units which are losing about Rs. 25 crores annually.

SHRI D. B. PATIL : It is stated in the reply that during the year 1985-86 (April 85 to February 86) the nationalised mills under NTC incurred losses amounting to Rs. 117.44 crores and the managed mills incurred losses amounting to Rs. 49.95 crores. May I know the reason for such huge losses ?

SHRI KHURSHID ALAM KHAN : The life of these units is much more than my life and your life. We cannot expect that these units will be viable. But every possible effort is being made to ensure that as much losses are reduced as possible.

PROF. K. K. TEWARY : This is objectionable, Sir. That means that you are productive and he is not productive and you, people should be replaced. Something like that he means.

MR. SPEAKER : He is only comparing our lives and not our productivity.

SHRI K. S. RAO : Keeping in view the heavy lossess the NTC is incurring by now the Minister must have gone in depth into the causes for the loss—I just wanted to know from the hon. Minister whether he still continues to be pessimistic or is he confident that these mills will turn the corner during his tenure ?

[*Translation*]

SHRI BALKAVI BAIRAGI : How is he speaking before the Zero Hour ?

MR. SPEAKER : Let us allow him today before the Zero Hour, We shall excuse him in the Zero Hour.

[*English*]

SHRI KHURSHID ALAM KHAN : This has been the fate of so many Ministers in this Ministry. I do not think I will be able to do something spectacular.

MR. SPEAKER : At least be just optimistic please.

MR. SPEAKER : Next Question; Prof. Tewary.

PROF. K. K. TEWARY : Q. No. 900.

AN HON. MEMBER : He is nearing the Zero Hour.

MR. SPEAKER : Is it the fore-runner, Sir ?

Profits Earned by STC and Measures for Promoting its Exports

*900. **PROF. K. K. TEWARY :** Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation earned any profits; during the year 1985-86;

(b) if so, the details thereof;

(c) whether the State Trading Corporation has drawn up any schemes for increasing exports through its agencies during 1986-87; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The profit after tax for 1985-86 is revisional estimated at Rs. 32 crores.

(c) and (d). Against direct export of Rs. 377 crores provisions estimated for 1985-86, STC has set a target of increasing and direct exports to Rs. 554 crores including Rs. 385 crores of non-canalised export during 1986-87.

[*Translation*]

SHRI BALKAVI BAIRAGI : He has two zeros in his question.

MR. SPEAKER : He has put the question carefully.

[English]

PROF. K. K. TEWARY : As the time at my disposal is very short, I will put a very short question. I would like to know from the hon. Minister what exactly is the quantum of profits of this stated total profit of Rs. 32 crores from (1) export of canalised items, (2) non-canalised items and (3) sale of imported industrial commodities and industrial raw materials.

SHRI P. SHIV SHANKER : In 1985-86, the turnover had been Rs. 2,522.7 crores; the trading profits was Rs. 104.5 crores; I gave the profit before tax as Rs. 59 crores; the profit, after tax, as I submitted, was Rs. 32.5 crores. So far as details, item-wise, are concerned, the canalised part of it is Rs. 141.21 crores, non-canalised Rs. 231.78 crores; and off shore Rs. 3.29 crores.

WRITTEN ANSWERS TO QUESTIONS

[English]

Import of Cashewnuts and Measures to Increase Production.

*887. **SHRI THAMPAN THOMAS :** Will the Minister of COMMERCE be pleased to state :

(a) Whether Government have increased the import of cashewnuts recently;

(b) if so, the reasons therefore; and

(c) the steps being taken or incentives proposed to be given to cashewnut growers to increase its production ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) (a) and (b).

Available statistics do not show an increasing trend in the import of raw cashewnuts.

(c) A centrally sponsored scheme for development of cashewnut is being implemented in many States and Union Territories. Besides, a multi-State Cashew Project has been taken up with the assistance of the world Bank.

Production of Cloth a by NTC.

*890 **DR. V. VENKATESH :** Will the Minister of TEXTILES be pleased to state :

(a) the subsidiary-wise rate of production of cloth and yarn manufactured by the National Textile Corporation Limited during 1984, 1985 and upto 30 April, 1986 ;

(b) whether it is a fact that Janata Cloth Production has been much slashed down and so its distribution during the period ;

(c) if so, the facts thereof ; and

(d) the steps being contemplated to improve the functioning of the National Textile Corporation Mills and to avoid closing down of its units ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). A Statement is given below

Statement

(a) The Subsidiary-wise production of cloth and yarn during 1984, 1985 and 1986 (January to march) was as follows :

Name of the Subsidiary	Market Yarn (Million kgs)			Cloth Production (Million metres)		
	1984	1985	1986(Jan-March) (Provl.)	1984	1985	1986(Jan-March) (Provl.)
1	2	3	4	5	6	7
NTC (DPR)	7.40	7.84	1.95	27.30	27.39	5.03
NTC (UP)	6.24	6.76	1.88	44.72	45.53	12.14
NTC (WBAB&O)	5.06	8.08	1.81	21.67	37.61	10.34

1	2	3	4	5	6	7
NTC (TN&P)	16.99	15.76	4.53	32.67	27.50	8.03
NTC (APKK&M)	13.57	14.81	3.69	59.40	58.73	15.33
NTC (SM)	5.97	6.95	1.92	162.37	173.70	42.31
NTC (MN)	2.58	4.17	0.86	147.09	167.35	41.91
NTC (GUJ)	—	0.30	0.12	137.35	143.03	33.30
NTC (MP)	0.82	1.36	0.38	116.48	130.60	29.14
TOTAL	58.63	66.03	17.14	749.05	811.44	197.53

(b) No, Sir.

(c) Does not arise.

(d) Some of the important steps taken/being taken, within the limited resources, to improve the performance of the mills under NTC are as under :

- (i) arrangements are being made for timely procurement of cotton from different available channels ;
- (ii) working capital has been replenished to make up for such losses ;
- (iii) to overcome the power shortage self-generating capacity has been provided ;
- (iv) selective modernisation programme have been adopted for result-oriented gains, for best utilisation of limited resources;
- (v) cost control methods have been introduced for reduction in cost of production at all levels ;
- (vi) efforts are being made for reducing the non-operational administrative expenses;
- (vii) workers' participation scheme in the management is being encouraged to achieve higher productivity.

Import of Cloves

*901. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have allowed import of cloves under the Open General Licence Scheme ;

(b) the countries from which import of cloves has been allowed;

(c) the details state-wise of import of cloves indicating the purpose, whether imported for commercial, medical or personal uses;

(d) the quantity allowed to be imported by firms or individuals at a time; and

(e) the foreign exchange involved therein ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) While imports are allowed from all countries with whom India has trade relations, the countries which export cloves to India are :

Indonesia, Pakistan, Singapor, Sri Lanka, Tanzania, Zambia and Zaire.

(c) to (e). Import of cloves is allowed under Open General Licence by all persons for commercial, medical and personal use. A statement of import of cloves with quantity and value imported during 1981-82 and 1982-83 is given below Statistics beyond 1982-83 are not available.

Import statistics are not maintained State-wise and firm/importer-wise.

Statement

S No.	Description of Items/ Country	Quantity in Thousand kgs. Value in Rs. lakhs.			
		1981-1982		1982-1983	
		Qty.	Value	Qty.	Value
1	2	3	4	5	6
1.	<i>Cloves extracted</i>				
	Indonesia	7	3.78	—	—
	Pakistan	4	5.63	1	1.33
	Singapore	381	297.84	563	470.80
	Sri Lanka	677	728.84	448	595.05
	Tanzania Republic	53	44.88	523	553.42
	Zambia	20	15.87	16	15.46
	Zaire Republic	13	12.67	10	9.56
	Others	15	10.84	27	26.14
	Total	1170	1120.35	1588	1671.76
(2)	<i>Cloves not extracted</i>				
	Singapore	30	28.28	57	46.94
	Sri Lanka	94	113.61	54	72.38
	Zambia	5	3.93	3	3.13
	Others	—	—	6	6.86
	TOTAL	129	145.82	120	129.30

Source : I For 1981-82 Monthly Statistics of Foreign Trade of India Vol. II (Imports) Published by D. G. C. I. & S, Calcutta.

II For 1982-83 Advance data received in the Economic Adviser from D. G. C. I. & S, Calcutta.

Report of Fourth Pay Commission

*902 SHRI V. SOBHNADEESWARA
RAO :
SHRI KAMLA PRASAD
SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the serious concern among Government employees over the delay in the submission of the report of the Fourth Pay Commission which was appointed in 1983.

(c) if so, the reasons for the delay ;

(c) when the report is likely to be submitted; and

(d) the date from which it would be implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Staff side of the National Council (Joint Consultative Machinery) have been urging the Government to request the Fourth Central Pay Commission to expedite submission of its Report. It may however be added that on the basis of past precedent no time limit for submission of report by the Fourth Central Pay Commission has been prescribed.

(c) and (d). It is not possible at this stage to indicate the time by which the report of the Commission would be submitted or the date from which the report will be implemented.

Modernisation and Expansion of NTC Mills.

*903. SHRI AMARSINH RATHAWA : Will the Minister of TEXTILES be Pleased to state :

(a) the number of National Textile Corporation Mills modernised so far;

(b) the amount spent on the modernisation and expansion of the N. T. C. mills so far;

(c) the extent of increase in the productive capacity in these mills as a result of modernisation and expansion; and

(d) the steps taken to dispose of the unserviceable machines of those mills ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Modernisation/renovation of machinery in the nationalised units under National Textile Corporation is a continuing process. Upto December 1985, an amount of Rs. 330.20 crores has been spent on modernisation/renovation.

(c) A comparative picture of the production capacity before and after modernisation is as under :

Production capa- city Spinning	1975-76	1985-86 (Jan '86)
(i) Installed	28,42,414	30,49,272
(ii) Commi- ssioned	27,21,826	29,04,856
Looms		
(i) Installed	44,012	42,261
(ii) Commi- ssioned	41,674	39,256
(*Uneconomic capacities scrapped)		

(d) The Subsidiary Corporation of NTC dispose off obsolete and unserviceable machines and equipment according to the guidelines issued to them.

Subsidy on Janata Cloth Given to Kerala

*904. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TEXTILES be pleased to state :

(a) whether Janata cloth was issued to Kerala and other States in 1985-86;

(b) whether the Union Government give any subsidy on the Janta cloth; and

(c) if so, the amount of subsidy paid for the Janata cloth supplied to Kerala ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. Janata cloth was allotted to Kerala and other States, in 1985-86.

(b) A subsidy at the rate of Rs. 2/- per square metre is being given on the sale of Janata cloth.

(c) The amount of subsidy paid for janata cloth produced and sold by Kerala during 1985-86 amounted to Rs. 17.99 lakhs.

Funds in NABARD

*905. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) the particulars of the funds, the National Bank for Agriculture and Rural Development is having at present;

(b) the amounts of these funds as on 31 December, 1985;

(c) how much of these amounts have been utilised for the purposes envisaged; and

(d) the purpose for which the funds were instituted ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Details of the funds maintained by the National Bank for Agriculture and Rural Development (NABARD) and the amounts available in these funds as on 31.12.1985 are given in endorsement I. Details of the purposes for which these funds have been established and the amounts outstanding as on 31.12.1985 in respect of loans and advances made and the amounts

given as grants upto 31.12.85, out of these funds, as the case may be, are indicated in the Statement II given below.

Statement

Name of the fund	(Rs. in Crores)	
	Amount available as on 31.12.1985	
1. National Rural Credit (Long Term Operations) Fund		2292
2. National Rural Credit (Stabilisation) Fund.		653
3. Research and development fund		20 05
4. Reserve Fund and Other funds :		
(i) Reserve Fund		39.03
(ii) Capital Reserve Fund		74.80
(iii) Interest Differential Fund		0.55
(iv) Soft Loan Assistance Fund for Margin Money.		2.00

Statement II

Name of the Fund	(Amount Rs in Crores)	
	Purpose	As on 31.12.1985
1	2	3
National Rural Credit (Long term Operations) Fund.	(i) Providing loans and advances to State Cooperative Bank and Regional Rural Banks.	170.39 (Amount Outstanding)
	(ii) Providing loans and advances by way of refinance to State Land Development Banks, State Cooperative Banks, Scheduled Banks and other financial institutions approved by the Reserve Bank of India.	1668.54 (Amount Outstanding)

1	2	3
	(iii) Purchasing or selling or subscribing to the bonds or debentures issued by State Land Development Banks, State Cooperative Banks, Scheduled Banks or other financial institutions approved by Reserve Bank of India.	0.59 (Amount utilised)
	(iv) Providing loans and advances to State Cooperative Banks, Regional Rural Bank, Scheduled Banks and other financial institutions as may be approved by Reserve Bank of India for providing loans and advances to artisans, small scale industries, industries in the tiny and decentralised sector, village and cottage industries and those engaged in the field of handi-crafts and other rural crafts and for rescheduling the payment of such loans.	—Nil—
	(v) Contributing to the share capital of, or purchase and sell shares of or invest in the securities of any institution concerned with agriculture and rural development, which the Central Government may notify.	—Nil—
	(vi) Providing loans and advances to State Governments for subscribing to the share capital of cooperative societies.	102.90 (Amount out-standing)
2. National Rural Credit (Stabilisation) Fund.	Providing loans and advances to State Cooperative Banks or Regional Rural Banks and other financial institutions approved by the Reserve Bank of India, to enable them to pay their dues to NABARD incases where repayment by such banks/institutions are affected by natural calamities, military operations, etc.	134.33 (Amount Out-standing)
3. Research and Development Fund.	For expending on matters of importance for agriculture, agricultural operations and rural development, including the provision of training and research facilities and making of grants towards training, for dissemination of information and promotion of research including the undertaking of studies, researches, techno-economic and other surveys in the field of rural banking agriculture and rural development and institution of Fellowship and Chairs.	0.48 (Amount given as grant upto 31.12.85.

1

2

3

4. Reserve Fund and other funds :

(i) Reserve Fund.	For augmenting the general resources of NABARD.	As the expenditure towards meeting the requirements for general operations is done collectively, it would be difficult to segregate the component of expenditure met by the resources drawn from the reserve funds.
(ii) Capital Reserve Fund.		
(iii) Interest Differential Fund.	In terms of the Development Credit Agreement entered into with KFW authorities the fund is to be used for :—	
	(i) Training of personnel of the banks in Hoshangabad District.	
	(ii) Subsidising credit promotion measures for needy farmers in Hoshangabad District.	0.008 (Amount given as grant up to 31.12.1985)
	(iii) Other measures in agricultural sector which are particularly worthy of promotion from the aspect of development policy in Hoshangabad District.	
(iv) Soft Loan Assistance Fund for Margin Money.	For granting soft loans to prospective entrepreneurs for enabling them to meet the margin money requirement with a view to stimulating the setting up of cottage, tiny and village industries under NABARD's refinance scheme.	—Nil—

Hotels/Restaurants Run by ITDC in Foreign Countries

*906. SHRI JAGANNATH PATTNAIK : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of hotels/restaurants run by the India Tourism Development Corporation in foreign countries;

(b) the names of the places where these are functioning;

(c) the annual income from those hotels and restaurants since their inception;

(d) whether Government propose to open more hotels in foreign countries during 1986; and

(e) if so, the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) ITDC is not running any hotel/restaurant in foreign countries.

(b) and (c). Does not arise.

(d) No, Sir.

(e) Does not arise in view of (d) above.

Permission to Hindustan Lever Limited to Retain Subsidiary Status to Unilever

8484. SHRI SODE RAMAIAH : Will the Minister of FINANCE pleased to state :

(a) whether Government have received any representation demanding reconsideration of the permission granted to Hindustan Lever Limited to retain its subsidiary status to Unilever PLC (U.K.), and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Suggestions have been received from some quarters for reconsideration of the permission granted to M/s. Hindustan Lever Limited under Section 29(2)(a) of FERA, 1973 to retain 51% non-resident interest.

(b) There is no provision for review or reconsideration of a permission given under FERA, either in the Act or in the guidelines framed thereunder, except if the company violates the stipulation/conditions of the approval.

Measures to Prevent Income tax Evasion

8485. SHRI SANAT KUMAR MANDAL :
SHRI ANAND SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Biggest

IT catch in decades" appearing in the 'Economic Times' New Delhi of the 16 February, 1986;

(b) if so, the facts of the case;

(c) the reason why the local Income-Tax authorities remained dormant over all these years and such fraud could not be detected by them earlier; and

(d) the remedial measures at departmental level proposed to be taken to prevent such Income-Tax evasion and fraud ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sirs. On the basis of information gathered that substantial share holding was allotted in fictitious names by M/s. Nagarjuna Fertilizers & Chemicals Ltd., Hyderabad in their private placement issue, searches were conducted by the Income Tax Department on 13th February, 1986 at Bombay and Hyderabad in the cases of M/s. Nagarjuna Fertilizers & Chemicals Ltd. and other connected persons. Searches resulted in the discovery of, *prima facie*, manipulation in issue of share scripts of face value of over Rs. 2.54 crores apart from the seizure of other, *prima facie*, unaccounted assets worth Rs. 5 lakhs approximately.

(c) and (d). Preliminary investigations were carried out by the Income Tax Department in December, 1985 and the fraudulent transactions were detected even before the formal commencement of business by the company. Hence, there is no delay in taking the necessary action.

As and when specific information is received or collected otherwise about such tax evasion, Income Tax Department conducts survey/search operations to unearth the same.

Financial Assistance Sought by Government of Orissa for New Scheme of Floating of Bonds

8486. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government of Orissa have sought financial assistance for the new scheme of floating of bonds and equipment credit from foreign equipment suppliers;

(b) the details of the proposals;

(c) whether it is also a fact that proposals received from different foreign equipment suppliers have also been furnished by State Government; and

(d) if so, the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The Government of Orissa had requested the Government of India to permit the Orissa Power Generation Corporation to avail of either of the following schemes for financing their 18/Thermal project :

(i) Raising Equity, Equipment Credit (for Main equipment) and the balance in Loan Bonds;

(ii) Equity and Loan Bonds.

As it was decided that for the present State public undertakings in power sector should not be allowed the facility of raising resources through floatation of bonds, the Orissa Government was asked to make alternate arrangements for financing the IB Thermal Project.

[*Translation*]

Tax Evasion by M/s Gupta Cables Private Limited Bhubaneswar

8487. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to refer to the reply given to parts (b) and (c) of Unstarred Question No. 4164 on 16th December, 1983 regarding evasion of taxes by M/s Gupta Cables Private Limited Bhubaneswar and state :

(a) whether enquiry into the tax evasion by the company has since been completed;

(b) if so, the amount of tax evaded; and

(c) if the enquiry has not been completed, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The cases pertaining to this group were centralised under one assessing officer at Calcutta for indepth and coordinated investigation. On the basis of investigations made, substantial additions have been made for the years 1972-73, 1974-75 and 1975-76.

(c) Docs not arise.

[*English*]

Complaints Against Sanchayani Savings and Investment (I) Ltd.

8488. SHRI BASUDEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether during 1985-86 he has received complaints from Sanchayani Investors' Association, Khetri Nagar, (Rajasthan) against M/s Sanchayani Savings & Investment (I) Ltd., Calcutta;

(b) if so, the nature of complaints received;

(c) whether Government have taken steps to protect the interests of the investors; and

(d) if so, the action taken against the said Company on charges of cheating the investors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Presumably, the Hon. Member is referring to his letter dated 6.10.1985 addressed to the Prime Minister, and letters dated 23.2.1986 and 11.3.1986 addressed to the Finance Minister enclosing therewith representations from Jamshedpur Citizens' Council, Sanchayani Investors' Association, Khetri Nagar, Jhunjhunu District (Rajasthan) and Smt. Mamta Guha of Calcutta respectively, alleging inter-alia,

non payment of matured certificates, bouncing of cheques and non-payment of dividend by M/s Sanchayani Savings & Investment (I) Ltd.

(c) and (d) Reserve Bank of India have reported that the Company with its head office at Calcutta was incorporated on 23.9.78. Soon after the coming into force of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, the Government of West Bengal, which is empowered under the Act, issued a notice to the company for winding up its business. The company thereupon filed a writ petition in the Calcutta High Court challenging the applicability of the Act to its activities. The petition is still pending in the High Court and the matter is, therefore, *sub-judice*.

Disbursement of Enemy Property Claims

8489 SHRI SIMON TIGGA : Will the Minister of COMMERCE be pleased to state :

(a) whether his attention has been drawn to the news-item captioned "Enemy property Ex-Gratia Rs. 30 crores disbursed without verification" appearing in the Telegraph, Calcutta of 6th March, 1986;

(b) if so, the details of the amount disbursed without verification, if any;

(c) the action being taken against the officials found guilty; and

(d) the number of cases pending before the Custodian of Enemy Property ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) All payments of ex-gratia are to be authorised after receipt of verification of reports.

(c) Some cases of alleged irregularities regarding impersonation and forged documents are under investigation.

(d) About 14,600 cases are pending.

Loans Advanced to C.J. International Hotels by Financial Institutions

8490. SHRI ANANDA PATHAK : Will the Minister of FINANCE be pleased to state :

(a) the amounts loaned to C.J. International Hotels by the various financial institutions;

(b) the amounts due an account of interest and repayment; and

(c) the guarantees on which the loans were given and the value of the guarantees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to available information, the financial institutions viz. IDBI, IFCI, ICICI & IRBI have disbursed a total amount of 1423.95 lakhs and loan to C. J. International Hotels as on 31st January 1986.

(b) and (c). In accordance with the provisions of the statutes governing public sector banks and financial institutions and also the Public Financial Institution (Obligation as to Fidelity and Secrecy) Act, 1983, information relating to individual constituents of the public sector banks and public financial institutions cannot be disclosed.

Licence for Taxmark

8491. SHRI R. S. MANE : Will the Minister of TEXTILES be pleased to state :

(a) the number of applications lying pending with the Union Government for the licence of taxmark received from Maharashtra particularly from Kolhapur; and

(b) when a final decision will be taken in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) As per available information, the total number of applications received by the Office of Textile

Commissioner as at the end of March, 1986, from the Maharashtra State was 725, out of which 91 applications were from Kolhapur District.

(b) The "registration authorities" to be notified by the State Government, will consider the issue of registration certificates.

Reorganisation of Zonal Set up of FCI

8492. SHRI KALYAN SINGH SOLANKI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that the Food Corporation of India has taken a decision to split its North Zone and East Zone and reorganise its Zonal set up;

(b) if so, the details of the proposals in this regard, and

(c) whether the employees unions have been consulted/taken into confidence for this re-organisation of Zonal set up particularly with regard to allotment of Zones to the employees and fixation of their seniority etc.

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) No, Sir.

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

Taxes on Beedies

8493. SHRI ZAINAL ABEDIN : Will the Minister of FINANCE be pleased to state :

(a) the estimated quantum of tobacco and Kandu leaf consumed annually by the beedi industry in the country and the cost involved therewith, in terms of rupees;

(b) the rates of excise duty on every kilogram of tobacco meant for use in the beedi industry and per 1000 branded beedies;

(c) the total amount collected annually by Government from excise duties on tobacco and branched beedies separately;

(d) the total amount of Central earnings as income tax from the beedi industry and the earnings of the State exchequers by way of octroi duties;

(e) whether Government have decided to exempt the beedi industry from the purview of the dual taxation system i.e. of the raw material (tobacco) and the finished goods (branded beedies); and

(f) if so, the details of the decision taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The estimated quantum of tobacco and kendu leaf consumed annually by the beedi industry in the country was 1.3 lakh tonnes and 4.0 lakh tonnes respectively in 1979. The average price of Tobacco varied from Rs. 3 kg. to Rs. 5 kg. and average price of kendu leaf was Rs. 1.10 kg.

(b) There is no excise duty on tobacco used in the manufacture of Beedies. The rate of excise duty on branded Beedies per 1000 beedies is as follows :

	Hand Made Beedies	Machine made Beedies
BED	2.85	6.30
AED	0.90	2.00
CESS	0.10	0.10

(c) Total amount of excise duty (including cess) collected on branded beedies during 1983-84, 1984-85 and 1985-86 was Rs. 132.69 crores, 131.74 crores and Rs. 144.87 crores respectively. The amount collected from tobacco is 'Nil' in view of (b) above.

(d) So far as Income-tax collections from beedi industry are concerned, this information is not readily available in the

Department's registers. It will have to be collected from all over the country by a scrutiny of the cases of individual beedi manufacturers at a total cost of time and money which may not be commensurate with the value of the information obtained thereby. Information regarding any particular assessee engaged in beedi industry can be collected and furnished.

(e) and (f). Beedi industry is already exempted from the purview of dual taxation system in as much as there is no duty on un-manufactured tobacco used in the manufacture of Beedies.

Hippy Tourists

8494. SHRI MOOL CHAND DAGA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the names of the countries which send hippy tourists to India;

(b) the number of such hippies which came to India during the last five years showing country-wise and year-wise figures;

(c) whether there is any restriction on the period of stay of hippy tourists, if so, the maximum time allowed for the stay of such type of tourists;

(b) whether any study has been conducted on the life and activities of such tourists in the country;

(e) if not, the reasons therefor; and

(f) the number of such hippy tourists deported during the last five years giving year-wise and country-wise figures and the reasons for their deportation ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM

(SHRI H. K. L. BHAGAT) : (a), (b) and (f). The Department of Tourism does not maintain any such figures. Also, it is not possible to compile such statistics in the absence of an accepted definition of a 'hippy'.

(c) All tourists are governed by the normal rules and regulations of tourist visas.

(d) and (e). The life and activities of all tourists are being watched by the concerned State/Union Territory Governments. The Government of Goa has registered a number of drug offences against them. No other State/Union Territory Government has, however, reported any law and order problems on account of tourists.

Requirement of Imports under DGL

8495. SHRI R. P. DAS : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that all imports under OGL are required to be registered with DGTD before actual imports are affected;

(b) the quantity of import with value and names of the countries during 1984-85 and 1985-86 under the registration scheme; and

(c) the details regarding importers showing against each quantity, c.i.f. rate, total value, date of import and country of origin ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir. Import of only a few item under OGL are required to be registered with DGTD.

(b) A Statement is given below.

(c) Import statistics are not maintained importer-wise.

Statement

S. No.	Description of Item	1984-85		1985-86		Countries of Import
		Quantity (MT)	Value	Quantity	Value	
1.	Caustic Soda	305	Rs. 19,82,500	1,21,040	Rs. 1,53,72,080	Belgium Saudi Arabia UK Sweden
2.	Soda Ash	72,390	US \$ 91,93,530	1,02,654	US \$ 2,31,18,480	USA, Bulgaria East Africa, Romania, Poland, Singapore, W.G., Hong Kong, S. Arabia, Japan.
3.	Copper Scarp	21,197	\$ 2,56,69,567	35,977	3,31,34,817	S. Arabia, Singapore, UK, Dubai, Yugoslavia, Kuwait, Malaysia,
4.	PVC Resin	2,05,866	\$ 12,31,07,868	1,79,728	11,28,69,184	S. Korea, Yugoslavia, Spain, Mexico, Romania W.G., Bulgaria, Singa- pore, Geneva, USA.
5.	Wood Pulp	43,958	\$ 2,70,34,170	43,895	2,25,62,030 (April to Sept. 85)	Sweden Japan, Canada, USA, Qustralia, Switzer- land.
6.	Synthetic Rubber	14,397	\$ 4,85,46,684	—	—	Japan, France, Singapore, Switzerland, China, USA, Neitherlands.

Misappropriation of Soiled Currency Notes

8496. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether any instances of misappropriation of soiled currency notes have come to Government's notices;

(b) if so, the details thereof; and

(c) the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Reserve Bank of India have reported that during 1983, 1984 and 1985, eight cases of pilferage, abstraction, substitution, etc. of soiled currency notes have been detected at their various offices. Details are set out in the Statement given below. Reserve Bank have reported having taken required action in each of these cases.

Statement

The details of cases of pilferage, abstraction, substitution of soiled notes.

S. No.	Date	Office	Brief Particulars
1	2	3	4
1.	12.01.83	RBI Nagpur	5 mutilated notes of Rs. 100 denomination (value Rs. 500) which had earlier been paid by RBI Hyderabad office under the Note Refund Rules were tendered again at RBI Nagpur office for payment.
2.	24.03.82	RBI Jaipur	A shortage of Rs. 9800 was detected by the joint custodians while taking over balance of cancelled notes after their verification.
3.	02.05.83	RBI Hyderabad	During the course of verification of notes handled by a teller shortages and mutilated note not exchangeable at his level aggregating Rs. 29,933 were detected.
4.	07.09.84	RBI Hyderabad	One mutilated note of Rs. 5 denomination, which had earlier been paid by RBI Hyderabad Office under the Notes Refund Rules was presented again at its counters for payment.
5.	05.11.83	RBI Madras	During detailed examination of a soiled note remittance received from SBI, Madras Main Branch, one piece of Rs. 100 denomination note was detected which was having RBI Note Examiner's seal on the obverse indicating that the note had already been processed previously at RBI office but had been abstracted.
6.	25.01.84	RBI Bangalore	Two punched notes of Rs. 5 denomination were detected in a tender of 2000 pieces of Rs. 5 denomination notes received from a professional dealer in defective notes indicating that the notes had already been cancelled at some of RBI office but had been pilfered.

1	2	3	4
7.	20.06.84	RBI Jaipur	During the course of examination of a soiled not remittance from State Bank of Bikaner and Jaipur Sanganeri Gate Branch, Jaipur at RBI Jaipur office, 76 mutilated notes of Rs. 100 denomination which had already been paid by RBI Bombay office under the Note Refund Rules and should have been destroyed at that office, were detected indicating that these had been pilferaged.
8.	28.11 84	RBI Patna	Allegation by the representative of Central Bank of India, Jameshedpur, watching examination of his remittance, that 10 pieces of mutilated notes of Rs. 100 denomination had been substituted by RBI examining staff.

Allocation of Tallow and Other Non-Edible Oil for Manufacture of Soap

8497. SHRI SOMNATH RATH :
SHRI N. TOMBI SINGH :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the allocation of tallow and other non-edible oil used for manufacture of soap during the Sixth Five Year Plan;

(b) the names of the agencies to whom they were allotted;

(c) whether the supplies are canalised through the State Government agencies;

(d) whether Government are aware that much of the allocation is being diverted to black market; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The allocation of tallow and other non-edible oils used for manufacture of soap during the Sixth Five Year Plan was as under :

Year	Item	(Quantity in tonnes) Quantity allocated
1980-81	Mutton tallow/ fatty acids	12593
1981-82	—do—	9634.5
1982-83	—do—	20117
1983-84	Mutton tallow/ PFAD/SPSFA	25639.7
1984-85	PFAD/SPSFA	53872
	PFAD—PAIM FATTY ACID DISTILLATE	
	SPSFA—SPLIT PAIM STEARINE FATTY ACIDS.	

(b) Tallows/PFAD/SPSFA were allotted in favour of State Directorate of Industries for distribution to the individual units.

(c) Import of tallow/PFAD/SPSFA is canalised through State Trading Corpn. The material is supplied to the individual units through State Government nominees. The nominees generally are the State Small Industries Corporations.

(d) and (e). No complaint/report from the State Directorate of Industries regarding misuse of this material has been received by Central Government.

Closure of uneconomic Procurement Centres and Godowns of FCI.

8499. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) Whether his attention has been drawn to the news item appearing in 'The Hindustan Times' of 10 March, 1986 wherein the Managing Director of Food Corporation of India is reported to have inter-alia announced that FCI would close down uneconomic procurement centres and godowns ;

(b) if so, the particulars of the godowns proposed to be closed ;

(c) how these areas will be covered when FCI stops procurement ;

(d) the loss incurred at these centres/godowns during 1983, 1984 and 1985 ;

(e) whether, FCI's only objective is to make profit ; if so, the reasons for incurring huge losses year after year ; and

(f) whether the Managing Director's statement mentioned above had the approval of Government ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) In a drive towards economy in the operations of FCI, it was decided to review the opening of uneconomic purchase centres and the operation of non-viable godowns, as far as practicable, keeping in view that farmers are not put to loss for want of adequate support purchase arrangements by Government agencies. As the purchase centres are opened and closed at the beginning and end of procurement season, no specific purchase centres has so far been closed by the Food Corporation of India. Reviews are also being made to assess the economic viability of godowns and no-godowns have been closed on this account so far.

(c) In view of (b), the question of making alternative arrangements does not arise.

(d) Profit and loss account of each of the centre/godown is not worked out separately.

(e) No, Sir.

(f) Government of India have accepted in principle the need to review these activities of Food Corporation of India, to secure improved efficiency and economy in its operations.

Performance of Reserve Bank of India.

8500. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India has recently celebrated its Golden Jubilee to mark the completion of 50 successful years of services to the nation ;

(b) if so, what has been the role of Reserve Bank of India during its existence as envisaged in the 1934 Reserve Bank of India Act and the 1949 Banking Regulation Act and also its function in assessing the performance of each nationalised/scheduled bank in relation to major business parameters and national policy targets as also their profitability and the customer service productivity and general operational efficiency ; and

(c) whether any plans have been drawn up by RBI to streamline its role in bringing about a healthy banking infrastructure available in all regions of the country during the next 10 years and also for formulation and implementation of a practical credit policy based on the feed back from the scheduled banks ?

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

(b) The role of the Reserve Bank of India, as the central banking authority of the country, has been to promote, o versee

and regulate the growth of the commercial and cooperative banking systems along sound banking lines ; to function as note issuing authority ; to function as bankers to the Government and, within the overall framework of economic and social objectives laid down by the Government, to formulate and implement credit-policy ; to formulate and regulate monetary policy and regulate Monetary resources of the country in such a manner as to meet the growth requirements of a developing economy consistent with the need to maintain internal and external monetary stability. As central bank of the country, Reserve Bank has also been overseeing and regulating the performance of all commercial and cooperative Banks and counselling them for adoption/development of healthy banking practices in all aspects of their operations.

(c) The task of improving the health of the banking infrastructure and ensuring that monetary and credit policies are directly related to the needs of a changing economic environment is a continuing task which engages the attention of Reserve Bank of India on an 'on-going' basis.

Development of Cold Storage Capacity in Delhi

8501. SHRI T. BALA GOUD : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that the cold storage capacity developed in Delhi is to inadequate to meet the growing requirement of the city and this has resulted in non-availability of fruits, vegetables, eggs, etc. at reasonable prices; and

(b) the measures being taken to increase the capacity of cold storage and the time by which it will be put to use ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The Department of Rural Development has reported that the cold storage capacity developed in Delhi is not inadequate to meet the growing requirements of the city.

(b) Does not arise.

I.D.A. Aid to Implement Development Projects

8502. SHRI HARIHAR SOREN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have sought International Development Association (IDA) aid to implement some development projects in the country;

(b) if so, the efforts made to get IDA aid for the above purpose;

(c) the amount of IDA aid expected to be obtained in 1986-87; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The World Bank's financial year is from 1st July to 30th June of the following year. Each year the Government of India poses a pipeline of projects to World Bank Group (IBRD and IDA) for assistance. This is based on the availability of Bank Group funds for the financial year. The availability of funds with the Bank Group for 1986-87 is yet indeterminate and no clear picture can be given at this stage of the IDA aid expected to be obtained during 1986-87.

During the ongoing year 1985-86, the details of projects approved so far for IDA funding are given in the statement given below.

Statement

The International Development Association (IDA) have approved so far credits for the following projects in their fiscal year 1986 (1st July 1985 to 30th June 1986) :

Sl. No.	Name of the project	Amount of credit US \$ million
1	2	3
1.	Population Project IV	51.00
2.	Kerala Water Supply	41.00
3.	West Bengal Minor Irrigation	99.00

1	2	3
4.	Maharashtra Irrigation-III	160 00
5.	National Agricultural Research project-II	72.10
6.	Gujarat Urban Development	62.00
7.	Andhra Pradesh Irrigation	140.00
TOTAL		625.10

Effect on Agriculture and Priority Sectors due to Credit Squeeze

8503. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have noticed that agriculture and other priority sectors have been badly affected due to credit squeeze; and

(b) if so, the steps Government propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Reserve Bank of India has reported that the performance of all the public sector banks in respect of agriculture and priority sectors has not been affected by the credit squeeze.

Projects being Executed by Indian Companies Abroad

8504. SHRI LAKSHMAN MALLIK : Will the Minister of COMMERCE be pleased to state :

(a) the number of various projects being executed in foreign countries on contract basis by private companies and public undertakings of India;

(b) whether Government have represented to these countries to meet the cost

escalation of the various projects due to price rise of materials in the World market;

(c) if so, whether the foreign countries concerned had agreed to revise upward the rates of contract; and

(d) whether Government have issued guidelines to file claims with Governments of the foreign countries in which their undertakings are engaged in construction work on contract basis ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Presently, ninety four and ninety six projects are being executed overseas by Indian public and private sector companies respectively.

(b) to (d). Price escalation in the case of projects being executed abroad is governed by the relevant contractual terms drawn up between Indian companies and their foreign clients. Therefore, the question of Government or its agencies taking up the matter with foreign companies or issuing guidelines to Indian companies for filing claims with foreign clients goes not arise.

Modification in self Employment Scheme

8505. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that, in spite of the unemployment Problems, lending under the self-employment scheme is not being fully utilised;

(b) if so, whether Government have enquired into the causes for the same and the results there of;

(c) whether Government propose to make alterations in the self-employment scheme in view of its past experience; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY): (a) Under the Scheme for providing Self-Employment to the Educated Unemployed Youths, the banks had sanctioned loans amounting to Rs. 401.54 crores for the year 1983-84 and Rs. 429.83 crores for the year 1984-15. For the year 1985-86 as per the report received till 23rd April, 1986 in the Ministry of Industry, Rs. 263 crores have been sanctioned by the banks (data provisional).

(b) The evaluation of the cases sanctioned under the Scheme during 1983-84 was conducted by the State/Union Territory Governments with the limited objective of finding out whether the money given under the scheme has actually been utilised by the beneficiaries. The findings show that the scheme in the first year had made its impact and majority of the beneficiaries have utilised the loans for the purpose for which they were given.

(c) and (d). No decision regarding the extension of the operative period of the scheme beyond March, 1986 with modifications, if any, has been taken so far.

Development of Garden Projects in States During Sixth Plan

8506. SHRI R. M. BHOYE : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether the Union Government have allocated funds for the development of garden projects in different States during the Sixth Five Year Plan period; and

(b) if so, the details regarding the progress made in this regard, State-wise ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). There was no scheme as such for development of garden projects in different States during the Sixth Five Year Plan. Landscaping/beautification/reillumination was undertaken at the following tourist centres during the Sixth plan.

S.No.	Name of Scheme	(Rs. in lakhs) Amount released during Sixth Plan
1.	Setting up of Gautam Van at Bodhgaya	3.00
2.	Landscaping at Mamallapuram	5.00 (2nd instalment of further Rs. 5.00 lakhs was released in 1985-86)
3.	Re-doing of illumination at Brindavan Gardens	40.00

Loans to Fishermen in Prakasham District in Andhra Pradesh

8507. SHRI C. SAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether there is any scheme to give subsidies/assistance and loans to fishermen;

(b) if so, the details of the scheme and the number of fisherman benefited by the said scheme in Andhra Pradesh; and

(c) whether his Ministry has given instructions to branches of the nationalised banks in Prakasham District of Andhra Pradesh to give such loans to fishermen ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). As per RBI's guidelines advances to fishery activities from fish catching to export of fish as well as finance required for equipment for deep sea fishing, rehabilitation of tanks (fresh water fishery), fish breeding, etc. are included under priority sector as activities allied to agriculture. Banks have been advised to ensure that 40% of their advances are given to priority sector. Banks are also required to follow, as in the case of agriculture, simplified procedures for speedy disposal of loan application of borrowers engaged in fishery. Fishing acti-

vities financed under the Integrated Rural Development Programme (IRDP) are eligible for subsidies as provided for under the programme Provisional data as at the end of June, 1985 show that the advances given by scheduled commercial banks for development of fisheries in Andhra Pradesh amounted to Rs. 11.77 crores benefiting about 22322 fishermen.

(c) While no separate instructions have been issued to banks in Prakasham District, the existing instructions on priority sector lending including IRDP and Agricultural advances are equally applicable to branches located in Prakasham District.

**Fraud in Sampala Cooperative Bank
Pune**

8508. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether irregularities involving crores of rupees have been noticed in Sampala Cooperative Bank, Pune;

(b) if so, the action taken thereon;

(c) whether any of the accused officers is still on duty;

(d) if so, whether this will hamper the prosecution case; and

(e) whether adequate action has been taken to ensure that the documents/papers are not tampered with ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Certain irregularities such as reckless sanctioning of loans without proper documentation, co-acceptance of bills drawn by certain firms which were subsequently dis-honoured, concentration of deposits and advances in a few hands etc. were disclosed during inspection of Sampala Sahakari Bank Ltd., Pune.

(b) Consequent to the revelation of the irregularities, the Board of Directors of the bank were superseded by the Registrar of

Cooperative Societies and a Committee of Administrators was appointed in November 1983. Thereafter the elected Board of Directors took over the management on 25.3.84 as per High Court's order and since then the bank's functioning is being monitored by RBI and the Cooperative Department. The bank has also filed a suit against some persons who have not been repaying the advances and orders for attachment before judgement have been obtained. Charge-sheets have also been filed against 10 persons including the bank's Chief promotor and former Chairman for Cheating the bank.

(c) to (e). Reserve Bank of India has reported that except for one officer who has been retained to assist investigations, none of the accused officers are on duty with the bank at present. As the relevant documents have been seized and the functioning of the bank is under constant surveillance of RBI and the Cooperation Department, the possibility of the documents being tampered with is considered to be rather remote.

[Translation]

**Memorandum from All India Bank
Employees Association**

8509. SHRI VIJAY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the All India Bank Employees Association has given any memorandum to him about their demand;

(b) if so, the details thereof; and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). In the absence of specific reference the Hon'ble M.P. is having in mind, it is not possible to confirm receipt of any such memorandum from AIBEA as mentioned in the question or to give details thereof.

[English]

Loan Sanctioned for Truck/Bus by Punjab and Sind Bank

8510. SHRI MATILAL HANSDA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that during the second half of the year 1983, Incharge of the Eastern Region of Punjab & Sind Bank, sanctioned truck/bus loans amounting to Rs. 4.00 crores;

(b) whether it is a fact that during the said period there was ceiling on advances in view of adverse liquidity position of the bank and in no other region of the bank such huge advances were made to one category only;

(c) whether it is also a fact that all these truck/bus advances have become bad debts and no recovery is forthcoming;

(d) if so, whether any inquiry into the matter has since been conducted to know as to how and under whose authority the loans were granted; and

(e) if not, the reasons therefor and the steps proposed to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Punjab & Sind Bank has reported that during the second half of the year 1983, the Incharge of the Eastern Region of the bank sanctioned 128 trucks/bus loans amounting to Rs. 2.23 crores as a part of the normal business transactions of the bank under the priority sector advances.

(b) and (c). The bank has also reported that the advances made during the said period were on the basis of the credit budget as approved by its head office and the overall recovery position was satisfactory.

(d) and (e) The complaint received in this regard was enquired into by the bank. Since there was no substance in the complaint the matter was closed after the

enquiry. On a similar reference the CVC also closed the case after necessary examination.

Expansion of Tourism in Calicut During Seventh Plan

8511. DR. K. G. ADIYODI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of places included for expansion of tourism in Calicut, Wynad of Cannanore Districts in Kerala during the Seventh Five Year Plan and the amount allotted for each; and

(b) the proposals regarding 'Kunjali Marikar' 'Thatchali atheyaman' and 'Pazhassi Raja' memorials with details of allotment and time schedule of construction ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) The Central Department of Tourism does not make place-wise allocation of funds during the 7th Five Year Plan. However, it provides central assistance for individual projects submitted by the State Governments based on the merits of such projects. On the request of the Kerala State Government, the following projects were sanctioned for Wynad and Cannanore during 1985-86 :

	Amount sanctioned	Amount released
1. Way-side amenities with accommodation at Cannanore.	Rs. 10.28 lakhs	Rs. 4.00 lakhs
2. Way-side amenities with accommodation at Wynad.	Rs. 10.28 lakhs	Rs. 4.00 lakhs

(b) No proposals for the development of these centres have been received by the Department of Tourism.

Bank Deposits by Non-Resident Indians

8512. SHRI S. JAIPAL REDDY : Will the Minister of FINANCE be pleased to state :

(a) the latest position about the banks deposits received in foreign currencies from non-resident Indians;

(b) the currencies in which these deposits were made and our obligation to repay them;

(c) the total withdrawals from these deposits during the last three years, year-wise; and

(d) the rate of interest payable on the deposits and whether the same is tax-free ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The information, to the extent possible, is being collected and would be laid on the Table of the House.

Pension and Terminal Benefits of Retired Officers in FCI

8513. SHRI KALI PRASAD PANDEY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of Food Corporation of India officials who retired after 31 March, 1985 and have not been paid any pension and other terminal benefits; and

(b) the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) 60.

(b) The reasons for non payment of retirement benefits are non-completion of service records due to posting at various places, non-submission of documents by claimants, pending vigilance cases etc.

Disclosure of Untaxed Income

8514. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) how much of untaxed income has been disclosed upto March 31, 1986, the last date earlier fixed for disclosure of such income;

(b) whether the date has been further extended, and

(c) the Government's estimate about the extent of such untaxed income still to be disclosed and how far it is likely to bridge the deficit in the current year's Union Budget ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Statistics are not being maintained by the Government to show how much untaxed income has been disclosed upto 31st March, 1986 in response to the circulars issued in this behalf.

(b) Yes, Sir Extended upto 30.9.1986.

(c) No estimates in this regard have been made.

FICCI Workshop on Impact of Modvat on Industry

8515. SHRI KRISHNA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Federation of Indian Chambers of Commerce and Industry held a workshop in New Delhi on 11 April, 1986 on the impact of MODVAT on the industry, especially small scale industry;

(b) if so, the specific points made out at the workshop; and

(c) the decisions, if any, taken in the light thereof ?

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

(b) and (c). In the workshop, several issues relating to the MODVAT scheme were raised. The Government has already clarified several points relating to the MODVAT scheme. The various concessions in excise duties, including increase in the exemption limits for the small scale units have already been announced.

Allotment of Shares by Tata Burroughs Limited

8516. SHRI BANWARI LAL BAIRWA : Will the Minister of FINANCE be pleased to state :

(a) whether Tata Burroughs Limited, Bombay had issued an advertisement in 1985 inviting people to purchase shares but this company has neither allowed the shares to people who had deposited the money in response to this advertisement nor have refunded the amount deposited by them;

(b) if so, the number of such cases, State-wise;

(c) whether the affected persons have lodged a number of complaints regarding non-refund of the amount deposited by them through M/s MASS Private Limited, AB-4, Safdarjang Enclave, New Delhi;

(d) if so, the reasons for not refunding their amount and the number of such complaint;

(e) whether Government have also received complaints to the effect that the amount deposited for purchase of shares has not been refunded to the genuine persons but has been refunded to some other persons; and

(f) if so, the reasons therefor and the number of such cases referred to CBI by the Tata Burroughs Limited for investigation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (f).

According to the information received from Bombay Stock Exchange, M/s Tata Burroughs Ltd. had issued through prospectus dated the 28th June, 1985, 6,26,000 Equity Shares of Rs. 10/- each for Rs. 62.60 lakhs with a premium of Rs. 15 per share linked with 2,50,400 of 12% secured redeemable non-convertible debentures of Rs 100 each for Rs. 250.40 lakhs. As per the basis of allotment which had been finalised by the Company in consultation with the Bombay Stock Exchange, 6,390 applicants were allotted shares/debentures and the remaining 3,30,304 applicants were not allotted any shares/debentures. Refund Orders were issued to applicants to their respective addresses between 2nd November and 11th November, 1985 by MAS Services Pvt. Ltd , who had acted as Issue House.

2. Sometime in December, 1985/ January, 1986, the company received complaints from some of the applicants that they had received neither intimations regarding the allotment of shares/debentures nor the refund orders. Subsequent investigations are stated to have revealed that refund orders of about 164 applicants in Kanpur Pin Code 208001 were encashed at one particular branch of one particular bank viz., the Vidhan Sabha Marg Branch, Lucknow of the Punjab National Bank allegedly by some unauthorised person/ persons.

3. The Company's officials have intimated that they met the Chairman of the Punjab National Bank and the Zonal manager at Lucknow and requested them to investigate the matter in detail at the earliest. The Company has also lodged an F.I.R. with the Lucknow Police Station.

4. Duplicate refund orders to applicants who according to the records of the Company have not encashed the refund orders are being issued on submission of indemnity bonds. So far 1413 duplicate refund orders for Rs. 60,07,625 have been issued by MAS Services Pvt. Ltd.

Establishment of Regional Reference Standards Laboratory in Karnataka

8518. SHRI N. SOUNDARARAJAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state ;

(a) whether Government had agreed to establish Reference Standards Laboratory in Karnataka during the Sixth Five Year Plan period for providing metrological facilities to States/Union Territories industries in the Southern Region; and

(b) if so, the progress made so far in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) The process of setting up the Laboratory in Bangalore has been commenced in a temporary accommodation provided by the State Government. The State Government has transferred a plot of land measuring about 3.2 hectares for permanent building of the Laboratory. A few functional posts have been created and basic equipments have been procured. The Laboratory is likely to be commissioned shortly.

Fraud in Punjab National Bank

8519. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Fraud in PNB" appearing in 'Economic Times' of 7 February, 1986;

(b) if so, whether the serious allegation contained therein regarding "benami" foreign exchange transactions have been subjected to inquiry by the intelligence authorities;

(c) if so, the findings thereof; and

(d) whether the said allegations pertain to a non-official Director of the Bank ?

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

(b) to (d). The information is being collected and to the extent available will be laid on the Table of the House.

Fire at the Cotton Godowns at Vijayawada

8520. SHRI K. S. RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that cotton worth 2.5 crores of rupees has been destroyed by fire accidents at the godowns at Vijayawada and Warangal;

(b) if so, the details thereof;

(c) whether the fire accident was due to sabotage or for the purpose of cheating the corporation by undesirable elements;

(d) whether Government have any proposal to adopt safety measures against such accidents; and

(e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). There has been a fire accident at the ginning and pressing factory at Warrangal. 5240 bales of cotton worth rupees One crore have been destroyed. There was no incident of fire at Vijayawada.

(c) The exact cause of the fire is under investigation.

(d) and (e). Safety measures against fire incidents are generally provided in the ginning and pressing factories. Facilities like water hydrants, fire extinguishers and other fire fighting equipments are provided in the ginning and pressing factories. The inspection of the fire fighting facilities are also carried out by insurance companies. The safety measures are under constant review.

Setting up of More LIC Division in Andhra Pradesh

8521. SHRI BEZAWADA PAPI REDDY : Will the Minister of FINANCE be pleased to state :

(a) the number of Life Insurance Corporation divisions functioning in Andhra Pradesh at present;

(b) whether there is any proposal to set up more Life Insurance Corporation divisions in Andhra Pradesh; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The LIC has four divisions at Hyderabad, Cuddapah, Visakhapatnam and Masulipatnam in Andhra Pradesh at present.

(b) and (c). Yes, Sir. The LIC has recently opened a new Divisional Office at Warrangal out of the existing Hyderabad Division to supervise the branches in Adilabad, Karim Nagar and Khammam districts.

Steps to Rehabilitate Jute Industry

8522. SHRI NARAYAN CHOUBEY : Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that the jute mill industry has cut down production by about 10 per cent to contain losses and to avoid mounting inventories; and

(b) if so, the steps being taken by Government to help improved the offtake of jute goods and avert the situation leading to a lay off of labour?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) There has not been any organised cut in production as such in jute industry in West Bengal. However, production has been adversely affected recently to some extent due to several factors such as :

- (i) Exodus of labour to their village homes on Leave, which is a regular feature during April to June every year;
- (ii) Sluggish market demand during this period on account of lesser offtake in domestic market;
- (iii) Closure of six jute mills during April, 1986 so far on account of reported labour unrest.

(b) The Government is continuing to help the jute industry in domestic and international markets through various measures which include :

- (i) Purchase of jute goods by Govt. (DGS&D) from jute industry on cost plus basis; and persuading intending agencies to advance their purchase programme for jute bags for packing 1986 Kariff crop from May, 1986 onwards so as to generate some additional demand and tone up gunny market sentiment;
- (ii) Persuading other user Departments to encourage use of more jute bags instead of synthetic substitutes for packing fertilizers and compulsory use of 100% new jute bags by cement industry;
- (iii) Providing higher cash compensatory support (CCS) to dynamic sectors of jute goods;
- (iv) Improving the competitiveness of jute goods vis-a-vis synthetic substitutes through fiscal and R&K efforts;
- (v) Introducing a Scheme of buffer stocking of raw jute so as to ensure availability of raw jute to mills at reasonable prices.

Construction of Drive-in-Hotels on National Highway

8523. SHRI GURUDAS KAMAT : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether a proposal to construct drive-in-hotels on the National Highway is under consideration of Government;

(b) if so, the details thereof; and

(c) when the proposal is likely to be finalised?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM

(SHRI H. K. L. BHAGAT) : (a) No, Sir.

(b) and (c). Does not arise.

Reward for Best Budget Suggestion

8524. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 1877 dated 7 March, 1986 regarding reward for best budget suggestion and state :

(a) whether reward for best Budget Suggestion has since been finalised; and

(b) if so, the results thereof indicating number of entries received State-Wise ?

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

(b) 589 entries were received in the prescribed proforma suggesting levels of Plan outlays, sources of funding etc. A Statement showing the State/Union Territory-wise break up of the entries is given below. Among the entries those sent by S/Shri Y. G. Paravikar and V. K. Srivastava were adjudged best and the two were awarded prize of Rs 5,000 each. Separately over 3000 persons had sent suggestions for resource mobilisation and utilisation etc. and of these the suggestions made by Dr. M. Ramdass were adjudged the best. He was also awarded a prize of Rs. 5,000.

Statement

1	2
Andhra Pradesh	45
Assam	4
Bihar	23
Goa	3
Gujarat	50
Haryana	4
Himachal Pradesh	7
Jammu and Kashmir	2

1	2
Karnataka	19
Kerala	16
Madhya Pradesh	34
Maharashtra	52
Mcghalaya	2
Delhi	51
Orissa	18
Punjab	11
Pondicherry	2
Rajasthan	39
Tamil Nadu	42
Tripura	1
Uttar Pradesh	53
West Bengal	59
Address not clear	52
Total	589

Marketing of Food Specialities Products in Uncanned Packages

8525. DR. T. KALPANA DEVI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that the food manufactures of Speciality products such as glucose, cheese, tomato Ketchups, soups, noodles, jelly etc. can market their products in uncanned packages of their choice and the weight of contents is to be suitably marked on the package;

(b) whether as per existing rules on bottles of tomato ketchups and 2 minute noodles (pre-cooked) and soups can be packed in any quantity without any restriction;

(c) whether there are any restrictions on weight and contents for items at (b) above; and

(d) the details thereof and under what rules/laws?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA): (a) No, Sir. These commodities are required to be packed in quantities specified in the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 and the weight of contents is to be suitably marked on the package.

(b) No, Sir.

(c) and (d). Yes, Sir. Under the existing provisions of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977, tomato ketchup, 2 minute noodles (pre-cooked) and soups are required to be packed in sizes indicated in the Statement given below.

Statement

Tomato Ketchup : 50g, 100g, 200, 300g, 400g, 500g, 600g, 700g, 800g, 900g, and 1 Kg.

2-minute noodles : 50g, 100g, 200g, 400g, (which is a cereal product) 500g, 1 kg, 2 kg, 5 kg and thereafter in multiples of 5 kg. Besides the quantities aforesaid, quick cooking oats may also be packed in 800g.

Soups (which may be treated as a vegetable juice) : 200 ml, 500 ml, 700 ml and 1 litre.

Omission/Lacunae in the Standards of Weights and Measures (Packaged Commodities) Rules, 1977

8526 DR. C. VIJAYA RAMA RAO : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(b) whether it is a fact that there are several omissions/lacunae in the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 which enable

manufacturers of several important packaged products which deteriorate on long keeping, such as sterilised milk, butter, ghee, cheese, food gelatin, yeast powder, tetrafake milk, etc. not to stamp month and year of manufacture on package;

(b) whether Government propose to amend the rules suitably to make this obligatory; and

(c) whether Government also propose to amend the rules to make it obligatory to declare addition or presence of ingredients of animal origin such as rennet and animal tallow and animal gelatin in cheese, lipsticks and food jelly, respectively, to protect strict vegetarians?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA): (a) Under the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 no declaration as to the month of manufacturing/packing is required to be made on certain category of food items. Uncanned package of butter, cheese and liquid milk in bottles and pouches belong to that category. Packages of food gelatin, yeast powder and ghee as well as canned butter and cheese are required to carry the information as regards the month and year of manufacturing/packing.

(b) No, Sir.

(c) Gelatin is to be declared on the label as a food grade gelatin. Animal origin product like rennet being a processing aid in the manufacture of food articles is not considered necessary to be declared on the label.

Liberalising Baggage Rules

8527. SHRI T. BASHEER : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any representation from Indians living in Gulf countries regarding liberalising the baggage rules, investments in India, etc.;

(b) whether Government have taken or propose to take steps regarding these demands; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). A number of suggestions are frequently received from Indians living abroad for liberalisation of Baggage Rules or investments in India. These are examined by Government and appropriate action taken, wherever called for.

Nominee of Tamil Nadu Government on Board of Cashew Corporation of India

8528. SHRI S. SINGARAVADIVEL : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any demand from Government of Tamil Nadu for the appointment of Tamil Nadu's nominee on the Board of Cashew Corporation of India;

(b) if so, the reaction of the Union Government to the demand; and

(c) the steps Union Government propose to take to accommodate a nominee of the Government of Tamil Nadu on the Board of Cashew Corporation of India ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir

(b) and (c). The request from the Government of Tamil Nadu for appointment of the State Government nominee on the Board of Cashew Corporation of India was made on the consideration that the cashew processing units in the State were not getting the required attention and were suffering on account of shortage of raw materials. Imports of raw cashewnuts which was earlier canalised through the Cashew Corporation of India has now been decanalised. The Cashew Corporation of India is only the registering agency for imports of raw cashewnuts. The presence

of the State Government nominee on the Board of this Corporation would not be of much help to the State cashew processing units to meet their requirement of raw cashewnuts. However, in view of the State Government's desire to have a nominee on the Board of the Cashew Corporation of India it was decided to examine this issue at the time of the next reconstitution of the Board of the Cashew Corporation of India.

Curtailment in Modernisation Programme of National Textile Corporation

8529. SHRI H. G. RAMILU :
SHRI V. SREENIVASA
PRASAD :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the National Textile Corporation (WBABO) Limited, Calcutta has curtailed certain programmes for modernisation of its various units under the direction of the holding company;

(b) whether as a result thereof the awarded jobs relating to civil engineering works in various units have also been or are likely to be curtailed or pruned; and

(b) if so, the facts thereof and reasons for such curtailment or pruning of the modernisation programmes ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir.

(b) and (c). It has been decided to execute civil construction work to the extent necessary for safety of construction already completed.

It was decided to curtail expansion of spindleage in the case of two units of NTC (WBABO) in view of the limited resources and capacity in the spinning sector at that time.

Decisions taken at IMF Meeting in Washington

8530. SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the main items on the agenda of the meeting of the Board of Governors of the International Monetary Fund (IMF) at its meeting held in Washington in April, 1986 with the decisions or conclusions thereon ;

(b) whether any decision was taken on a fresh issue of S.D. Rs;

(c) whether the standing demand of the Group of 24 regarding the re-structuring of the IMF has been accepted; and

(d) whether the IMF have agreed to sponsor as demanded by NAM, an International Conference on Money and Finance for Development ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The Interim Committee of the Board of Governors of the International Monetary Fund at its meeting held in Washington D:C. on April 9-10, 1986, deliberated on world economic outlook ; debt situation and strategy; question of allocation of SDRs and issues relating to functioning of the Exchange Rate System, Fund surveillance, management of international liquidity and the role of SDRs dealt with in the Reports by the Group of 10 and Group of 24 on the International Monetary System.

(b) to (d). No, Sir.

Loans Advanced by London-Based Branches of Punjab National Bank.

8531. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the total advances made to various parties by the London based branches of Punjab National Bank during the last three Years;

(b) the amount recovered ;

(b) the amount outstanding ; and

(d) the steps taken to recover the loan in doubtful cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Punjab National Bank has reported that the total loans outstanding at its London based Branch at the end of the year 1983, 1984 and 1985 were as indicated below ;

Year	Amount outstanding (in '000s)
1983	294,302
1984	254,051
1985	185,793

(b) to (d). Disbursal of loans and recovery thereof is a continuous process. The bank has reported that its zonal Manager at London has been advised to made concerted efforts to recover the overdue.

Projects Sanctioned by Industrial Finance Corporation of India

8532. SHRIMATI BASAVA-RAJESWARI : Will the Minister of FINANCE be pleased to state :

(a) the total number of project sanctioned by the Industrial Finance Corporation of India during 1984-85 and the first half of 1985-86;

(b) the total amount involved and the names of the projects sanctioned and locations thereof; and

(c) the projects out of those sanctioned for the private sector joint sector, public sector and co-operative sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The details of financial assistance sanctioned by the Industrial Finance Corporation of India during the year 1984-85 (July-June) and during the period 1st July to 31st December, 1985 are given below :

	No. of Projects	Assistance Sanctioned (Rs in crores)
1984-85 (July-June)	418	450.64
1985-86 (July-Decem ber)	164	194.37

State-wise/Union Territory-wise and Sector-wise details are set out in statement I & II, given below,

Statement I

INDUSTRIAL FINANCE CORPORATION OF INDIA, NEW DELHI,

Statement showing the state/Territory-wise distribution of financial assistance sanctioned during 1984-85 (July-June) and 1985-86 (July-December).

STATE/TERRITORY	(Rs. in Crores)			
	1984-85 (July-June)		1985-86 (July-December)	
	No. of Projects.	Amount	No. of Projects	Amount
Andhra Pradesh	35	45.79	17	15.81
Assam	1	3.20	2	2.17
Bihar	7	4.76	2	5.97
Gujarat	33	34.13	17	13.20
Haryana	11	6.42	11	11.47
Himachal Pradesh	7	5.71	2	0.21
Jammu & Kashmir	5	7.66	2	1.55
Karnataka	27	24.71	7	4.81
Kerala	13	16.28	—	—
Madhya Pradesh	24	23.11	7	12.77
Maharashtra	57	65.88	17	44.69
Nagaland	1	1.41	—	—
Orissa	10	20.61	5	4.92
Punjab	23	17.81	15	17.25
Rajasthan	32	25.51	10	14.60
Sikkim	—	—	—	—
Tamil Nadu	42	32.41	17	20.26
Uttar Pradesh	54	84.81	23	17.79
West Bengal	20	21.33	5	3.72
Andaman & Nicobar Islands	1	0.30	—	—
Chandigarh	2	0.41	—	—
Dadra & Nagar Haveli	1	0.61	1	0.79
Delhi	8	5.17	4	2.39
Goa	2	1.25	—	—
Pondicherry	2	1.36	—	—
Total	418	450.64	164	194.37

Statement II

INDUSTRIAL FINANCE CORPORATION OF INDIA, NEW DELHI

Statement showing Sector-wise distribution of financial assistance sanctioned during 1984-85 (July-June) and 1985-86 (July-December, 1985)

SECTOR	1984-1985 (July-June)		(AMOUNT in Rs. Crores) Assistance Sanctioned 1985-1986 (July-December 1985)	
	No. of Project	Amount	No. of Project	Amount
Cooperative	28	26.45	9	8.43
Joint	52	56.25	17	23.97
Public	24	36.93	9	7.61
Private	314	331.01	129	154.36
	418	450.64	164	194.37

**Alleged Gambling and use of Narcotic
Drugs in Five Star Hotels of New Delhi**

8533. SHRI RAM BHAGAT PASWAN
Will the Minister of PARLIAM-
ENTARY AFFAIRS AND TOURISM
be pleased to State :

(a) whether Government are aware that some five star hotels of New Delhi have been arranging gambling and even proding narcotic drugs to their usual visitors ; and

(d) if so, the details thereof ?

THE MINISTER OF PARLIAM-
ENTARY AFFAIRS AND TOURISM
(SHRI H. K. L. BHAGAT) : (a) Govern-
ment has not received any such report.

(b) Does not arise.

Raids on Cigarette Companies

8534. SHRIMATI KRISHNA SAHI :
Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that in the cigarette industry raids were conducted on

Indian Companies and foreign companies were excluded ;

(b) if so, the reasons therefor;

(c) whether Government are aware that during the raids on certain wholesalers at Trivandrum, Jaipur, Cochin etc., representatives of wholesalers were carried away by the Central Excise officials without fulfilling the legal requirements; and

(d) if so, the reasons therefor and the action taken against those who violated the law?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) and (b).
On specific information searches of the
Premises of M/s. G. T. C. Industries, its
distributors and wholesale dealers were
conducted in different parts of the country.
The searches were coordinated by Directo-
rate General of Revenue Intelligence. In
the absence of any specific information no
other cigarette companies were searched in-
cluding foreign cigarette companies.

(c) and (d). No instances have come to the notice of the department where

representatives of the wholesalers were carried away by the central excise officers without fulfilling the legal requirements.

**International Editions of Newspapers
For Non-Resident Indians**

8535. SHRI RAMSWAROOP RAM :
SHRI UTTAM RATHOD :

Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that some of the Indian newspapers like 'Hindustan Times', 'Times of India', 'Hindu' and 'Statesman' are bringing out international Editions of the newspaper for Non-resident Indians living in different parts of the world ;

(b) if so, the names of such newspapers;

(c) whether any permission of the Government is required for bringing out such international editions;

(d) if so, whether any foreign exchange is to be sanctioned for this purpose;

(e) the details of the foreign exchange sanctioned to each of the above papers for bringing out international editions;

(f) the details of the foreign exchange, if any, earned by the above newspapers for circulating their international editions; and

(g) the circulation figures of these papers in different countries, country-wise?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) to (g).
The information, to the extent possible is being collected and will be laid on the Table of the House.

[*Translation*]

**Leakage of Information Regarding
Raids**

8536. SHRI RAJ KUMAR RAI :
Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Department of Central Excise and Customs, Directorate of Revenue Intelligence, Department of Income-tax and Department of Narcotics etc. of his Ministry after getting good results from the raids conducted by them have been put into a dilemma by the activities of some of their employees who inform the industrial houses about the raids in advance as a result of which the industrial houses remain prepared to face these raids; and

(b) whether it is also a fact that several industrial houses of Bombay have already engaged eminent lawyers to face the Government and consequently Government have not been able to achieve adequate success in this regard?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) (a) The
Department has not so far come across any such instance.

(b) The success of Governmental effort does not entirely depend on the fact that eminent lawyers represent the tax-payers.

[*English*]

**Multinational Companies found Engaged
in Fraudulent Exports**

8537. SHRI V. S. KRISHNA IYER :
Will the Minister of COMMERCE be pleased to state :

(a) the names of the leading multinational companies found engaged in fraudulent exports;

(b) the amounts involved; and

(c) the action taken against them ?

THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES
(SHRI P. SHIV SHANKER) : (a) to (c).
The information is being collected and will be laid on the table of the House.

**Illegal Foreign Exchange Dealings by
Senior Officer of Bihar Government**

8538. SHRI M. RAGHUMA REDDY :
Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item appearing in the "TELEGRAPH" of 11 March, 1986 wherein it has been stated that a senior officer of Bihar Government had in the past been accused of defrauding a public sector undertaking to the tune of more than Rs. 32 lakhs;

(b) whether it has also been stated that the officer was involved in covert and illegal foreign exchange dealings;

(c) if so, the details thereof; and

(d) the action taken or proposed to be taken against the officer ?

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

(c) and (d). The investigations by the Enforcement Directorate (FERA) into illegal foreign exchange dealings by the officer of Bihar Government are in progress. Appropriate action under the law, as warranted by the results of investigation will be taken.

Sickness Textile and Plantation Industry

8539. SHRI B. K. GADHVI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that in the past textile industry and plantation industry did not replough Depreciation Funds for modernisation and replacement of old and obsolete machinery and as such both these industries have been suffering sickness;

(b) if so, whether Government now propose to establish any monitoring agency to see that Depreciation Funds are utilised by industries for modernisation and replacement of machinery so as to watch that depreciation allowance, permitted under new Budget are properly utilised and they do not meet the same fate as they met in the past; and

(c) whether Government would propose establishment of an agency which can keep a watch over siphoning out of assets of one industry into another and whether Government would like to prescribe any penal clause for such siphoning of assets of the industry into another in a diabolical way ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Information is being collected and to the extent available and permissible under the rules will be laid on the Table of the House.

[Translation]

Supply of Coal through PDS under Twenty-Point Programme

8540. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Union Government supply coal through Public Distribution system under the 20-Point Economic Programme;

(b) if so, whether coal was supplied to Basti district of Uttar Pradesh during the years 1983-84 and 1984-85; and

(c) if so, the quantity thereof and the criteria adopted for its distribution and the number of people benefited thereby ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir. Only soft coke is supplied under the Public Distribution System.

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

[English]

Cases of Nationalised Banks Pending In Supreme Court

8541. SHRI D. P. JADEJA : Will the Minister of FINANCE be pleased to state :

(a) the number of cases pending in Supreme Court, where nationalised banks have appealed against orders of various High Courts.

(b) the steps being taken to formulate guidelines so as to ensure that nationalised banks do not increase litigation in Courts;

(c) whether it is a fact that banks go to court merely to delay resolution of cases and issues;

(d) the reasons for banks not trying to reconcile issues so as to avoid courts;

(e) the measures being considered by Government to restrict banks appealing High Court decisions, so as reduce burden on Courts; and

(f) whether any such guidelines exist for Income Tax Department ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The information is being collected and to the extent available will be laid on the Table of the House.

(b) to (f). Banks take recourse to law courts only when necessary and normally after exhausting all remedies for recovery of their advances/enforcement of their rights, including consideration of proposals for settlements/compromises.

The Government have advised all public enterprises, including public sector banks that all disputes between a Government Department and public sector enterprise and between one public sector enterprise and another should be resolved amicably by mutual consultation or through the good offices of empowered agencies of the Government or through arbitration and recourse to litigation should be avoided.

The Income Tax Department is also covered by these guidelines.

Financing of Bank Trade Unions by Nationalised Banks

8542. SHRI ANOOPCHAND SHAH : Will the Minister of FINANCE be pleased to state :

(a) whether it is the practice of nationalised banks to finance trade union organisations;

(b) if so, the details thereof;

(c) if not, how the management of Bank of Baroda has been financing the union named All India Bank of Baroda Employees Unions, and

(d) the action Government propose to take against such organisations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). According to the information furnished by the Indian Banks' Association (IBA), it is not the practice of nationalised banks to finance their trade union organisations.

(c) and (d). In accordance with the Statutes governing Public Sector Banks and in accordance with the practices and usages customary among banks, information relating to or affairs of constituents cannot be divulged. As such, information sought cannot be divulged.

Loan to Non-Resident Indian for Ship Purchase by State Bank of India's Branch Singapore

8543. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether State Bank of India's branch at Singapore had backed any shipping purchases by a non-resident Indian which had subsequently led to considerable losses to the bank's branch there;

(b) if so, the steps taken to recover the loan given for the purchase of the ship; and

(c) the steps taken to ensure that foreign branches of Indian banks are more careful in backing speculative deals ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). State Bank of India, in syndication with

other banks, including a foreign bank, had granted a deferred payment guarantee facility to a Singapore based shipping company. On the guarantee being invoked, the full amount of the guarantee had to be paid by the syndicate of banks. The Syndicate of banks have acquired the assets covered under the guarantee and are taking steps to dispose of the same at a proper price.

(c) The performance of overseas branches of Public Sector Banks is continually reviewed by the Reserve Bank of India on an 'on-going' basis and appropriate steps are considered and taken from time to time improve the performance.

Maintenance of Silkworm Trees

8544. SHRI K. V. SHANKARA GOWDA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that five year term of Swiss Aided Project for the growth of the Inter-State Tusser Silk Industry has expired;

(b) if so, whether Government of Switzerland has approached the Union Government to extend the scheme for a period of three more years;

(c) whether the States which had been benefited by the scheme are faced with great hardship due to the expiry of the term of the scheme;

(d) if so, the names of those States and the extent to which the scheme has affected them;

(e) whether Government have agreed to extend the scheme; and

(f) if not, the reasons thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir.

(b) The Swiss Development Cooperation have not approached the Government of India to extend the scheme for a period of

three years. However, the Central Silk Board and Swiss Development Cooperation propose to provide some additional assistance as follow up phase of the project programme for establishing of silk reeling and processing units after the existing infrastructural units are handed over to the States and audited Statement of Accounts in respect of the past funds utilised is made available by them.

(c) No, Sir. No such representations have been received by the Central Government.

(d) Does not arise.

(e) and (f). There is no proposal to extend the scheme further since the Original Project period of Inter State Tasar Project has already expired on 31.3.1986. On expiry of the project period, the tusser development programmes are now to be continued by the respective states under their programmes. However, the Central Silk Board would continue to extend Research and Extension Support for dissemination of research findings to the field besides providing training to the farmers in latest technologies.

Over-Assessment by Income-Tax Officers

8545. DR. A. K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to his notice that sometimes Income-Tax Officers make an over-assessment intentionally with a view to showing a larger collection and that this results in great hardship to honest assessee;

(b) if so, the steps taken in this regards;

(c) whether in the U.K. there is a law to punish such over-zealous officers; and

(d) if so, whether he proposes to provide similar checks for the sake of stopping harrassment of assessee ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) and (b). The Central Board of Direct Taxes, in a few cases, have noticed the tendency on the part of assessing officers to make over-pitched assessments. Appropriate instructions have been issued from time to time to impress upon the officers to avoid making high-pitched assessments.

(c) and (d). The Government have no specific information in this regard and, therefore, no such proposal is under consideration.

Import of Edible Oil

8546. SHRIMATI USHA
CHOUDHARI :
SHRI MANORANJAN
BHAKTA :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state the quantities of different kinds of edible oils imported during the last three years indicating the names of the countries wherefrom imported, quantity imported and the value thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : The quantities and value of edible oils (oil-wise) imported by State Trading Corporation during the last three financial years are given below :

Oil	Quantity Lakh M.T. (Value Rs. crores) 1983-84	
	Quantity	Value
1	2	3
SBO	5.52	348.00
NPO	0.76	35.00
RSO	2.00	127.00
RBDPO	1.76	86.00
RBDPL	3.55	20.800
RSBO	0.31	27.00
SFSO	0.19	15.00
RBDCCN	—	—
TOTAL :	14.09	846 00

1	2	3
1984-85		
SBO	5.52	464.00
NPO	0.83	68.00
RSO	2.81	230.00
RBDPO	1.35	106.00
RBDPL	4.96	408.00
RSBO	—	—
SFSO	0.29	21.00
RBDCCN	0.09	12.00
TOTAL :	15.85	1309.00

Oil	Quantity in Lakh M.T. (Value Rs. crores) 1985-86 (provisional)	
	Quantity	Value
SBO	3.67	290.00
NPO	0.56	26.00
RSO	1.72	132.00
RBDPO	0.69	49.00
RBDPL	4.08	269.00
RSBO	—	—
SFSO	—	—
RBDCCN	—	—
TOTAL	10.72	766.00

The countries from which edible oils are generally shipped by seller are as under :—

Oils	Countries
Soyabean Oil (SBO)	USA, Brazil, Argentina and Netherlands.
Rapeseed Oil (RSO)	Canada and France
Sunflower Oil (SFO)	USA and Argentina
Neutralised Palm Oil (NPO)	
RBD Palm Oil	Malasia and
RBD Palmolein	Indonesia

Increase in Coastal Smuggling

8547. SHRI CHITTA MAHATA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that coastal smuggling has been increasing day by day;

(b) if so, the details thereof; and

(c) the preventive measures Government propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reports received by the Government and seizures made indicate that the West Coast and the East Coast of our country continues to be vulnerable to smuggling activities.

The value of contraband goods seized on the West Coast and the East Coast during the years, 1983, 1984, 1985 and 1986 (upto March), is given below :—

Year	(Value Rs. in crores)	
	West Coast	East Coast
1983	58.01	19.78
1984	59.75	20.71
1985	108.56	39.47
1986 (upto March)	34.41	8.99

(Figures for 1986 are provisional).

(c) The anti-smuggling drive in the entire West Coast and the East Coast of the country has been intensified. The Preventive and Intelligence machinery of the Customs Department deployed in the Coastal areas has been strengthened in terms of manpower and equipment. The trends in smuggling and seizures made in the Coastal regions are kept under constant review for taking appropriate remedial measures in close co-ordination with the concerned Central and State Government agencies.

[Translation]

Invitation to Emigrant Indians in Gulf for Investment in Rajasthan and Gujarat

8548. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Governments of Gujarat and Rajasthan have invited emigrant Indians residing in Gulf countries to invest capital there;

(b) if so, the number of such emigrants who visited these States with the intention of setting up industries there and the results thereof;

(c) whether industrialists of Indian origin residing in other countries are also being encouraged to set up industries in this country; and

(d) the nature of facilities Government have promised them in this regard ?

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

(b) During the months of January/February, 1986, 18 NRIS visited the State of Gujarat to see the facilities provided by the State Government for setting up industrial units. One NRI has since submitted a proposal for setting up a unit which is under consideration. The visit of emigrant Indians to Rajasthan is under active consideration of the State Government.

(c) Yes, Sir.

(d) Government have extended several facilities for attracting remittances from and investment by Non-Residents of Indian Nationality/Origin. All the Schemes introduced since 1982 continue to be in force. These include facilities for setting up new industries, investments in equity/debentures, Government securities, bank deposits, etc. Furthermore, in the recent past, a number of procedural simplifications were initiated in order to avoid delays earlier stated to be encountered by NRIs while marketing investment in this country.

[*English*]**Representation for Exempting Hard Duty Allowance from Income Tax**

8549. SHRI V. S. VIJAYARAGHVAN: Will the Minister of FINANCE be pleased to state :

(a) whether the Hard Duty Allowance being paid to the staff of 'Sagar Prabhat' in the Andamans being operated by the Oil and Natural Gas Commission is assessed for income-tax;

(c) whether Government have received any representation demanding that it should be exempted from income-tax;

(c) if so, whether any decision has been taken in this regard; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Information is being collected and will be laid on the Table of the House as soon as possible.

Pending Estate Duty Cases

8550. PROF. K. V. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) the number of estate duty cases pending decision; and

(b) whether rebate is proposed to be given to those who voluntarily filed their returns ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The number of estate duty cases pending for disposal as on 28.2.86 is 14,120.

(b) No, Sir.

[*Translation*]**Encouragement to Production of Mulberry-Based Silk in Uttar Pradesh**

8551. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have any special scheme to encourage production of silk based on the cultivation of mulberry in Uttar Pradesh;

(b) the amount proposed to be spent to encourage production of silk on large scale in Uttar Pradesh during the Seventh Five Year Plan;

(c) whether there is any proposal for mulberry plantation in order to produce silk in some new hill areas of Uttar Pradesh during this period; and

(d) if so, the names of such places ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Central Silk Board had initially drawn a special Project for sericulture development in the hill districts of Uttar Pradesh at a cost of Rs. 4.68 crores. In accordance with the suggestions made by the State Government, this project is being further revised to include plain districts of the State as well. Further, with a view to develop sericulture industry as also to encourage production of silk on large scale in Uttar Pradesh during the VII th Five Year Plan, Planning Commission have approved an allocation of Rs. 15.40 crores under States Plan Programme.

(c) and (d) The special project being finalised by the Central Silk Board in consultation with the State Government will cover certain hill districts of Uttar Pradesh.

[*English*]**Import of Brown Sugar**

8552. SHRI ATISH CHANDRA SINHA :
SHRI H. N. NANJE GOWDA :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have received various proposals from the sugar manufacturers for import of brown sugar instead of the manufactured sugar in order to enable the closed and sick sugar manufacturing units to process the brown sugar;

(b) whether by importing brown sugar with an ultimate view to have the same processed by domestic units, much of the depleted foreign exchange can be saved;

(c) if so, the facts thereof; and

(d) the action proposed to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA): (a) Yes, Sir.

(b) to (d). The whole issue of importing brown sugar (raw sugar) in place of white refined sugar and processing into white sugar by certain sugar factories in the country has been examined and it has not been found possible to accept the suggestion.

Streamlining of Purchase of Cardamom by Cardamom Board

8553. SHRI V. TULSIRAM: Will the Minister of COMMERCE be pleased to state :

(a) whether the Cardamom Board has streamlined the procedure for purchase of cardamom in the country;

(b) if so, the extent to which such a new procedure will be helpful to the cardamom growers in the country to get the payment of their produce promptly;

(c) whether the middleman system has totally been abolished in the new procedure; and

(d) the extent to which the new procedure will bring down the domestic prices of cardamom in the country ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) The primary marketing of cardamom is done through the system of public auctions which are considered beneficial particularly for

small growers in terms of open transactions and price formation through competition between the large number of sellers and buyers.

(b) Proper regulation of the auction system and suspension of licences of auction purchaser/auction agent have helped in minimising outstanding payments to growers.

(c) Around 65% of the produce is sold through auction and to this extent the role of the middleman has been reduced.

(d) Prices depend on the relative position of supply and demand. The auction system however ensures price formation through open competition and minimises speculation, hoarding and malpractices.

Cut in Plan and Non-Plan Expenditure

8554. SHRI HUSSAIN DALWAI: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are proposing to have drastic cut in its plan and non-plan expenditures on account of strain of financial resources;

(b) whether it is now possible to avail of such other resources to raise funds for developmental activities which would not necessitate the hike of prices of essential commodities; and

(c) the reasons why Government are not contemplating to raise loans from the public allowing the investors to bring their black money in circulation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) It is a continuing process for the Government to initiate measures to curb inessential and non-productive expenditure. Instructions were issued in September 1985 for effecting a cut of 5% in the non-Plan expenditure for the year 1985-86.

(b) Resources are being raised through several measures. A Policy Paper on

Administered Prices is being formulated which *inter alia* would indicate the norms for revision in case of such prices.

(c) Government does not propose to issue any series of bonds/loans which would confer immunity to tax evaders for moneys invested in such bonds. Moreover, in addition to the several steps taken earlier the Government has recently taken measures which *inter-alia* aim at encouraging tax compliance on one side, and increasing cost of evasion on the other, to curb black-money.

Opening of Branches of New Bank of India in Orissa

8555. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) the names of centres in Orissa suggested by the New Bank of India to Reserve Bank of India for licences for opening of branches during 1985-86;

(b) the names of centres for which of licences were granted to the New Bank of India for Orissa during 1985-86;

(c) whether Government also propose to open controlling office of the Bank in Bhubaneswar for speedier implementation of State Government's action plan for development; and

(d) if so, when it is likely to be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The task of identifying potential growth centres requiring banking facilities under the Branch Licensing Policy for 1985-1990 has been entrusted to the Groups set up for the purpose by the lead banks. The lists of identified centres are then required to be finalised by the concerned State Government and these have to be forwarded to the Reserve Bank of India (RBI) for its consideration for issue of licences for opening bank offices in accordance with the Branch Licensing Policy. As such, no bankwise

or yearwise targets for opening bank offices in any State have been fixed. Under the earlier Branch Licensing Policy for 1982-85 RBI had authorised New bank of India, in March 1985, to open offices at two centres namely Satmile and Kanjala in Dhenkanal District in Orissa.

(c) and (d). Reserve bank of India has reported that it has not received any proposal from New Bank of India for opening a controlling office at Bhubaneswar. RBI has also reported that bank are allowed to establish controlling offices taking into account the number of branches of the bank in the area volume of business of those branches, cost-benefit equations, need for effective supervision, administrative convenience etc. RBI is of the view that as New Bank of India has got only a limited number of branches in Orissa. it may not be necessary to open a controlling office of the bank at Bhubaneswar for the present.

Trade Delegation to China

8556. SHRI N. VENKATA RATNAM : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that a trade delegation led by him visited China recently; and

(b) the purpose of the visit of the delegation, its composition and achievements, if any ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Does not arise.

Appointment of Full Time Chairman for STC

8557. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that only four out of nine Chairman in the State Trading Corporation during the last ten years were full time Chairman;

(b) whether the growth of the organisation has not suffered due to ad-hocism in the appointment of its Chairman and the long spell during which it had no full time Chairman; and

(c) the reasons for not appointing full time Chairman for State Trading Corporation for long periods?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) During the period of 10 years from 1975-76 to 1984-85 the total turnover has gone up from 981.00 crores to Rs. 2865.53 crores, and profit before tax from Rs. 14.5 crores to Rs. 61.13 crores.

(c) Action has already been initiated to select a full time Chairman for STC.

Census of Cardamom Holdings in Kerala

8558. **SHRI K. MOHANDAS :** Will the Minister of COMMERCE be pleased to state :

(a) whether there is any programme for conducting a census of cardamom holdings in Kerala;

(b) if so, the details thereof, and

(c) the special assistance being given to small holdings with a view to maximising production?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). No, Sir. However, the Cardamom Board as requested the State Govts. of Kerala, Karnataka and Tamil Nadu to conduct a Quick statistical survey to ascertain the area under cardamom.

(c) The Cardamom Board is implementing a number of schemes to assist the small growers, like Cardamom Replanting Subsidy Scheme, Extension Advisory Scheme Certified Nurseries and Scheme for subsidised supply of Copper Sulphate, Plan Protection Equipment, Irrigation pump set and Bee Hives.

Losses in Five Star Hotels in Public and Private Sector

8559. **SHRI MOHANBHAI PATEL :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number and names of the five star hotels that are functioning in public sector and in private sector;

(b) whether it is a fact that several five star hotels run by Government agency are running in losses;

(c) if so, the names of such hotels and the annual loss incurred by these hotels;

(d) the reasons therefor when the hotels run by private sector are earning profit; and

(e) the Government's proposal to construct Janata hotels instead of big hotels during the Seventh Five Year Plan period for the benefit of middle class people who cannot afford big hotels?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) 55 Five Star hotels are functioning in the private and the public sectors. The names are given in Statement I below.

(b) Yes, Sir. Two of the classified 5 star hotels in public sector are running in loss.

(c) The names of the hotels and details about the losses incurred by them are given in statement II below.

(d) The losses have been mainly due to low occupancy and heavy expenditure on repairs, maintenance and depreciation.

(e) India Tourism Development Corporation has no specific plan provision for construction of Janata hotels during the 7th Five Year Plan. It is, however, operating an economy hotel (Ashok Yatri Niwas, New Delhi) for catering to the needs of low budget tourists.

Hotel Corporation of India likewise has no proposal for constructing Janata hotels or 5-star hotels during the 7th Five Year Plan. The Department of Tourism, however, has made a provision of Rs. 600/- lakhs during the 7th Five Year Plan for financial assistance for construction of Yatri Niwases in all the States. This would provide budget accommodation to low income groups of tourists. Funds have already been released for construction of Yatri Niwases in Goa, Port-Blair, Kurukshetra, Dakor, Satpada, Kanchipuram and Delhi. Cases for Yatri Niwases at other places are being processed.

Statement I

PRIVATE SECTOR

1. Hotel Oberoi
New Delhi
2. Hotel Maurya Sheraton
New Delhi
3. Hotel Taj Mahal
New Delhi
4. Hotel Taj Palace
New Delhi
5. Hotel Sidhartha Continental
New Delhi
6. Hotel Hyatt Regency
New Delhi
7. Hotel Claridges
New Delhi
8. Hotel Imperial
New Delhi
9. Hotel Sidhartha
New Delhi
10. Hotel Oberoi Towers, Bombay
11. Taj Inter-Continental
Bombay
12. Hotel Taj Mahal
Bombay
13. Hotel President
Bombay
14. Hotel Holiday Inn
Bombay
15. Hotel Palm Grove
Bombay
16. Hotel Searock
Bombay
17. Hotel Sun-n-Sand
Bombay
18. Hotel Hindustan International,
Calcutta
19. Hotel Oberoi Grand
Calcutta
20. Hotel Park
Calcutta
21. Hotel Rambagh Palace
Jaipur
22. Hotel Clarks Amer
Jaipur
23. Hotel Welcomgroup Mansingh
Jaipur
24. Hotel Shivniwas Palace
Udaipur
25. Hotel Mughal Sheraton
Agra
26. Hotel Clarks Shiraz
Agra
27. Hotel Fariyas Holiday Resort
Lonavla
28. Hotel Chandela
Khajuraho
29. Hotel Jas Oberoi
Khajuraho
30. Hotel Fort Aguada Beach Resort
Goa
31. Hotel Cidade-de-Goa
32. Hotel Oberoi, Dabolim
Goa
33. Hotel Taj Coromandal
Madras
34. Hotel Chola Sheraton
Madras
35. Hotel Broadway
Srinagar
36. Hotel Oberoi Palace
Srinagar
37. Hotel Clarks Avadh
Lucknow

38. Hotel Taj Ganges
Varanasi
39. Hotel Clarks Varanasi
Varanasi
40. Hotel Blue Diamond
Pune
41. Hotel Rama International
Aurangabad
42. Hotel Ajanta Ambassador
Aurangabad
43. Hotel Sun-n-See Park
Visakhapatnam
44. Hotel Banjara
Hyderabad
45. Hotel Windsor Manor
Bangalore
46. Hotel Maurya
Patna
47. Hotel Konark
Bhubaneswar
- PUBLIC SECTOR**
INDIA TOURISM DEVELOPMENT
CORPORATION
48. Hotel Ashok
New Delhi
49. Hotel Qutab
New Delhi
50. Hotel Ashok
Bangalore
51. Hotel Lalitha Mahal
Mysore
52. Hotel Kovalam Ashok
Trivendram
53. Hotel Air-Port Ashok
Calcutta
- HOTEL CORPORATION OF INDIA**
54. Hotel Centaur
Bombay
55. Hotel Centaur
Delhi Airport

Statement II

S.No.	Name of the Hotel	Losses in 1984-85 Figures in lacs of Rs.
(i)	Hotel Ashok Bangalore (I T D C)	59.84
(ii)	Centaur Hotel Delhi Air-Port (H C I)	278.10

Cheating of the public by traders in weights and measures of Kerosene Oil in Delhi

8560. SHRI HAFIZ MOHD. SIDDIQ : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether attention of his Ministry has been drawn to the weekly serial 'Rajni' telecast on 6 April, 1986 on the cheating of the public by the traders in weights and measures, and

(c) if so, whether it is a general practice with the kerosene oil dealers in Delhi to raise large quantity of forms while measuring oil to the card holders thereby giving less oil in weight and selling the so saved oil in black market ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) Delhi Administration has reported that such cases of general practice have not come to their notice. But cases of short deliveries by the kerosene oil dealers to the card holders have been detected during checking by the enforcement staff of weights and Measures in Delhi.

Complaints regarding non-distribution of imported edible oil from Fair Price Shops

8561. SHRI BHATAAM SRIRAMA MURTY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether imported edible oil is being issued to the fair price shop at a concessional price for issue to the consumers in Delhi and other places;

(b) if so, whether Government have received complaints regarding non-distribution of imported edible oil from fair price shops; and

(c) if so, the action taken by Government to strengthen its inspection and

monitoring machinery to ensure fair distribution of imported edible oil and other items from fair price shops ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) One complaint has been received from Haryana that imported oil is sold in Black market. The State Government has been asked to investigate the matter.

(c) The Central Government makes allocation of imported edible oils to States/ Union Territories for distribution to consumers through Fair Price Shops. It is the responsibility of the State Government to take proper steps to ensure that the imported oils are distributed to the consumers through Fair Price Shops. The State Government have been advised to streamline and energise the public distribution system to ensure that the imported oils actually reach the consumers and also to furnish monthly certificate indicating that the imported edible oils has been fully lifted and the same has been properly utilised for the purpose for which it has been allotted. The officers of the Central Government also visit the States/Union Territories to check that the imported oil etc. is available at the Fair Price Shops and distributed to consumers for whom it is meant.

Export of Betel Leaves

8562. DR. SUDHIR ROY : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any specific mechanism to export betel leaves;

(b) the foreign exchange earnings from the export of betel leaves during 1985-86;

(c) whether Government propose to take steps for export of more betel leaves as the price of betel leaf is abnormally low this year;

(d) if so, the details of the plan; and

(e) if not, the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Export of betel leaves during 1985-86 were valued at Rs. 61 lakhs as per provisional estimates.

(c) to (e) The Export potential of betel leaves is limited. Exports are primarily being made to Middle East countries which have sizeable ethnic community which consume this item. The consumption of betel leaves being limited, no specific proposals for increasing its exports are envisaged.

Seizure of Smuggled Goods

8563. SHRI S. G. GHOLAP : Will the Minister of FINANCE be pleased to state :

(a) the total value of smuggled goods seized in 1983-84, 1984-85, and 1985-86 and the countries from which goods were smuggled;

(b) the main items which were smuggled and their quality and value; and

(c) the procedure to dispose of the material seized ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The total value of contraband goods seized, indicating the main commodities seized, during 1983-84, 1984-85 and 1985-86 is given in the Statement below.

(c) Confiscated consumer goods ripe for disposal (after completion of adjudication, appeal proceedings, etc.) are sold to public through National Consumers' Co-operative Federation, State Civil Supplies Corporations, State Co-operative Federations, Co-operative Societies approved by the Central and State Government and duly registered under the Co-operative Societies Act, Military/Para-Military, Police canteens and departmental retail shops, etc. Gold and silver are deposited with the Government of India Mint. Indian and Foreign currencies are deposited with Reserve Bank of India. Trade goods are disposed of by public auction.

Narcotic drugs other than opium confiscated by the Customs authorities are generally destroyed. Confiscated opium is sent to Government Opium Factory, Ghazipur for processing and disposal.

Statement

The total value of the contraband goods seized, indicating the main commodities seized, during 1983-84 1984-85 and 1985-86 is given below :

(VALUE Rs. IN CRORES)

Year	Gold Qty. in Kgs.	Gold Value	Silver Quantity in Kgs.	Silver Value	Diamonds	Watches	Textiles	Indian Currency	Foreign Currency	Others	Total
1983-84	311	6.65	17683	6.24	0.18	7.15	18.05	1.18	1.78	56.13	97.76
1984-85	1111	21.90	673	0.24	0.20	9.13	17.93	1.45	2.87	66.15	119.87
1985-86	2569	51.31	64	0.02	0.67	8.81	17.57	3.20	4.65	105.24	191.47
											674 Kgs. of heroin.

(Figures for 1985-86 are provisional)

Reports received indicate that most of the seized goods are smuggled from or through countries in the Gulf region, Hongkong, Singapore, Pakistan, Nepal, Sri Lanka and Bangladesh.

Appointment of Agents by LIC

8564. **SHRI BRAJAMOHAN MOHANTY:** Will the Minister of FINANCE be pleased to state :

(a) the total number of new agents of Life Insurance Corporation of India appointed between 1980 and 1985, and out of that how many appointed agencies have been terminated ;

(b) the reasons for which these agencies were terminated ;

(c) out of aforesaid appointed agents, how many were qualified agents and whether any show cause notices were issued before terminations ,

(d) the number of policies lapsed annually without acquiring paid-up value from 1980-81 to 1984-85;

(e) whether it is a fact that lapsing of new policies is increasing year by year on account of unqualified agents; and

(f) if so, the steps Corporation has taken to prevent frequent lapsing of policies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The total number of new agents recruited by the LIC between 1-4-1985 and 31-3-1985 is 1,65,942. The exact number of agent terminated and the number of qualified agents out of this figure is not readily available and compilation would be time consuming. However the statement given below brings out the total number of agents on roll, number of qualified agents out of them as on the last date of a particular year, and the annual figures of termination, new recruitments and percentage of survival of new recruits as on 31-3-1985.

The agencies are terminated mainly for failure to fulfill the minimum business guarantee. The other reasons include non-renewal of licence, mis-appropriation of premium, benami/personal agencies etc. Show cause notices are issued before the termination of qualified agents in all cases except if action is taken against the agent under rule 14,15 and 17 (1) of (Agents) Rules, 1972 according to which the appointment of an agent can be terminated

if his licence is cancelled or not renewed or if he is found to be of unsound mind or is found to be guilty of criminal mis-appropriation of criminal breach of trust or cheating or forgery etc. by a competent court or if the competent authority issues one month's notice thereof to the agent in writing to terminate the agency or if the agent issues a similar notice to the competent authority for the discontinuation of his agency.

(d) the number of net policies lapsed annually without acquiring paid-up value from 1980-81 to 1984-85 is given herein below:

Year	Number of net policies lapsed
1980-81	5,26,130
1981-82	5,44,122
1982-83	6,18,953
1983-84	6,53,837
1984-85	7,00,412

(e) No, Sir. It is not a fact that lapsation of number of new policies is increasing on account of unqualified agents. Though there has been a marginal increase every year in the total number of net policies lapsed, the percentage of net lapses to mean life insurance business in force has remained steady between 4% and 5% as is seen from the figures below. Even there is a decrease in the percentage rate for 1984-85.

1982-83	4.3%
1983-84	4.5%
1984-85	4.2%

(f) The Corporation has introduced career agents in the fold of its sales organisation. LIC have also professionalised agency force by introducing agents' regulations and schemes such as club memberships in an endeavour to improve the quality of business and agency force. The lapsation has been kept under control by the Corporation. Decentralisation of service to branches as also installation of Micro-processor based machines at larger branches is expected to help keep lapsation under control.

Statement

Year of Recruitment	Total No. of agents agents on roll	No. of qualified agents	No. of agents terminated annually	No. of new agents recruited annually	%age of agents surviving out of new recruits as on 31-3-1985
1980-81	1,21,257	66,968	25,641	22,823	29.62
1981-82	1,24,589	70,798	29,386	26,908	38.85
1982-83	1,34,742	76,263	27,091	32,310	50.06
1983-84	1,46,473	80,957	30,927	38,004	70.35
1984-85	1,62,478	91,907	34,438	45,897	98.38

Grants to States For Promoting Welfare of Scheduled Tribes

8565. SHRI ARVIND NETAM : Will the Minister of FINANCE be pleased to state :

(a) whether the Grant-in-aid under the first proviso to Article 275(1) of the Constitution being given by the Union Government for the purpose of promoting the welfare of Scheduled Tribes is over and above the State plan funds or part of the total State plan size;

(b) if so, whether his Ministry is releasing additional funds against the specific schemes of development for Scheduled Tribes or observing mere formality of issuing sanctions of sums which already form part of the State Plan size; and

(c) the State-wise allocations of this grant during the Sixth Plan period and fund proposed to be allocated state-wise during the seventh plan.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The grant-in-aid being provided under the first proviso to Article 275(1) of the Constitution by the Union Government for the purpose of promoting the welfare of Scheduled Tribes is part of the total State Plan size.

(b) The Ministry of welfare receive specific schemes of development for Scheduled Tribes from the States and recommend release of funds to this Ministry on the basis of which assistance is released to States.

(c) A statement indicating the amounts released during the Sixth plan and 1985-86 State-wise is given below. A lump provision of Rs. 20 crores has been provided for 1986-87 and the State-wise allocations are yet to be made by the Ministry of Welfare. Allocations for the remaining three years of the Seventh Plan would be made at the time of the formulation of the Annual plans.

Statement

Statement showing amount released, State-wise, under First proviso to Article 275(1) of the Constitution during Sixth Plan (1980-85) and the year 1985-86.

STATES	Sixth plan (1980-85)	(Rs. Lakhs)
		1985-86
1	2	3
1. Andhra Pradesh	965.55	130.75
2. Assam	476.00	76.87

1	2	3
3. Bihar	649.00	204.34
4. Gujarat	459.00	261.60
5. Himachal Pradesh	31.36	6.92
6. Karnataka	118.50	64.17
7. Kerala	142.50	12.83
8. Madhya Pradesh	1806.78	421.53
9. Maharashtra	920.00	202.97
10. Manipur	131.00	13.64
11. Meghalya	9.36	37.83
12. Nagaland	—	22.99
13. Orissa	868.02	208.00
14. Rajasthan	332.48	147.07
15. Sikkim	3.47	33.50
16. Tamil Nadu	266.00	18.28
17. Tripura	206.48	20.53
18. Uttar Pradesh	66.50	8.19
19. West Bengal	548.00	107.99
TOTAL	8000.00	2000.00

*[Translation]***Raids on Premises of Income Tax Officers**

8566. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) the number of the Income Tax Officers whose houses were raided during the past one year and the value of goods and the particulars of documents seized from there in these raids;

(b) the number of the officers found guilty and arrested as a result of these raids and the action taken against them; and

(c) the number of persons out of these so arrested against whom cases have been

filed in court and the present position of these cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the period 1. 1. 1985 to 31. 3. 1986, 47 Searches were conducted by the various Branches of the CBI on the residential/ office premises of the 31 Income Tax Officials involved in 18 cases registered by the various Branches of the CBI on various allegations like possession of assets disproportionate to the known sources of their income, cheating, forgery, bribery and criminal misconduct etc. Details of the moveable/immovable properties discovered during the searches are given below:

Cash, Bank Balances, FDRs, NSCs, Shares etc.	Rs. 25,15,987.00
Jewellery, House- holds and moveable properties	Rs. 18,36,049.00
Immoveable Pro- perties	Rs. 17,39,321.00

Besides, a large number of incriminating documents were seized which are under scrutiny.

(b) As a result of above mentioned searches, 4 Income Tax Officials were arrested and released on bail. Out of 31 Income Tax Officials whose residential/office premises were searched, against 2 officials charge-sheets have been filed in the courts and against 2 officials departmental proceedings have been initiated. Case against one official has been closed as the allegations were not substantiated. Cases against the remaining 26 Income Tax Officials are under investigation.

(c) The 2 officials against whom chargesheets have been filed are facing trial in Courts.

[English]

Import of Sugar

8567. SHRI H. N. NANJE GOWDA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have finally decided about the quantum of sugar to be imported during the current financial year for ultimate distribution of the same to the consumers and to meet the shortfall expected during the year; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b) Further imports of sugar during the current financial year 1986-87 to meet the requirement of internal consumption would depend on the sugar production expected

to be achieved during 1986-87 sugar year (October-September). Since it is too early to make a reliable estimate of sugar production during the said year 1986-87, it is not possible to make an assessment for the present regarding the total requirement of imported sugar for the financial year 1986-87.

[Translation]

Setting up of Banking Service Recruitment Board in Bihar

8568. SHRI KUNWAR RAM : Will the Minister of FINANCE be pleased to state :

(a) whether a decision has been taken to set up Banking Service Recruitment Board in Bihar;

(b) if so, when it is likely to be set up; and

(c) if not the reasons therefor ?

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

(b) The selection and appointment of the Chairman, BSRB, Patna is under process and the Board will be set up as soon as the Chairman is appointed.

(c) Does not arise.

[English]

Operation of Pilot Test House Project

8569. SHRI SHANTARAM NAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether the Pilot Test House Project has started functioning;

(b) whether the Project proposes to provide testing facilities for products other than engineering products; and

(c) the date and year by which the project would be fully operational ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). Building construction work of the Pilot Test House has since started. To be with, Testing facilities for engineering products will be provided. The project is likely to be in operation during the year 1987.

Import of Fishing Trawlers by 100 Per Cent Export—Oriented Units

8570 **SHRI D. B. PATIL :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that 100 per cent export-oriented units are allowed to import fishing trawlers from abroad;

(b) whether it is also a fact that such import of fishing trawlers from abroad is allowed on the condition that the 100 per cent export oriented units have to place an order for purchase of one indigenous trawler :

(c) if so, whether the aforesaid condition has been withdrawn; and

(d) if so, since when and the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) No, Sir.

(c) and (d). A decision has recently been taken for 100 per cent export oriented units in deep sea fishing sector to be exempted from the condition that they must acquire as say fishing vessels indigenously as they are allowed to import.

[*Translation*]

Loan Facility to Craftsmen by Nationalised Banks

8571. **SHRI VIRDHI CHANDER JAIN :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that loan facility is being provided to craftsmen by nationalised banks under Craftsmen Scheme;

(b) if so, when the said scheme was implemented;

(c) whether the Union Government propose to make the said scheme more purposeful by raising the limit on loan in view of the rise in prices; and

(d) if so, when and how ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India has reported that there is no separate Craftsmen Scheme. However, loan facilities to craftsmen are provided by nationalised banks under the composite loan scheme which has been in operation since December, 1978. Under the composite loan scheme the banks and other financial institutions like State Financial Corporation have been advised to sanction credit upto Rs. 25000 to artisans, cottage and village industry units as composite loan, whether it is for equipment finance or working capital or both with the repayment period of 7 to 10 years or even more with an initial moratorium period of 12 to 18 months both for interest and the principal, considering the small amount of surpluses which can be expected to be generated and the continuous essential sustenance needs of the borrowers. There is no insistence on margin for this category. The rate of interest charged for these loans is 10% in backward areas and 12% in other areas which is lower than the rates for other small scale industrial units. Credit requirements are to be assessed liberally taking into account the consumption requirements of the artisans during the production cycle and to be reviewed periodically. Guarantee cover is given for such loans by DICGC. Refinance is available in respect of such loans from IDBI on automatic basis at concessional rate of interest.

(c) No, Sir,

(d) Does not arise.

Setting up of Jaipur Stock Exchange

8572. **SHRI SHANTI DHARIWAL :**
Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Jaipur Stock Exchange Ltd. was set up in 1983 vide Ministry's letter No. 1/60/SE/83 dated 25.10.83.

(b) whether it is also a fact that Jaipur Stock Exchange Ltd. has completed all the legal formalities required under the Securities (Contract) Regulation Act, 1956;

(c) if so, whether it is a fact that Government are not giving recognition to Jaipur Stock Exchange Ltd. even after the completion of all legal formalities by them,

(d) if so, the reasons therefor;

(e) when Government propose to give recognition to it; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government had approved the Memorandum and Articles of Association of the proposed Stock Exchange at Jaipur on 25.10.83. The promoters were asked to take necessary steps for incorporation of the Stock Exchange under Section 12/25 of the Companies Act, 1956 on the basis of approved Memorandum and Articles of Association. They were also informed that the question of recognition under Section 4 of the Securities Contracts (Regulation) Act, 1956 would be considered by the Government on receipt of the requisite application under Section 3 of the SCR Act, 1956.

(b) the promoters submitted application under Section 3 of the SCR Act, 1956 for recognition of Jaipur Stock Exchange on 10.1.1986.

(c) to (f). Government have since received four proposals from different groups of promoters for establishment of Stock Exchange in Jaipur. These proposals are being examined by this Ministry in

consultation with Government of Rajasthan. The claims and counter-claims of different groups of promoters have to be reconciled. Once the differences among the various groups of promoters are resolved, Government will take decision to establish the Stock Exchange in Jaipur. In the meanwhile the Regional Director, Company Law Board, Kanpur, has informed that a petition under Section 433/439 of the Companies Act 1956 has been filed in the Hon'ble High Court, Jaipur on 12th February, 1986 for compulsory winding up of Jaipur Stock Exchange Limited, Jaipur and that the same has been admitted by the Court.

[English]

Increase in Cost of Wheat Supplied to Flour Roller Mills

8573. **SHRI PRAKASH V. PATIL :**
SHRI R. S. MANE :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Flour Roller Mill owners have voiced their difficulties to Government over the increase in the cost of wheat that is supplied to them by Government;

(b) if so, the details thereof;

(c) whether Government have considered the request, and

(d) if so, their reactions in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b). Certain Associations of roller flour mills have represented against the increase in the issue price of wheat for roller flour mills on the ground that this will adversely affect the roller flour mills situated in the non wheat-producing areas.

(c) and (d). Yes, Sir. It has not been possible to charge the decision to increase the issue prices and the Associations have been informed of it.

Export of Woollen Goods

8574. SHRI CHIRANJI LAL SHARMA : Will the Minister of TEXTILES be pleased to state :

(b) whether it is a fact that Indian woollen goods are very popular in foreign countries; and

(b) if so, the steps being taken to enlarge the scope of woollen goods export ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) India's woollen products are popular in some foreign countries like USSR, Canada, USA, Middle East and Ethiopia.

(b) A Statement is given below :

Statement***Steps taken to Boost Export of Woollen Goods.***

The following measures have been taken to boost export of woollen goods.

1. As many as 114 machines necessary for garments and hosiery manufacture have been placed under OGL, 97 of them enjoying concessional import duty vide Appendix I part (b) of Import and Export Policy, 1985-88.
2. The number of days for packing credit has been increased from 90 days to 180 days.
3. Cash Compensatory Support is available on export of woollen goods.
4. Import of essential inputs for the production of woollen goods for the purpose of export is available under Appendices 17,19 and 21 of the Import and Export Policy, 1985-88.
5. A new Import-Export Pass Book Scheme for manufacturer-exporters has been introduced to facilitate production for exports.

6. Additional assistance is being given for export of woollen goods to new markets as per Appendix 24 of the Import and Export Policy, 1985-88.

7. Under the 100% Export Oriented Units and Free Trade Zone Schemes, facilities for liberal import of capital goods and raw materials alongwith many other concessions are being given with necessary export obligation.

8. A fashion technology institute is being set up in Delhi for education, research, service and training in the areas of fashion design specially for the garment trade.

9. The Government has been giving liberal assistance for sponsoring and funding several promotional activities including participation in exhibitions and international fairs, publicity abroad, buyer-seller meets, sales-cum-study teams etc.

Obtaining of Import Licences by Misrepresentation by Certain Firms

8575. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) the State-wise break-up of companies, whose import licences were cancelled in 1984-85 on the ground that the licences were obtained on misrepresentation and fabricated documents;

(b) the State-wise breakup of 396 firms which were debarred in 1984-85 on the ground of violations of the provisions of Imports and Exports (Control) Act;

(c) the State-wise break-up, of 13 firms on whom fiscal penalties were imposed during 1984-85 for misutilisation of imported materials; and

(d) the steps being taken to plug the loopholes in the procedures so that such malpractices are eliminated ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Import licences of two firms from Gujarat were cancelled by the Head-quarters office of CCI&E. Information about the number of licences cancelled by the regional offices of CCI&E is being collected.

(b) State-wise break-up of 144 firms debarred by the Headquarters office of CCI&E is indicated in the Statement I given below.

State-wise break up of remaining 252 firms debarred by the regional offices is being collected.

(c) State-wise break up of 13 firms on whom fiscal penalty was imposed is indicated in the Statement II given below.

(d) Import Policy/Procedure is under constant review. Import licences are given after close scrutiny applications.

Statement-I

1. Maharashtra	40
2. W. Bengal	19
3. Tamil Nadu	11
4. Punjab	23
5. Himachal Pradesh	1
6. Delhi	21
7. Gujarat	5
8. Assam	6
9. Uttar Pradesh	7
10. Andhra Pradesh	2
11. Karnataka	2
12. Jammu & Kashmir	3
13. Bihar	1
14. Kerala	1
15. Rajasthan	1
16. Haryana	1
Total	144

Statement-II

U. P.	4
Tamil Nadu	2
Punjab	2
Gujarat	1
Assam	1
M. P.	1
Haryana	1
Delhi	1

Voluntary Disclosure Scheme

8576 **SHRI VIJAY KUMAR MISHRA :** Will the Minister of FINANCE be pleased to state :

(a) whether the extension given under the Voluntary Disclosure Scheme has resulted in opening of cases of assessment in earlier years;

(b) whether this has constituted an impediment in the collection of arrears of taxes;

(c) if so, whether the Voluntary Disclosure Scheme is not successful in view of these large arrears; and

(d) the steps proposed to be taken to make the scheme a success ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Under the "amnesty" granted by the Government, the assesses have been given opportunity to declare voluntarily their true income before detection by the Department also in respect of the years for which the assessments have already been completed and pay the additional tax on the income now being disclosed. The time limit for availing of this opportunity was earlier available upto 31-3-1986. This scheme has since been extended upto 30-9-1986, by which date the assesses can disclose income or wealth relating to the assessment years 1986-87 or earlier assessment years. Since under the "amnesty" circulars the

disclosure of income by filling return and the payment of tax due has to be simultaneous, the problem of collection of arrears does not arise.

(d) There has been good response to the "amnesty" offered by the Government and the scheme is already a success.

Rise in Wholesale Price Index

8577. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that after the presentation of the Budget in February, 1986 there is steep rise in the wholesale price index and retail price index;

(b) the details thereof; and

(c) whether it is also a fact that during this period the price index of all agricultural produce has fallen and the prices of industrial goods have risen ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) to (c). The wholesale price increase in the (seven) weeks since 28.2.1986 when the Budget was presented has been 0.9 per cent, which is much lower than the increase of 2.9 per cent in the corresponding weeks of 1985. There is no separate index of retail prices,

The movement in retail prices is reflected in the behaviour of Consumer Price Index (CPI) for Industrial Workers. However, the latest CPI is available only upto February, 1986.

Between 22.2.1986 and 12.4.1986 the index for agricultural products increased from 305.7 to 309.5 and for manufactured products from 339.4 to 342.8.

Demands of Employees of Central Warehousing Corporation

8578. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Central Warehousing Corporation employees are agitating for the last one year in regard to their demands; and

(b) if so, what are the demands and the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b). Yes, Sir. A statement showing the major demands which the recognised Federation of the Central Warehousing Corporation Employees Unions has been making and the Government's reaction thereto is given below.

Statement

Demand		Government's Reaction
1	2	3
1.	Revision of Pay scales of the employees giving them parity with the better-paid public undertakings alongwith revision of allowances, perquisites and other fringe benefits.	An agreement was reached between the Federation of CWC Employees Unions and the Management on 30.1.1984 whereby the Federation agreed to switch over to industrial D.A. pattern for Group 'C' & 'D' employees. The Management has since held a series of discussions with the Federation for revising the pay scales. However, no settlement has been reached so far due to divergent views on minimum wage; scales of pay, increment etc.

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2. Payment of second instalment of Interim Relief :

(a) Ad-hoc payment of Rs. 150 w.e.f. February, 1985 subject to adjustment against final outcome of the pay revision.

(d) Ad-hoc payment arrears of Rs. 1500 to each employee subject to adjustment against arrears due w.e.f. 1.8.1983.

3. Introduction of 5-day week in the warehouses of C.W.C.

4. Uniform working hours for Head Offices/Regional Offices and Warehouses.

5. Introduction of time-bound promotion policy so that there is no stagnation in Group 'C' & 'D' Employees.

6. The transfer policy is unfavourable to Class-III and IV employees inasmuch as they are transferred to far-off places. Hence, it should be reoriented.

7. Introduction of pension scheme in CWC on the lines of similar schemes prevalent in DTC and DESU,

The Group 'C' & 'D' employees of the Corporation were allowed first instalment of interim relief in terms of the aforementioned agreement dated 30.1.1984. In terms of that agreement, no further instalment of interim relief of any ad-hoc payment is admissible to the employees. The demand of the CWC employees for grant of interim relief as and when it is announced by Government for its employees has also not been accepted by the Supreme Court in view of the agreement dated 30.1.1984. These employees are already being paid industrial D.A. in terms of the agreement.

The number of working hours for the warehouses and the Offices of the Corporation were different even prior to the introduction of 5-day week in the Corporation. It was 8 hours for the Warehouses and 7 hours for offices including half and hour lunch break in both the cases. With the introduction of 5-day week the offices have switched over to it with corresponding increase in the number of working hours. In case of Warehouses, switch-over to 5-day week is not considered feasible keeping in view the operational requirements and the need to provide requisite services to the depositors.

Time-bound promotions cannot be introduced in the Corporation as creation of post in each grade has to be need-based. However, in the revised CWC (Staff) Regulations, 1986 the Corporation has provided that an employee who has been stagnating at the maximum of scale of his pay, for two years or more, may be granted an ad-hoc increment equivalent to the rate of increment last drawn by him in his existing scale.

The Corporation has laid down guidelines for the transfer of its employees. Group 'C' & 'D' employees are generally transferred within the region only, subject to availability of vacancies.

The CWC follows the guidelines issued by the Central Government in such matters. The Central Government has not introduced any such scheme for the employees in the public sector so far.

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| 8. Payment of incentive bonus in addition to normal bonus under the payment of Bonus Act. | The Corporation has been asked to examine the feasibility of introduction of productivity-linked incentive scheme in the Corporation expeditiously. |
| 9. Silver Jubilee Award to the Employees. | As a matter of policy, the Government does not favour grant of any milestone award including Silver Jubilee award. |
| 10. Regularisation of daily rated staff. | The Corporation has issued instructions that all those daily-rated employees who have worked for more than 240 days during a period of one year may be regularised against the vacancies that may arise provided that they were recruited through employment exchange initially and fulfil the age and other qualifications prescribed for the post. |
| 11. At present only limited Chowkidars are allotted quarters constructed at their place of posting. Since the problem of getting accommodation is felt by all, sufficient number of quarters should be constructed for Class III & IV employees at their place of posting. | The Corporation has either been providing suitable accommodation or giving the house-rent allowance to its employees. It has been making efforts to provide accommodation to its employees and would continue to do so to the extent possible. |
| 12. Payment of over-time allowance. | The Corporation has been asked to examine the question of payment of over-time allowance to its employees in terms of the Shops and Establishment Act in force in the concerned States. |

Import of Coconut oil

8579. SHRI SURESH KURUP : Will the Minister of COMMERCE be pleased to state :

(a) whether any facility is being given to exporters of fatty acids to import coconut oil under the Replenishment Scheme; and

(b) if so, the quantity imported during 1984 and 1985 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) Separate statistics on imports against Replenishment licences are not maintained.

Guidelines REG. Donation to PMs/CMs Relief Fund by Nationalised Banks.

8580. SHRI SOMNATH CHATTERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether any nationalised bank has donated any sum to Prime Minister's Relief Fund or any Chief Minister's Relief Fund;

(b) if so, when and the amount, thereof;

(c) whether permission of Reserve Bank of India was taken before such contribution, if any, was made;

(d) whether the Reserve Bank has framed guidelines therefor; and

(e) if so, the details of such guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The information in being collected and to the extent available will be laid on the Table of the House.

(c) Permission of the Reserve Bank of India is not necessary for the purpose.

(d) and (e). Guidelines have been framed by Reserve Bank for donations by banks to organisation/institutions etc. These do not cover donations to PM's/CM's Relief Funds

Report of Fourth Pay Commission

8582. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether the term of the Central Pay Commission is being extended;

(b) whether fresh terms have been incorporated in the terms of reference; and

(c) if so, the facts thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As no time limit for submission of report by the Fourth Central Pay Commission has been prescribed, the question of any extension of the term of the Commission does not arise.

(b) and (c). The terms of reference of the Fourth Central Pay Commission as originally prescribed in Government's Resolution No. 5(56)-E. III/83, dated 29th July 1983 were amended twice as below :

(i) vide Government Resolution No. 5(56)/E III/83 dated 16th February 1985 to enable the Commission to consider the demand for a relief of an interim character during the course of its deliberations and make recommendations thereon; and

(ii) vide Government's Resolution No. 5(56)/E. III/83, dated 8th November 1985, inter alia, providing that the Commission may examine, with a view to having a proper pension structure for pensioners both past and future- the existing pension structure including death-cum-retirement benefits and make recommendations.

Five copies each of the terms of reference of the Fourth Central Pay Commission as also of the two amendments, have been placed in the Parliament Library.

Proposal For Bifurcation of Madras Circle of State Bank of India.

8583. SHRI A. CHARLES :
SHRI T. BASHEER :

Will the Minister of FINANCE be pleased to state :

(a) the number of Circles State Bank of India has presently ;

(b) whether there is any proposal under consideration to bifurcate Madras Circle into Tamil Nadu and Kerala; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The State Bank of India has reported that there are at present 13 Circles in the Bank.

(b) and (c). The Bank has reported that it has no proposal to bifurcate its Madras Circle into Tamilnadu and Kerala.

New Credit Policy Announced by RBI.

8584. SHRI YASHIWANTRAO GADAKH PATIL :
SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has announced a new credit policy for the period April-September, 1986;

(b) if so, the details thereof ; and

(c) its impact on production in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes Sir. The Reserve Bank of India announced the credit policy for the first half of the financial year 1986-87 on April 3, 1986.

(b) The salient features of the credit policy measures as announced by Reserve Bank of India are set out below :

Measures which would remain unchanged :

- (i) Cash reserve requirements of 9 per cent of net demand and time liabilities and incremental case reserve ratio of 10 per cent of the increase in net demand and time liabilities over the levels on November 11, 1983 will be continued. The additional cash balances maintained with the Reserve Bank of India as on October 31, 1980, would not be allowed to be withdrawn.
- (ii) Statutory liquidity ratio of 37 per cent of the net demand and time liabilities will continue.
- (iii) Deposit and lending rates and re-finance rates will remain unchanged.
- (iv) The terms and conditions of food and export credit refinance facilities will continue unchanged.

Changes in Measures :

A SLR Waiver-band

The waiver band upto 4 per cent of required SLR will be withdrawn in a phased manner beginning from July 19, 1986 so that by October 11, 1986, the waiver band would be abolished. The prac-

tice of not imposing 3 percentage points additional interest charge on refinance from RBI equivalent to the SLR default would be extended from June 21, 1986 to October 10, 1986. Thereafter the additional interest charge of 3 percentage points will be imposed on a daily basis on the portion of refinance from Reserve Bank of India equivalent to the amount of daily SLR default.

B. Selective Credit Controls.

The practice of selective credit controls for preventing the use of bank credit on speculative hoarding will continue and the system which was rationalised in October, 1985 will be preserved and strengthened. Certain changes have been made in selective credit controls effective from April 4, 1986 and these are :

- (a) The base period for determining the level of credit has been brought forward by one year from the three year period of 1980-81 to 1982-83 (November-October) to 1981-82 to 1983-84.
- (b) In the light of the improvement in the supply position of rice and the adequate public sector stocks of paddy/rice, these items have been exempted from selective credit controls.
- (c) All bank advances against cotton and kapas have similarly been exempted from selective credit controls.
- (d) Following improvements in oil-seeds economy, cotton seed and cotton seed oil have been exempted from the provisions of selective credit controls. Further, the minimum margins on oil seeds and vegetables oils have been reduced across the board by 15 percentage points. Also, advances against high yielding and hybrid seeds used for growing oil seed have been exempted from selective credit controls; The overall exemption limit for advances per borrower against stocks of commo-

dities covered by selective credit controls which stood at Rs. 50,000 has been raised to Rs. One lakh.

- (e) The minimum margins of other foodgrains pulses, sugar, gur and khandsari will remain unchanged.

C. Changes in Credit Authorisation Scheme

Certain changes have been made in credit authorisation scheme, considering the increase over time in the volume and size of financial transactions

- (i) The cut-off point for CAS working capital limit has been raised from Rs. 4 crores to Rs. 6 crores
- (ii) The cut off point for working capital limits for manufacturer/trader exporters has been raised to a uniform level of Rs. 7 crores as against the differential cut-off points hitherto of Rs. 5 crores for manufacturer exporter and Rs. 4 crores for trader exporters.
- (iii) The discretionary powers of banks to sanction adhoc limit has also been raised to 10 per cent of the existing working capital limit and 25 per cent of the existing packing credit limit, within an overall ceiling of Rs. 2 crores as against the earlier ceiling of Rs. 75 lakhs.
- (iv) The cut-off point for cases of working capital limits which banks have to report to RBI for post sanction scrutiny is raised from Rs. 1 crore to Rs. 2 crores.
- (v) Certain changes have been introduced in the Reserve Bank's existing guidelines so as to impart considerable flexibility to the Fast Track arrangements for releasing additional credit limits to the borrowers.

D. Transfer of Borrowal Accounts.

The presents restraints on transfers of borrowal accounts from one bank to another where the credit limit

exceeds Rs. 1 crore, have been reviewed and the requirements of the transferee bank having to seek the consent of the transferor bank for the take over of the account has been dispensed with for borrowal accounts with limits upto Rs. 5 crores, subject to certain stipulations.

(e) Credit policy is so framed that legitimate demands for credit from banks are fully met. In an economy where planning is given pre-eminence it is necessary to ensure that credit is allocated according to plan priorities. Accordingly, attention is given to ensuring that plan priorities are reflected in credit allocation and all legitimate credit requirements for productive purposes are fully met while maintaining normal credit norms and discipline.

World Bank Assistance for Completion of Sriramsagar Project in Andhra Pradesh

8585. SHRI C. JANGA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the world Bank proposes to given financial assistance for the completion of Sriramsagar project in Andhra Pradesh for II phase i e. 284 to 347 K. M. of Kankathya Canal (Akuru River to Musiriver); and

(b) If not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. The World Bank have approved assistance of \$ 271 million for the Second A. P. Irrigation Project which includes inter alia the following components of the Sriramsagar Project only :

- (i) Upgrading and completion of conveyance works of the Kakatiya Canal Command between km 0-146;
- (ii) completion and new conveyance works of the Kakatiya Canal Command betweet km 146-267;

(iii) Excavation of the tail section of the Kakatiya Canal to serve as an escarpment (KM 267-284).

(b) The Section from 284 kms to 347 kms of Kankathya Canal was not included by the State Government in the project posed to the Bank.

Accumulation of Arrears of work in Banks Due to Shortage of Staff.

8586. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that due to shortage of staff in the nationalised banks including Reserve Bank of India the arrears of work are getting accumulated and the customer services are affected; and

(b) if so, the steps Government propose to take to overcome the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Most of the nationalised banks have reported that they have adequate staff to ensure that there are no arrears of work and customer services are maintained. Other banks, including Reserve Bank of India, have reported that the services of existing staff are so deployed as to ensure that there is no accumulation of work and customer services are not affected.

Closure of Tea Gardens of Assam

8587. SHRI BHADRESHWAR TANTI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that as many as 35 tea gardens in Assam are closed for about a year;

(b) if so, the action taken or proposed to be taken for re-opening of the same;

(c) whether Government propose to take over the management of the said gardens; and

(d) if not, the reasons thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (b). Tea industry is by and large doing well and incidence of sickness has come down to a marginal level. No cases of prolonged closure have been reported after 1982 except stray incidents or problems. Take over of management of gardens which have been closed for a long period or are in abandoned state may not be a viable solution for tackling sickness. Remedies have to be found on a case by case basis. The policy followed is broadly on the lines for other industries. Various developmental measures have been initiated to improve productivity or minimise the incidences of sickness.

Hindi Officers in Collectorate of Central Excise and Customs

8588. SHRI GANGA RAM : Will the Minister of FINANCE be pleased to state :

(a) the total number of posts of Hindi Officers lying vacant in the various collectorates of Central Excise and Customs under his Ministry and the names of stations where these posts are lying vacant;

(b) the steps taken or proposed to be taken to fill up the above vacancies; and

(c) the total number of Hindi Officers already working in the subordinate offices of Central Board of Excise and Customs and their places of posting ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) 10 posts of Hindi Officers are at present lying vacant in the Guntur, Madurai, Madras, Bhubaneshwar, Shillong, Kanpur, Meerut and Chandigarh Central Excise Collectorates and Goa and Madras Custom Houses.

(b) Action has already been initiated to fill up the vacancies according to the recruitment rules.

(c) There are 23 Hindi Officers working in the sub-ordinate and attached offices of the Central Board of Excise and Customs. They are posted at Delhi, Jaipur, Patna,

Allahabad, Indore, Gwalior, Ahmedabad, Vadodara, Bombay, Pune, Nagpur, Calcutta, Hyderabad, Bangalore and Cochin.

Assistance to Growers of Sticklac

8589. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) the nature of assistance/incentives being given by Government to the growers to motivate them to increase the production of sticklac;

(b) to what extent the domestic demand for sticklac has been met with indigenous production during the last three years, year-wise; and

(c) the annual production projection of sticklac for the year 1986-87 and how the target is likely to be achieved ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The Central sector schemes of "Extension Work and Pacage Programme for Lac Cultivation in various States" is being implemented with 100% central grant to educate the growers in improve methods of lac cultivation and to motivete them to increase the production of sticklac by giving them suitable demonstrations and also incentives in the form of broodlac, prunip implements, insecticides, etc. Presently this scheme is being implemented in lac growing States of Bihar, West Bengal, Orissa, U.P. and Gujarat.

(b) Production of sticklac during the last three years was as under :

1983-85	11605 MTs
1984-85	12955 MTs
1985-86	13175 MTs

Domestic demand of lac is estimated to be about 2,000 MTs per annum. The surplus quantity is available for exports.

(c) Production of sticklac for 1986-87 may be 20,000 MTs against 18175 MTs

during 1985-86. Baisakhi crop of 1986-87 which is the principal crop of lac, is expected to be fairly good. It is proposed to bring additional area under lac cultivation by demonstrations and increasing the availability of broodlac.

Growing Demand of Palmolein Oil

8590. SHRI RADHAKANTA DIGAL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there is a growing demand of palmolein oil in the country;

(b) if so, the names of the States which consumed more palmolein oil supplied by the Central pool in 1984-85 and 1985-86; and

(c) the steps taken to supply more quantity of palmolein oil to the consumers in the States where the demand has been increasing ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b) Palmolein is a preferred imported edible oil in certain areas, Andhra Pradesh, Gujarat, Kerala, Karnataka, Maharashtra and Tamil Nadu are the major Palmolein consuming States. Statewise details of consumption of palmolein under Public Distribution System for the financial years 1984-85 and 1985-86 are given in the statement below.

(c) All efforts are being made to reduce imports of edible oils. The allocation of imported edible oils, including palmolein oil, to the State Governments/Union Territories under public Distribution System is made by the Central Government from month to month on the basis of demand; consumption pattern, festival season availability of indigenous edible oils in the States/Union Territories or region, availability of stocks with State Trading Corporation of India and other relevant factors including the pace of lifting of edible oils allocated earlier to the States.

Statement

Statewise allocation and lifting of RBD Palmolein under PDS for the financial years 1984-85 and 1985-86

QTY : MTS
PROVISIONAL

S. No.	Name of State	1984-85		1985-86	
		Allocation	Lifting	Allocation	Lifting
1.	Andhra Pradesh	89150	78039	72600	78905
2.	Bihar	600	730	—	—
3.	Dadra & Nagar Haveli	390	259	400	279
4.	Gujarat	65700	57101	64500	63516
5.	Goa, Daman & Diu	6100	5102	4010	4172
6.	Haryana	100	95	—	—
7.	Himachal Pradesh	250	248	—	—
8.	Kerala	52350	47921	34850	30822
9.	Karnataka	36800	33068	27000	32177
10.	Lakshadweep	200	160	170	157
11.	Madhya Pradesh	21800	12200	7010	6612
12.	Maharashtra	106500	93170	73898	85043
13.	Orissa	9335	6800	5750	5405
14.	Pondicherry	4300	4271	2910	3136
15.	Rajasthan	100	96	—	—
16.	Tamil Nadu	69150	62531	48700	49656
17.	Uttar Pradesh	300	248	—	—
		463125	402039	341798	359880

Non-Eligibility of Exporters Registered with Apparel Export Promotion Council to Obtain Quota

8591. SHRI C. SHANMUGAM : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the exporters registered with the Apparel Export Promotion Council after 1983, are not eligible or obtaining quota for quota countries;

(b) if so, the solution given by the council to the exporters registered after 1983 to obtain quota if they have orders from quota countries; and

(c) if not, the reasons why Apparel Export Promotion Council has refused to accept the application of the new coming exporters even though they have orders and required Letters of Credit ?

THE MINISTER OF STATE OF THE
MINISTRY OF TEXTILES (SHRI

KHURSHID ALAM KHAN) : (a) to (c). Only in the case of First-Come Served Small Order System, the Export Entitlement Distribution Policy for 1986 stipulates that the exporters should have been registered with AEPC on or before 31st December, 1983 for obtaining entitlements. However; exporters are eligible for getting entitlements of slow moving items even under this system irrespective of the date of registrations.

Import of Natural Rubber

8592. **SHRI P. M. SAYEED :**
SHRI SURESH KURUP :

Will the Minister of COMMERCE be pleased to state :

(a) whether a decision has been taken to import natural rubber;

(b) if so, the reasons therefor;

(c) the names of the countries where from the rubber is proposed to be imported and value thereof;

(d) whether domestic production is encouraged by Government; and

(e) if so, when India is likely to become self sufficient in this regard ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) To meet the gap between demand and indigenous production.

(c) This will depend on International market prices and other commercial considerations.

(d) Yes, Sir.

(e) Considering the long gestation period for rubber plantations, Rubber Board is of the view that it may be possible to become self-sufficient by the turn of the century.

Export of Pepper

8593. **KUMARI PUSHPA DEVI :**
Will the Minister of COMMERCE be pleased to state :

(a) whether Government have been exporting pepper to the United States;

(b) if so, since when and the export price of pepper;

(c) whether some other countries are also buying Indian pepper; and

(d) if so, the total quantum of Indian pepper sold to different countries in 1984-85 and 1985-86 indicating the value thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Government do not themselves export pepper to any destination. However, pepper is exported to the United States by individual exporters including Government undertaking/agencies.

(b) India has been a traditional exporter of pepper to the United States. The average price of pepper exported to the United States during 1984-85 was Rs. 28.07 per kg. while during April-December, 1985, it was Rs. 44.96 per kg.

(c) Yes, Sir.

(d) During 1984-85, India exported 25,456.52 Metric Tons of pepper valued at Rs. 60.51 crore, while exports during 1985-86 (upto December, 1985) were 13,295.50 Metric Tons valued at Rs. 57.64 crore.

Import Duty on DMT/PTA

8594. **SHRI K. P. UNNIKRISHNAN :**
Will the Minister of FINANCE be pleased to state :

(a) the effective rate of import duty as on 1 April 1985 on DMT/PTA basic feed-stock for polyester production;

(b) the domestic selling price of DMT/PTA for the same period per tonne and per kg.

(c) whether the effective import duty on DMT/PTA was further raised in September, 1985, if so, the details of the structure of duty and rationale thereof;

(d) whether this hike was in consonance with the recommendation of the Bureau of Industrial Costs and Prices and with textile policy and long-term fiscal policy announced by Government;

(e) the domestic selling price of DMT/PTA after this hike in September, 1985 till April, 1986 and;

(f) whether there has been a further hike in the import duty of DMT/PTA announced in April, 1986 stating the details of rationale thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) On 1st April, 1985, the effective rate of import duty on DMT was 140% advalorem (standard) 130% advalorem (preferential) and that on PTA was 140% advalorem.

(b) The information is being collected and will be placed on the Table of the House.

(c) and (d). On 30th September, 1985, the effective rate of import duty on DMT was raised to 190% advalorem (standard)/180% advalorem (preferential) and that on PTA to 190% advalorem. Thought the textile policy statement of 1985 envisaged in general lower cost of raw materials, there was also a need for protection of indigenous industry manufacturing these raw materials. BICP had not made any recommendation on DMT/PTA in September, 1985 or earlier. The long-term fiscal policy was also announced only in December, 1985.

DMT and PTA are alternative raw materials for the manufacture of synthetic yarn etc. Production of DMT has already been established in the country and PTA can also be used as a substitute raw

material. The rate structure of import duty on DMT and PTA was accordingly revised in order to maintain the competitive position of indigenously manufactured DMT.

(e) The information is being collected and will be placed on the Table of the House.

(f) With effect from 16th April, 1986, the effective duty on DMT has been raised to 190% advalorem plus Rs. 3 per kg (standard)/180% advalorem plus Rs. 3 per kg (preferential) and that on PTA to 190% advalorem plus Rs. 3 per kg. This has been done in the interest of indigenous production of DMT in the country.

Use of Electronics in Textile Industry

8595. SHRI SRIKANTHA DATTA
NARASIMHARAJA
WADIYAR :
KUMARI PUSHPA DEVI :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have a proposal for use of electronics in textile industry;

(b) if so, the steps taken in this regard; and

(c) details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Electronics is already widely in use in the latest textile machinery and testing equipments now being manufactured by some of the machinery manufacturers in India. Electronic-stop-motions, slab catchers weft feelers, yarn breakage recorders, colour matching equipment and electronic circuits etc. are some of the instruments/devices, which are extensively used in textile industry.

(b) and (c). Government have taken steps to ensure that such types of electronic gadgets are manufactured indigenously wherever necessary, collaborations have

already been allowed with reputed foreign machinery manufacturers. Items not available/not yet manufactured indigenously are being allowed to be imported for the benefit/modernisation of Textile Industry.

Impact of Price on Consumer Price Index for Industrial Workers

8595. SHRI RANJIT SINGH GAEKWAD : Will the Minister of FINANCE be pleased to state :

(a) whether the recent increases in the issue prices of rice, wheat, coal, fertilizer and petroleum products has an impact on consumer price index for industrial workers;

(b) if so, the consumer price index for the month March 1986 as against consumer price index of March, 1985; and

(c) the percentage increase of consumer price index during the last one year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). All India Consumer Price Index for Industrial Workers is available upto the month of February 1986 and stands at 633 (1960=100). The index was 629 in January 1986 and 586 in March 1985. It has gone up by 8.2 per cent during the last one year.

Development of Kumarakom and Pathiramanal, in Kerala as Tourist Centres

8597. SHRI P. A. ANTONY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether there is any proposal to develop Kumarakom and Pathiramanal in Kerala as tourists centres; and

(b) if so, the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). The Central Department of Tourism has sanctioned the following boats for Kumarakom.

	Amount sanctioned
(1) One Luxury boat wito 45 seats to ferry between Kumarakom and Cochin.	Rs. 10.44 lakhs
(2) One 20 seater in-board engine boat.	Rs. 0.87 „

The Department has not received any proposal for the development of Pathiramanal.

Monitoring of Activities of Nationalised Banks in West Bengal

8598. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Chief Minister of West Bengal has urged the Union Government to empower his Government to monitor the activities of the nationalised banks in West Bengal so that the socio-economic benefits reached all the people of the State;

(b) whether he has further stressed that unless the State Government were actively associated with the powers of monitoring the performance of banks, even the rural development programme envisaged in the Seventh Five Year Plan would not succeed; and

(c) if so, Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Chief Minister of West Bengal has written to the Union Government about the organisation of credit camps and suggested that the peoples representatives of the area where the credit camp is held, as well as State Government officials, should be invariably associated with the organisation of credit camps. Credit camps are organised by public sector banks at the initiative of field functionaries, as a part of the overall measures taken to increase the flow of credit to the priority sector/weaker sections'—in order to achieve the targets laid down

for credit deployment to these sectors. Banks generally inform the people's representatives/ local dignitaries of the particular locality, including M.Ps. and M.L.As. about the credit camps. The Reserve Bank of India's guidelines to banks from time to time have set out well-laid down procedures for identification, scrutiny and appraisal of bank loans, including those disbursed in the camps. As such separate monitoring of loans disbursed through credit camps is not considered either feasible or necessary by the Reserve Bank. The State machinery has ample opportunity to participate in the overall monitoring of priority sector loans since the financing of various scheme pertaining to it, is monitored in all States including West Bengal by the District Consultative Committees and Standing Committees chaired by the District Collectors with concerned State Government Departments' officials as members. Special programmes like I.R.D.P., SEEUY are monitored by DRDAs, DTCs, etc. which are State Government agencies. At the State level, State Level Bankers' Committee monitors the performance of the banks. Meetings of this Committee are also attended by the senior officials of the State Government.

Gold Stocks with Government

8600. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) the quantities of gold in the hands of Government which are attributable to indigenous mining import, smuggling, public donation and local purchase separately for each category, during the last five years; and

(b) whether these stocks are kept with the Reserve Bank of India apart from the gold held by the Reserve Bank of India as monetary reserves ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The quantity of gold held by the Mints, RBI and SBI, which includes gold from indigenous mining, smuggling, public donation, gold bonds etc for the last five years is as follows. This, however, excludes the

quantity of gold held by RBI as monetary reserves.

	In fine kilograms
31.3.1982	58362
31.3.1983	72242
31.3.1984	74258
31.3.1985	52051
31.3.1986	53664

The information regarding category-wise break up as required in the Question is not available.

(b) Part of these stocks is kept with RBI apart from the gold held by them as monetary reserves.

India's Share in World Agricultural Export

8601 SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state the details regarding India's share in the export of agricultural commodities as compared to other countries of the World during 1984-85 and 1985-86 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : As per the FAO Trade Year Book 1984, the total world exports of agricultural products during 1984 were valued at US \$ 218487.79 million. India's exports of agricultural products during 1984 were estimated at US \$ 2385.66 million. India's share of the world exports of agricultural commodities was accordingly a little over one per cent. Figures for 1985-86 have not yet been published.

Hoarding of Imported Sugar by Small Traders

8602. DR. V. VENKATESH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the State-wise distribution of imported sugar planned by the Food Corporation of India;

(b) whether it is a fact that a group of small traders has been found to have hoarded a large quantity of such sugar to avoid its sales in the open markets;

(c) if so, the facts thereof; and

(d) the action proposed to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The figures of State-wise allocations and liftings of free sale imported sugar meant for distribution by the State Governments

through controlled channels at a fixed price not exceeding Rs. 5.80 per kg., are shown in the statement given below.

(b) to (d). No hoarding of imported sugar by the traders has come to the notice of the Government. The purchase of sugar by the licensed wholesale sugar dealers is also subject to the statutory provisions relating to the stocks holding limits and turn over of stocks within a period of 7 days which are applicable to indigenous sugar. State Governments have been advised from time to time to enforce these provisions strictly and take suitable action against the defaulters.

Statement

Statewise Allocation and lifting of free sale imported sugar during June 1985 to March, 1986

State		Allocation	Lifting
1	2	3	4
1.	Assam	18,823	6,508
2.	Arunachal Pradesh	974	83
3.	Tripura	2,122	1,872
4.	Nagaland	1,622	686
5.	Meghalaya	1,348	642
6.	Mizoram	524	260
7.	Manipur	1,431	464
8.	Bihar	58,813	11,531
9.	Orissa	19,994	362
10.	West Bengal	73,346	44,066
11.	Sikkim	548	483
12.	Delhi	20,942	22,533
13.	Haryana	30,967	15,959
14.	Himachal Pradesh	6,600	4,329
15.	Punjab	62,532	20,690
16.	Jammu and Kashmir	5,283	2,932
17.	Chandigarh	2,870	3,356
18.	Rajasthan	53,766	0,566

1	2	3	4
19.	Uttar Pradesh	1,39,315	80,179
20.	Andhra Pradesh	62,557	18,143
21.	Karnataka	52,643	6,966
22.	Kerala	45,567	19,207
23.	Lakshadweep	193	138
24.	Tamil Nadu	69,241	13,815
25.	Andaman	932	—
26.	Pondicherry	441	247
27.	Dadra and Nagar Haveli	154	116
28.	Goa	2,760	1,314
29.	Gujarat	82,346	53,499
30.	Maharashtra	1,63,820	31,147
31.	Madhya Pradesh	59,104	14,853
Total :		10,41,578	3,85,946

Import of Arms by STC

8603. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state:

(a) whether the attention of Government has been drawn to the news-item captioned 'Mad rush to buy small arms from STC' appearing in Indian Express dated 7th November, 1985;

(b) if so, when a decision was taken to import arms by State Trading Corporation and the reasons therefor;

(c) the total cost of the arms imported indicating the number of each imported arm and countries from where imported ?

(d) the total sale proceeds and number of purchasers showing the State and Union Territory they belonged to;

(e) how many such arm deals have been executed during the last three years and the number of arms imported; and

(f) whether this scheme was got cleared from the Ministry of Home Affairs; if not, the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) Under the Import Policy for the year 1978-79 only import of Arms and Ammunition was canalised for the first time for distribution to licensed arms dealers/ recognised rifle associations. It was considered that the import of Arms and Ammunition should be entrusted to a single agency like S.T.C.

(c) The number, cost and countries from where each type of arms were imported are as under :

Type of arms	Number	Landed cost	Countries from where imported
Pistol 0.32 bore	650	Rs. 17.39 lakhs	Spain, Federal Republic of Germany.
Revolver .32 bore	2500	Rs. 41.71 lakhs	Federal Republic of Germany & U.S.A.

(d) Total sales proceeds so far on account of sale of arms is Rs. 209.88 lakhs. A statement showing number of purchasers in each State and Union Territory is given below.

(e) No arm deal has been executed during the last three years.

(f) Yes, Sir.

Statement

Number of purchasers in each State and Union Territory

1	2	3
13.	Rajasthan	1
14.	Tamil Nadu	4
15.	Utter Pradesh	51
16.	West Bengal	8
Union Territories		
1.	Delhi	21
2.	Goa	1

Sl. No.	States/Union Territory	No. of Purchasers (Licensed Arms Dealers)
1	2	3
States		
1.	Andhra Pradesh	2
2.	Assam	1
3.	Bihar	3
4.	Gujarat	4
5.	Haryana	14
6.	Himachal Pradesh	1
7.	Karnataka	7
8.	Kerala	1
9.	Maharashtra	12
10.	Madhya Pradesh	3
11.	Orissa	1
12.	Punjab	12

Sick Mills under National Textiles Corporation

8604. SHRI MOOL CHAND DAGA : Will the Minister of TEXTILES be pleased to refer to the reply given to Unstarred Question No. 5480 on 4 April, 1986 regarding closure of NTC Mills and state :

(a) the action taken regarding the seven points mentioned in reply to part (c) of the aforesaid questions;

(b) the number of defects removed so far; if none the reasons therefor ?

(c) the steps taken to rehabilitate the workers rendered surplus as mentioned in reply to part (b) of the question and the number of workers rehabilitated during the last three years, year-wise;

(d) the reasons for delay in taking a final decision regarding the closure of the losing NTC mills;

(e) whether the price of cloth made available to the consumers is affected by these sick mills; and

(f) whether it is a fact that the prices of cloth produced by healthy mills and sick mills differ; if so, by what percentage?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The reasons indicated in part (c) of the aforesaid question were diagnostic in nature. According to the Textile Policy, selective modernisation would be undertaken where units can become viable. No final decision has been taken regarding the viability and the future course of action regarding the heavily losing mills.

(c) Rationalisation of labour is an ongoing process depending upon several factors e.g. implementation of modernisation schemes, change in products mix, change in capacities and revision of work norms. The said rationalisation of labour is done only with due payment of terminal benefits according to law. However, no separate rehabilitation schemes have been undertaken.

(d) The future course of action would be decided after examination of all relevant aspects.

(e) and (f). Floor prices for cloth and yarn are fixed and reviewed from time to time irrespective of cost, taking into account the rates of other mills in the market, rates of various mills under NTC and accordingly mills are advised to sell their production at such fixed prices. Cost of the production in the heavily losing mills is more than the sale price due to old and outdated machinery, excess labour etc.

Bulk Handling Facilities at Ports

8605. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that despite several keen inquiries from overseas buyers from wheat, export contracts were not finalised due to lack of bulk handling facilities at our ports ; and

(b) if so, the details of export contracts which could not be finalised ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No. Sir.

(b) Does not arise.

[Translation]

Tourism Facilities to Students During Seventh Plan

8606. SHRI MOOL CHAND DAGA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the details of the facilities provided by Tourism Department to students for excursion and the names of the States where these facilities have been provided, and the criteria adopted for providing these facilities to them;

(b) the number of students who have availed of these facilities so far; and

(c) the details of the additional steps proposed to be taken to provide more tourism facilities to students during the Seventh Five Year Plan, and the amount Government propose to invest for the purpose ?

THE MINISTER FOR PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (c). Information is being collected and will be laid on the Table of the House.

[English]

Increase in Establishment Expenditure of Reserve Bank of India

8607. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the establishment expenditure in the Reserve Bank of India (Rs. 142 crores) at the end of June, 1985 was higher than that of any other public sector banks except the State Bank of India;

(b) if so, whether it is a fact that in a single year establishment expenditure of the Reserve Bank of India increased by Rs. 49 crores from Rs. 93 crores during 1983-84; and

(c) if so, the reasons for this increase in the expenditure on establishment in view of the ban imposed by the Ministry of Finance on the recruitment for existing vacancies and the creation of new posts with effect from 1 January, 1984 as a measure of effecting economy in nonplan expenditure and also the recent order of control of expenditure resorted to by the Reserve Bank of India on the commercial banks to monitor and reduce their expenditure ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJAY) : (a) to (c). The Reserve Bank of India (RBI) have advised that the establishment expenditure of RBI has registered an increase of Rs. 49 crores from Rs. 93.34 crores in 1983-84 to Rs. 142.26 crores for the year 1984-85. The estimate of expenditure on establishment of State Bank of India stood at Rs. 532.35 crores and that of the public sector banks ranged between Rs. 13.64 crores and Rs. 117.56 crores for the year ended 31st December, 1984. The expenditure on establishment of RBI for 1984-85 includes arrears amounting to Rs. 16.44 crores paid to class III and IV staff for the period 1.7.1983 to 31.12.1984. A provision of Rs. 15.44 crores was also made in the annual account for the arrears payable to Class I staff consequent upon impending revision of pay scales. RBI have also reported that no recruitment was made at any level except to the extent of relaxation permitted under the ban order.

Opening of new Branch Offices and Divisions of LIC

8608. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation of India had planned to open 76 new branch offices and all new divisions in 1985-86 and 1986-87;

(b) if so, the names of the new branch offices alongwith their location State-wise as also names of each of the new proposed divisions;

(c) the names of such branch offices and divisions as have been opened till 31st March, 1986 and the likely dates by which the remaining branches and division would be opened;

(d) whether a demand for opening some more branch offices and separate division for Himachal Pradesh has also been received by Government; and

(e) the decision taken by the Life Insurance Corporation of India in this regard and the likely date by which a separate division for Himachal Pradesh and the new branches would be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Yes, Sir. The Life Insurance Corporation of India had sanctioned 76 new branches for the Development Plan 1985-86 and also decided to open 15 new divisional offices during the years 1985-86 and 1986-87. 71 branches have already been opened. The remaining five branches are expected to be opened by the close of the current financial year.

The setting up of new divisional offices involves large scale planning and preparations and it is not possible to lay down time-bound programme for divisional offices. However, most of the divisions are expected to become functional in 1986-87.

Lists of new branch offices and new divisional offices are given in the statement given below.

(d) and (e). The Government has not received any proposal for creation of a separate division for Himachal Pradesh. The LIC is, however, considering proposals for opening new branch offices in Himachal Pradesh during 1986-87,

Statement

A. List of 76 Branches of LIC Sanctioned in Development Plan 1985-86

S. No.	Branch	Division	State
1	2	3	4
1.	Delhi-Pitampura	Delhi	Delhi-Union Territory
2.	Delhi-Cama Place/Green Land	Delhi	Delhi-Union Territory
3.	Faridabad- II	Delhi	Haryana
4.	Nakodar	Jalandhar	Punjab
5.	Doda	Jalandhar	Jammu & Kashmir
6.	Mandi Gobindgarh	Chandigarh	Punjab
7.	Panchkula	Chandigarh	Haryana
8.	Rampur Bushahar	Chandigarh	Himachal Pradesh
9.	Baran	Ajmer	Rajasthan
10.	Khairthal Mandi	Jaipur	Rajasthan
11.	Sambhar Lake	Jaipur	Rajasthan
12.	Jaipur-Transport Nagar	Jaipur	Rajasthan
13.	Tilhar	Lucknow	Uttar Pradesh
14.	Lucknow City-Trans Gomti	Lucknow	Uttar Pradesh
15.	Khatema	Lucknow	Uttar Pradesh
16.	Shaswan	Lucknow	Uttar Pradesh
17.	Kosikalan	Agra	Uttar Pradesh
18.	Aligarh-II	Arga	Uttar Pradesh
19.	Fatehabad	Agra	Uttar Pradesh
20.	Agra Cantt.	Agra	Uttar Pradesh
21.	Rasara	Varanasi	Uttar Pradesh
22.	Mohammadabad	Varanasi	Uttar Pradesh
23.	Shahganj	Varanasi	Uttar Pradesh
24.	Varanasi-Maruwadih	Varanasi	Uttar Pradesh
25.	Ujjain-II	Indore	Madhya Pradesh
26.	Bhopal (BHEL)	Indore	Madhya Pradesh
27.	Dantewada	Raipur	Madhya Pradesh
28.	Mungeli	Raipur	Madhya Pradesh

1	2	3	4
29.	Sodepur	Calcutta	West Bengal
30.	Falakata	Jalpaiguri	West Bengal
31.	Bishnupur	Asansol	West Bengal
32.	Rampurhat	Asansol	West Bengal
33.	Goalpara	Gauhati	Assam
34.	Dinapur	Patna	Bihar
35.	Dhanbad-III (Jharia)	Jamshedpur	Bihar
36.	Adityapur	Jamshedpur	Bihar
37.	Gumla	Jamshedpur	Bihar
38.	Angul	Cuttack	Orissa
39.	Aska	Cuttack	Orissa
40.	Bangalore-Frazer Town	Bangalore	Karnataka
41.	Hiriyur	Udupi	Karnataka
42.	Tirthahalli	Udupi	Karnataka
43.	Brahmavar	Udupi	Karnataka
44.	Somwarpet	Udupi	Karnataka
45.	Saundatti	Dharwad	Karnataka
46.	Vikarabad	Hyderabad	Andhra Pradesh
47.	Mahboobabad	Hyderabad	Andhra Pradesh
48.	Sircilla	Hyderabad	Andhra Pradesh
49.	Bhadrachalam	Hyderabad	Andhra Pradesh
50.	Kodad	Hyderabad	Andhra Pradesh
51.	Hyderabad-Ameerpet	Hyderabad	Andhra Pradesh
52.	Palmaner	Cuddapah	Andhra Pradesh
53.	Atmakur	Cuddapah	Andhra Pradesh
54.	Rayachoty	Cuddapah	Andhra Pradesh
55.	Visakhapatnam-Seedhamadhara	Visakhapatnam	Andhra Pradesh
56.	Madras City-Anna Nagar	Madras	Tamil Nadu
57.	Gudiyatham	Madras	Tamil Nadu
58.	Sankaran Koil	Madurai	Tamil Nadu
59.	Srivilliputtur	Madurai	Tamil Nadu
60.	Madurai-Tallakulam	Madurai	Tamil Nadu

1	2	3	4
61.	Madurai-Tirunagar	Madurai	Tamil Nadu
62.	Sathyamangalam	Coimbatore	Tamil Nadu
63.	Gudalur	Coimbatore	Tamil Nadu
64.	Sulur	Coimbatore	Tamil Nadu
65.	Perinthalmanna	Kozhikode	Kerala
66.	Quilandi	Kozhikode	Kerala
67.	Nedumangad	Trivandrum	Kerala
68.	Dhoraji	Rajkot	Gujarat
69.	Borsad	Ahmedabad	Gujarat
70.	Prantij	Ahmedabad	Gujarat
71.	Dhansurah	Ahmedabad	Gujarat
72.	Lunawada	Ahmedabad	Gujarat
73.	Surat-Varachha	Surat	Gujarat
74.	Rajpipla	Surat	Gujarat
75.	Udgir	Stara	Maharashtra
76.	Aurangabad (Direct Agents Branch)	Pune	Maharashtra

Note : Five Branches against S. Nos. 4, 35, 36, 37, and 53 not yet opened

B. List of 15 New Divisional Offices of LIC to be Opened During the Years 1985-86 and 1986-87

S. No.	Division	Zone
1	2	3
1.	Srinagar	Northern Zone
2.	Karnal	Northern Zone
3.	Howrah	Eastern Zone
4.	Calcutta-II	Eastern Zone
5.	Sambalpur	Eastern Zone
6.	North Eastern Region, Assam	Eastern Zone
7.	Bareilly	Central Zone
8.	Bhopal	Central Zone

1	2	3
9.	Warrangal	Southern Zone
10.	Raichur	Southern Zone
11.	Ernakulam	Southern Zone
12.	Baroda	Western Zone
13.	Aurangabad	Western Zone
14.	Goa	Western Zone
15.	Thane	Western Zone

Import of rapeseed Oil

8609. SHRI K. PRADHANI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have decided in principle to import rapeseed oil through different ports on the basis of the consumption patterns of the various regions;

(b) if so, the quantity expected to be imported;

(c) the countries wherefrom imported and the estimated capital outlay involved;

(d) the agency through which the import will be canalised and whether it will be distributed through the public Distribution System; and

(e) the quantity expected to be imported for the Eastern Region Particularly Orissa through the Paradip port ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The Government is importing edible oils including rapeseed oil at various ports, namely, Bombay, Kandla, Madras and Calcutta according to administrative convenience and keeping in view import costs and freight in foreign exchange.

(b) The quantum of edible oils including rapeseed oil to be imported is decided

by the Government from time to time keeping in view the availability of indigenous edible oils, availability of foreign exchange and other related factors.

(c) The countries from which edible oils are normally shipped by sellers are as follows :

Oils	Countries
Soyabean oil (SBO)	USA, Brazil, Argentina and Netherlands
Rapeseed oil (RSO)	France and Canada.
Sunflower oil (SFO)	USA and Argentina
Neutralised Palm oil	
RBD Palm oil	Malaysia and Indonesia
RBD Palmolein	

The estimated capital outlay will depend upon the quantum of edible oil to be imported in a particular year.

(d) At present, import is canalised through State Trading Corporation of India. The imported edible oils including rapeseed oil is distributed to consumers through Public Distribution System.

(e) The quantum of import is decided keeping in view the gap between the demand for and indigenous availability for the whole country and not for a particular region. No edible oil is being imported through paradip port.

**Branches of State Bank of Travancore
in South India and North India**

8610. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of State Bank of Travancore in North India and South India separately;

(b) the targets set for the State Bank of Travancore for schemes under priority sector for 1986; and

(c) what has been the extent of achievements towards these targets for the first quarter of the year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) State Bank of Travancore has reported that it has 560 branches in the 4 Southern States of Andhra Pradesh, Karnataka, Tamil Nadu and Kerala. It has 12 other branches in other States including 2 in Delhi, 1 in Gujarat, 6 in Maharashtra and 3 in West Bengal.

(b) and (c). According to State Bank of Travancore, it has set a target of Rs. 6460 lakhs for priority sector advances during 1986. The extent of achievement during the first quarter of current year was Rs. 1431 lakhs.

**Trade Agreements Signed with Foreign
Countries**

8611. SHRI R. M. BHOYE : Will the Minister of COMMERCE be pleased to state :

(a) the number and names of foreign trade teams which visited India during the last one year;

(b) the number and nature of agreements signed with these teams;

(c) whether some projects have since been started in the country with foreign collaboration in furtherance of these trade talks; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Trade delegations representing foreign Governments at Ministerial/official levels, visited India during the last one year, from among other the following countries: USA, Canada, Argentina, Mexico, Cuba, Trinidad & Tobago, Peru, Turkey, Finland, France, FRG, Netherlands, EEC, Algeria, Tunisia, Ethiopia, Iran, Pakistan, Bangladesh, Nepal, Afghanistan, ROK, Laos, Malaysia, P. R. China, DPRK, Singapore, Australia, Thailand, New Zealand, USSR, Czechoslovakia, Bulgaria, Hungary, Romania, Yugoslavia, Poland and GDR.

(b) India has renewed the Trade Agreements with USSR, Poland, GDR and Romania during 1985-86. The Agreements with these countries provide for payments for all commercial and non-commercial transactions between India and these countries in non-convertible India Rupees' besides balancing of trade over a period of time.

(c) and (d). The Trade Agreements related to trade movements and did not involve setting up of projects with foreign collaboration.

Computerisation in Banks

8612. SHRI C. SAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether Government are determined to go ahead with computerisation in nationalised banks despite strong protest from the All India Bank Employees' Association (AIBEA);

(b) whether his Ministry has taken any initiative for talks with the AIBEA;

(c) if so, the outcome of the talks; and

(d) the number of branches of the banks to be computerised in Andhra Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Nationalised Banks have been advised to proceed with mechanisation and computerisation as per the 'Action Plan' drawn up by Reserve Bank of India. The Indian Banks' Association (IBA) had several meetings with All India Banks Employees Association and National Confederation of Bank Employees regarding such clarification as sought by the unions. While there is no dispute over installation of computer at Zonal, Regional and Head Offices of banks, there is some disagreement between the unions and IBA over branch mechanisation programme.

(b) No, Sir.

(c) Does not arise.

(d) In terms of the programme of mechanisation and computerisation, Electronic Ledger Posting Machines are to be installed in banks. Although no state-wise target has been fixed according to the information available with Reserve Bank of India Electronic Ledger posting Machines have been installed in about 60 branches in Andhra Pradesh.

Transfer of Short-Term Loans into Long Term Loans

8613. SHRI C. SAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether nationalised banks recommended transfer of shortterm loans given to cotton and paddy growing areas of parchur, Chirola, Ponnur, Martur, Addanki and Bapotla severely affected by the weather conditions damaging the cotton and paddy crops into long-term loans; and

(b) if so, the action taken by Government on these recommendations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India had issued detailed guidelines to all commercial banks for providing relief and rehabilitation assistance to the people affected by floods, drought and other natural calamities in August,

1984. The various measures outlined therein inter-alia provide for conversion of short term production loans into term loans. The banks have been advised to provide relief assistance wherever natural calamities have affected the crops. In view of the already extant guidelines to the commercial banks, Reserve Bank of India has not issued any separate instructions for the areas mentioned in the question.

Equipment Gifted by UNIDO Lying Idle at National Test House at Bombay

8614. PROF. MADHU DANDAVATE : Will the Minister of COMMERCE be pleased to state :

(a) whether equipment gifted by UNIDO is gathering dust in the National Test House, Bombay, for over three years;

(b) if so, how work is being carried on without instruments;

(c) whether inquiries are in progress against officers for certifying samples without conducting tests; and

(d) if so, when the working conditions are likely to become normal after repair of the instruments ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKAR) : (a) Only one instrument has so far been received through UNIDO, at National Test House, Bombay. Instrument arrived in 1983 but could not be installed because of certain missing/damaged parts. These have since been replaced and action has been initiated for installing this instrument.

(b) Another less sophisticated instrument of indigenous make is available in National Test House, Bombay and results are given using that instrument.

(c) No Sir, in view of (b) above.

(d) Does not arise.

Seizure of Contraband Goods at Honda and Tivim Near Goa

8615. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether contraband goods valued at over Rs. 80 lakhs were seized at Honda and Tivim near Goa in February this year;

(b) whether one of the arrested persons had confessed to the smuggled goods storage in Panchayat from at Honda; and

(c) the steps being taken to ensure against misuse of such property in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). On 19/20.2.1986, the officers of Customs, Goa intercepted a truck loaded with 141 packages of contraband goods near Mapuca fish Market. The truck owner was apprehended and there-after landing agent was also apprehended who disclosed that some more goods are lying in a farm. The said farm turned out to be a Panchayat farm in Honda Saleli village from where 74 packages of contraband goods concealed beneath a haystack were recovered. Total value of goods seized is Rs. 77.82 lakhs.

(c) The matter is being brought to the notice of the Goa administration for taking appropriate action.

Quality Control of Sugar and Edibles

8616. PROF. MADHU DANDAVATE : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether large quantities of imported sugar are being sold by the Food Corporation of India;

(b) if so, reasons therefor;

(c) whether storage of edibles is deliberately neglected to create shortages; and

(d) whether samples are taken to test the quality of material before auction to safeguard interests of the consumer ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b). To meet the shortfall in the availability of indigenous free sale sugar, substantial quantities of imported sugar have been utilised for distribution as free sale through 2 channels viz.

(i) allocations to the State Governments for distribution through controlled channels at a fixed price below Rs. 5.80 per kg. and

(ii) sales made on the basis of tenders invited by the Food Corporation of India at important centres. This has ensured adequate availability of sugar at reasonable prices to the consumers in open market. Some quantity of imported sugar has also been distributed as levy sugar through the Fair Price Shops.

(c) No, Sir.

(d) The quality of imported sugar after its arrival at the Indian Ports is checked by the Port Health Officers. It is only after their clearance that the imported sugar is allowed to move out of the ports.

Payment of Low Support Price to Tobacco Growers

8617. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that most of the tobacco growers in the country are facing serious problems due to failure of their crops and the low support price;

(b) if so, the support price fixed per quintal by Government;

(c) whether it is a fact that the farmers are not able to get even the support price during auction due to collusion amongst the buyers who are mostly exporters of tobacco; and

(d) the details of export policy in regard to tobacco ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir. However, some reports of damage to Tobacco Crop by the spread of 'White Fly' during October-November, 1985 have been received.

(b) The Minimum Support Prices for VFC Tobacco fixed during 1986 Marketing season in Andhra Pradesh by the Government for purchases of left over Tobacco at the auction platforms set up by the Board are as follows :

	Rs. per quintal
(i) F2 Grade (Revised Specifications grown on black soil	1115
(ii) L2 Grade grown in Light Soils	1200

(The prices of other grades are fixed in the light of the normal market price differentials.)

(c) The average price realised by the farmers during the current auctions so far in A. P. is more than the MSP fixed by the Government.

(d) Export of Tobacco is allowed under OGL-3 subject to minimum export prices announced from time to time.

Dismissal of Appeal by Supreme Court in Union of India Vs. M/s. Oswal Agro Mills Ltd.

8618. DR. B. L. SHAILESH : Will the Minister of COMMERCE be pleased to state :

(a) whether the appeal filed by Government in the beef tallow case of Union of India versus Messrs Oswal Agro Mills Ltd. had been dismissed by the Supreme Court on the ground that the appeal was barred since it had been filed beyond the limitation period prescribed;

(b) if so, whether he has got the matter looked into and fixed responsibility for this lapse; and

(c) how Government now propose to move further in the matter ?

THE MINISTRY OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Special leave Petition filed against order dated 19.4.85 of Delhi High Court staying operation of debarment of M/s. Oswal Agro Mills Ltd. was dismissed on 24.86 as time barred. The main petition of the firm is sub-judice.

(b) and (c). The matter is being looked into.

Canvassing Non-Resident Indians Deposits

8619. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Canvassing NRI deposits for Government banks—Private agencies playing a dubious role" appearing in the 'The Financial Express', New Delhi of 5 April, 1986;

(b) if so, the fact of the case; and

(c) the action proposed to be taken by Government to prevent such dubious role by private agencies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Information is being collected and shall be laid on the Table of the House.

Simplifying Import-Export Procedure

8620. DR. B. L. SHAILESH : Will the Minister of COMMERCE be pleased to state :

(a) whether about 15 months ago, a Committee was set up under the Chairmanship of the Commerce Secretary to simplify import-export procedure;

(b) if so, whether this Committee has submitted its report, if not, the reasons therefor; and

(c) its impact on the non-implementation of the various recommendations made by the Abid Hussain Committee ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) The Committee is in the process of studying various aspects of Import-Export Procedures and is yet to submit its report.

(c) The Abid Hussain Committee on Trade Policies while recommending the need to simplify procedures mentioned the importance of stability in policies for a period of the three years. This recommendation of the Committee has already been implemented by announcing the Import-Export Policy for a period of 3 year from April 1985 to March, 1988.

Revamping Structure of Stock and Capital Markets

8621. **DR. B. L. SHAIKESH :** Will the Minister of COMMERCE be pleased to state :

(a) the decision taken by his Ministry following acceptance of some of the major recommendations made by the high-powered G. S. Patel Committee on revamping the structure of the stock and capital markets;

(b) whether the public sector limited companies will also be allowed to become members of the Stock Exchanges; and

(c) if so, the likely benefits accruing to them from this in the day-to-day working ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Decisions have been taken on the recommendations of the high-powered Committee on Stock Exchanges under the Chairmanship of Shri G. S. Patel contained in their various interim reports. Directives have been issued to the Stock Exchanges for implementation of these decisions. Some of the important decisions relate to :

(i) Cost of Public Issue

(ii) Listing of Industrial Securities

(iii) Acquisition/construction and financing of the Stock Exchanges Permisses.

(iv) Byelaws and Regulations of Stock Exchange.

(v) Code of Conduct.

(vi) Improving overall services to the investors.

(vii) Memberships of Stock Exchanges.

(b) No such recommendation has been made by the G. S. Patel Committee.

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

Expenditure on Collection of Taxes

8622. **SHRI JAGANNATH PATT-NAIK :** Will the Minister of FINANCE be pleased to state :

(a) the comparative expenditure incurred on collection of taxes since 1982 as compared to actual collection of taxes;

(b) whether it is a fact that expenditure on collection of taxes is gradually going up;

(c) if so, the reasons therefor; and

(d) whether there is any proposal to reorganise the tax collection machinery with a view to reducing the expenditure on collection of taxes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The comparative expenditure incurred on collection of taxes since 1982 as compared to actual collections is as follows :

	Direct Taxes		Indirect Taxes	
	Total collection (Rs. in crores)	Expenditure incurred (Rs. in crores)	Total collection (Rs. in crores)	Expenditure incurred (Rs. in crores)
1982-83	4138.16	80.56	13177.91	93.41
1983-84	4498.40	90.50	15805.19	109.11
1984-85	4796.95	100.82	18191.36	131.38
1985-86	5583.09	115.74 (RE)	22216.02	170.71

(b) Yes, Sir.

(c) The expenditure on collection of taxes is increasing due to general price rise, sanction of additional posts, sanction of additional D.A instalments, interim relief, intensification of anti-evasion and anti-smuggling activities and liberalisation of departmental reward rules, etc.

(d) All Heads of departments in the Department of Revenue have been requested to closely monitor the expenditure every month and make efforts to restrict the expenditure within Budget grant.

Export of Engineering Goods and Sewing Machines

8623. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) the items of engineering goods manufactured by small scale industries for export;

(b) the value of such items exported during 1983-84, 1984-85 and 1985-86,

(c) the system of exporting such items;

(d) the number of sewing machines exported during the above period indicating the brand thereof;

(e) whether it is a fact that the sewing machines manufactured by big business houses were exported and those manufactured by the small scale industries ignored; and

(f) if so, the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) A wide range of engineering items are exported by SSI units. These inter alia, include : Capital goods such as plant and machinery, fabricated steel structurals, electric wires, machine tools; Iron and steel based items like pipes and fittings, ferrous hollowares, MS wire products, industrial fasteners, hardwares, agricultural implements; Non-ferrous products like aluminium, brass and EPNS wares; and Consumer durables like auto parts, bicycles and parts, hand cutting and small tools, diesel engines, pumps and parts, etc.

(b) Estimated exports of engineering products by SSI units during 1983-84 and 1984-85 are as follows :

1983-84 ... Rs 363.42 crores.

1984-85 ... Rs. 386.79 crores.

Export figures of SSI sector for 1985-86 are not yet available.

(c) The system of export by SSI units is either directly by SSI unit itself or through others like Export Houses, merchant exporters, etc.

(d) Details of export of sewing machines are not available. However, estimated exports of sewing machines by SSI units are given as follows :

1983-84	...	Rs. 13.00 lakhs
1984-85	...	Rs. 35.00 lakhs

(e) No, Sir.

(f) Does not arise.

Export of Marine Products

8624. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for decline in marine exports during 1985-86:

(b) the names of the countries which are importing Indian marine products; and

(c) the steps being taken to boost the export of marine products during 1986-87 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Estimated export of marine products in 1985-86 indicate a marginal decline as compared to 1984-85. This is mainly due to poor landing of shrimps along the West Coast.

(b) Major importing countries importing Indian marine products are Japan, USA, U.K., Singapore, U.A.E., Kuwait, Netherlands, Taiwan, France and Srilanka.

(c) Steps taken to boost the export of marine products include production of cultured shrimps, modernisation of shrimps processing plants, encouragement of production of value-added items like IOF, improvement in quality of products and measures for exploitation of deepsea fishery resources.

[*Translation*]

Advancing of Loans Against Bogus Names

8625. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Central Vigilance Commission, while expressing its doubt about the utility of the Mass Loan Disbursement Scheme, has pointed out a case in which a nationalised bank has advanced loans against bogus names under this scheme;

(b) if so, whether Government have inquired into case along with similar other cases of loans being advanced by other banks; and

(c) if so, the details of the findings of the enquiry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Central Vigilance Commission during the course of examination of a fraud case pertaining to the State Bank of Patiala had observed that in a loan function held in Haryana during November, 1986, some loans sanctioned for purchase of buffaloes were disbursed to borrowers, who had given wrong names and addresses. The Central Bureau of Investigation registered a case on 14.11.1980 and thereafter filed a charge-sheet in a court of law. However, as per Reserve Bank of India's guidelines from time to time, banks have been advised to follow the well laid down procedures for identification, sanction and appraisal while sanctioning of all loans including those disbursed in credit camps.

[*English*]

Closure of Jute Mills

8626. SHRI CHINTAMANI JENA : Will the Minister of TEXTILES be pleased to state :

(a) the names of the jute mills which are lying closed as on the 31st December, 1985 and the period from which they have remained closed;

(b) the main reasons for the closure of these mills;

(c) the estimated loss of production as

a result of the closure and the number of workers rendered jobless due to the closure;

(d) the impact of the closure on jute cultivation on the sale of the produce and also on the price of jute; and

(e) the steps taken by Government to restart these closed mills ?

THE MINISTER OF STATE OF THE
MINISTRY OF TEXTILES (SHRI

KHURSHID ALAM KHAN) : (a) to (c).
A Statment is given below.

(d) As closed mills as on 31.12.85 were limited in number and they remained closed for a prolonged period, closure has hardly any impact on jute cultivation, sale of produce and also on prices of raw jute.

(e) Under the Industrial Disputes Act, the State Government is the appropriate authority for dealing with industrial disputes and as such it is for them to take appropriate action in the matter. Necessary assistance in this regard is always extended by the Central Government.

Statement

The Names of jute mills which were lying closed as on 31st December, 1985, date of closure, approximate number of workers affected, estimated loss in monthly production and reasons for closure are as under.

S. No.	Name of the Mill	Date of closure	Approximate No. of workers affected	Estimated loss in average monthly production (IN M. T.)	Reasons for closure
1	2	3	4	5	6
1.	Shree Gouri Shanker	9.12.81	2,000	1210	Labour troubles and financial constraints.
2.	North Brook.	27.1.82	3,500	1650	Labour troubles and financial
3.	Empire.	17.3.85	3,000	703	constraints. Both these Mills are now under liquidation on the basis on winding up petitions moved by creditors and mills are now under the charge of Official Receivers under Calcutta High Court's Orders.
4.	Megna	15.4.85	6,200	2146	Labour trouble. Mill is also reported to be suffering from financial difficulty.
5.	Assam Cooperative Jute Mills, Silghat,	5.3.84	1,000	150	Mill was lying closed due to un-economic running and inadequate market outlet for its products. The mill has since reopened w.e.f. 1.1.86 in terms of Assam Accord.
6.	Bally.	23.4.85	4,000	1804	Labour unrest. Mill has reopened w.e.f. 8.1.1986.

Levy of Excise Duty on Cigarettes

8627. **SHRIMATI BASAVARAJESWARI** : Will the Minister of FINANCE be Pleased to State :

(a) whether the Union Government can levy excise duty on the basis of retail price of cigarettes;

(b) if so, whether this matter has been legally examined at the highest level;

(c) if so, the legal advice in this regard; and

(d) if not, whether Government propose to seek advice to avoid possibility of litigation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Excise duty can be levied on cigarettes at specific rates, fixed with reference to the sale price printed on the cigarette packets.

(b) and (c). Government was advised that there would be no legal objection to the fixation of specific rates of excise duties depending upon the sale price, printed on the cigarette packets.

(d) Does not arise.

Evasion of Import Duty by Taper Roller Bearing Dealers

8628. **SHRI V. S. KRISHNA IYER** : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to notice that Taper Roller bearings dealers have evaded import duty by bringing taper roller bearings in the form of component while the import of bearing itself is banned;

(b) if so, the amount of import duty evaded by these dealers; and

(c) the action taken to recover the amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) to (c). A few consignments said to be "components of Taper Roller Bearings" but which prima-facie appeared to be complete taper roller bearings have been noticed at Calcutta. The cases are being investigated and suitable action under the law, including recovery of any duty short-levied, will be taken on completion of investigation.

[Translation]**Development work Held up Due to In different Attitude of Officials of Banks**

8629. **SHRI KALI PRASAD PANDEY** : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item captioned 'Kahan Mill Rahat Afsaron Ke Mare Berozgaron Ko' (no respite for the unemployed persons victimised by officers) appearing in "Patliputra Times" of 3 March, 1986;

(b) if so, whether development work in Sitamarhi and many other districts is held up due to indifferent attitude adopted by officers of nationalised banks in various districts in Bihar and whether Government have so far taken or propose to take any action in this regard; and

(c) whether Government propose to conduct high level inquiry into all the loan applications received from district industry centres ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sir. The Government has seen the news-item appearing in 'Patliputra Times' on 3rd March, 1986 wherein it has been alleged that the development work in Sitamarhi District has been help up due to the indifferent attitude of State Government, District Administration and of the Nationalised Banks. The Lead Bank of the District, Central Bank of India, has reported that as against the target of 136 to be covered during the year 1985-86, the bank has sanctioned 124 cases involving an amount of Rs. 21.81

lakhs. Out of the sanctioned cases the bank disbursed Rs. 9.23 lakhs to 60 cases as on 31st March, 1986. The Dhurma branch of Central Bank of India has been allotted a target of 15 for the year 1985-86 all of which have been sanctioned loans involving an amount of Rs. 3.18 lakhs. Out of the sanctioned cases the bank has disbursed loans to 5 cases involving an amount of Rs. 0.55 lakhs as on 31st March, 1986. As per the existing procedures the banks would continue to disburse loans beyond 31st March, 1986 for the cases sanctioned upto 31.3.1986.

(c) There is no such proposal.

[English]

Refresher Courses for Bank Officials

8630. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that for better and professional performance of the banks in the country it is very essential that the bank staff should be given professional training and their knowledge updated through refresher courses as is now being done in the case of senior officers of the Ministeries;

(b) whether it is also a fact that the Bank Chiefs are not allowed to perform in a strict commercial manner and increase the profitability of the branch because they are often subjected to interference from the bureaucrats controlling the banks for other influences;

(c) whether it is also a fact that the rules governing the operations of the bank still continue to be old and need substantial changes; and

(d) if so; the steps being taken to streamline the whole procedure ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) For improving the efficiency and updating of the skills of the banking personnel, banks have their own training institutions where

training courses on various subjects are conducted for all levels of bank personnel. The course contents, effectiveness of training programmes etc. are constantly reviewed by the banks to ensure optimum use of training facilities. Moreover, specialised training institutions like Bankers Training College, College of Agricultural Banking and National Institute of Bank Management operate at the industry level.

(b) Banks in India fulfil certain social responsibilities which have been cast on them. These relate to implementation of various developmental programmes and schemes framed by Government aimed at upliftment of the poor and neglected sectors. The banks however function on commercial considerations and the functioning of the banks is not subject to interference/influence from bureaucrats.

(c) and (d). Rules and Regulations governing the operations of the banks are regularly reviewed and modified to meet the changing conditions.

Financial Assistance to Bangalore Unit of Binny's Ltd.

8631. SHRI V. S. KRISHNA IYER : Will the Minister of TEXTILES be pleased to state :

(a) whether the Bangalore Unit of Binny's Limited has sought Union Government's financial assistance for its modernisation;

(b) if so, the total amount of financial assistance provided by Union Government;

(c) whether Binny Limited is Government Undertaking; and

(d) if not, whether Government give assistance to private textile mills also, if so, under what circumstances ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). In 1978 Government sanctioned a term loan of Rs. 700 lakhs to the two textile units of Binny Ltd., at Madras and Bangalore, for modernisation.

(c) Binny Ltd. is not a Government undertakings but banks, financial institutions and State Governments hold above 50 percent of the equity shares.

(d) Financial assistance to textile mills for modernisation is generally given by the All India Financial Institutions like Industrial Development Bank of India. Government does not normally grant assistance for this purpose.

Plight of Powerloom Sector in Maharashtra

8632. SHRI SUBHASH YADAV : Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Maharashtra have brought the plight of powerloom sector to the notice of the Union Government after the new textile policy was announced;

(b) the details about the difficulties which are faced by Powerloom industry;

(c) the immediate measures Government propose to take in this regard; and

(d) how long Government will take to spell out measures to remove their difficulties ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Government of Maharashtra have written to the Central Government saying, *inter-alia*, that reduction in duty on polyester fibre without any corresponding reduction in duty on synthetic filament yarn has affected powerlooms in their State adversely.

(c) and (d). The situation, regarding the prices and duties on yarn, is under constant watch of the Government.

Interest Charged on Agricultural Loans to Farmers by Agriculture Refinance Development Corporation

8633. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Agriculture Refinance Corporation has been charging an interest of 10 to 11 per cent for agricultural loans given to the farmers in the country whereas the World Bank is charging only 0.75 per cent interest for long-term agricultural loans;

(b) if so, the reasons for charging such a heavy interest;

(c) whether Government propose to reduce the interest for the loans given for long term agricultural purposes in the country; and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) and (b). The Agricultural Refinance and Development Corporation (ARDC) has ceased to exist on the establishment of the National Bank for Agriculture and Rural Development (NABARD). The NABARD has taken over all the activities of the erstwhile ARDC.

NABARD does not generally give agricultural loans directly to farmers. It normally provides loans and advances including refinance to Commercial Banks, State Cooperative Banks, State Land Development Banks and Regional Rural Banks. Details of the rate of interest charged by NABARD on its refinance assistance to the banks and the interest charged by these institutions on the ultimate borrowers are indicated below :

Purpose	NABARD's refinance rate	Rate of interest charged to ultimate borrowers
All loans to small farmers	6.5%	10%
For minor irrigation, land development and bio-gas plant to all farmers	6.5%	10%
Other diversified purposes to farmers other than small farmers	8%	12.5%

The erstwhile ARDC had not received any funds directly from the World Bank. The World Bank funds were received by the Government of India and counterpart rupee equivalent was lent to ARDC. These loans were given by Government to ARDC at the previously rate of interest. The current rate of interest of Government of India is 7.75% for loans up to 9 years and 8.5% for loans above 15 years.

(c) and (d). The rates of interest charged to the ultimate borrowers are fixed by Reserve Bank of India (RBI) keeping view the overall credit and monetary policy. The rates of interest on agricultural advances are already low as compared to the ongoing rates for non-agricultural purposes. In the circumstances there is no proposal under consideration, at present, to reduce the rate of interest for loans given for agricultural purposes.

Disparity in Pay Scales Between RBI Optees and New Recruits of NABARD

8634. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is disparity in pay scales and emoluments between RBI optees and new recruits in Class III and Class IV posts in National Bank for Agricultural and Rural Development (NABARD);

(b) if so, the average difference in emoluments between Reserve Bank of India optees and new recruits in Class III and Class IV in NABARD;

(c) the reasons for the disparity in pay scales and employments of Class III and IV employees of Reserve Bank of India and NABARD when both Reserve Bank of India and NABARD employees are doing exactly the same kind of job qualitatively and quantitatively and having the same designation;

(d) whether Government propose to remove the disparity in their pay scales ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) to (d). The National Bank for Agriculture and Rural Development has advised that in terms of a memorandum of settlement arrived at between the National Bank for Agricultural and Rural Development and the All India NABARD Employees Association representing the Group B and C staff, parity in pay scales and other allowances with the RBI has been extended to the new recruits. The settlement took effect from 1st July, 1983 and hence there is no disparity now in the pay scales and emoluments between the RBI optees and new recruits of NABARD in Class III and IV.

Announcement of Reliefs/Concessions Through Government Notifications

8635. DR. A. K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) the amounts given as reliefs/concessions through Government notifications during each year of the Sixth Five Year Plan and in the current year so far;

(b) whether any proposal has been received that these concessions may be screened by a Committee consisting of Members of Parliament as these imply an alteration in the revenue amounts sanctioned by Parliament;

(c) if so, when this proposal was received; and

(d) the progress made in this regard ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) The amounts given as relief/concessions under indirect taxes through Govt. notification (excluding Budget notifications) during each year of the Sixth Five Year Plan and in the current year is as follows :

Sl. No.	Year	Amount (Rs. in crores)
1.	1980-81	163.01
2.	1981-82	37.50
3.	1982-83	83.45
4.	1983-84	339.23
5.	1984-85	453.53
6.	1985-86	326.29

It is not possible to quantify the amount of reliefs/concessions given under Direct Taxes.

(b) to (d). No such proposal is pending before the Govt. All the exemption notifications are, however, placed before the Parliament and notifications forming part of Budget proposals are discussed in detail in the Parliament.

Iron Ore Export Target of MMTC

8636. SHRI K. V. SHANKARA GOWDA : Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation has fixed export target of iron ore 1986-87;

(b) if so, how it compares with that of the preceding year;

(c) whether the performance of MMTC during 1985-86 was considered how much better; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). MMTC has fixed a target for export of iron ore for 1986-87 at 19 million, tonnes as against 18 million tonnes fixation for 1985-86.

(c) and (d). MMTC exported 16.396 million tonnes of iron ore during 1985-86 which is an all time record.

[Translation]

Manufacturing of Coloured Red Sheets, Towels by Powerlooms

8637. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of TEXTILES be pleased to state :

(a) whether approval has been given by various States in the country to powerlooms for manufacturing coloured bed sheets, towels, pillow covers, etc;

(b) if so, whether a ban has been imposed by Uttar Pradesh Government on manufacturing the said coloured items by the powerlooms;

(c) if so, whether the Union Government propose to issue any directives to Uttar Pradesh Government to lift the ban;

(d) if so, when; and

(e) if no, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (e). Orders regarding reservation of certain items for exclusive production by Handlooms have been issued by the Central Government, under the Handlooms (Reservations of Articles for Production) Act, 1985. The State Government are not empowered to issue any such orders.

[English]

Import of Cashew Nuts

8638. SHRI T. BALA GOUD : Will the Minister of COMMERCE be pleased to state :

(a) whether India is finding difficulty in importing raw cashewnuts due to stiff competition amongst importing countries; and

(b) if so, the details thereof;

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SARI P. SHIV SHANKER) : (a) and (b). India has been facing difficulty in importing raw cashewnuts primarily on account of decline in world production of raw cashewnuts. The world production of raw-nuts which was estimated to be 5.2 lakh tonnes during 1969-70 came down to 3.97 lakh tonnes during 1984. The decline occurred in countries such as Mozambique, Tanzania, and Kenya which were our traditional sources of imports.

Out imports of raw Cashewnuts during the last few year have been as follows :

1981	31298	Metric	tonnes
1982	3212	"	"
1983	14070	"	"
1984	33283	"	"
1985	27749	"	"

Violation of Income-Tax Rules by Leasing Companies

8639. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a large number of leasing companies have violated the Income-tax Rules and have failed to render income-tax returns in time;

(b) whether it is also a fact that most of these companies have gone in liquidation; and

(c) whether Government propose to impose greater financial restrictions on the operations of these leasing companies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) The Government do not have any specific information to this effect.

(c) Question does not arise.

Extension of Voluntary Disclosure Scheme for Direct Taxes

8640. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether Government have extended the voluntary disclosure scheme for direct taxes;

(b) if so, the reasons therefor;

(c) whether Government have assessed the futility of the scheme; and

(d) if so, what has been the gains in terms of collecting taxes during the period since the scheme has been in force ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Extended upto 30.9.1986.

(b) This was done on account of numerous requests from various parts of the country for extending the time limit.

(c) and (d). There has been a good response to the "amnesty" circulars issued by the Government. The collection of income-tax including corporation-tax in the financial year 1985-86 had been Rs. 5,352.73 crores (provisional figures) as against the collection of Rs. 4,483.66 crores in the financial year 1984-85, thereby recording an increase of Rs 869.07 crores.

Raising of Capital Base of Regional Rural Banks

8641. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the Regional Rural Banks (RRBs) are losing ever since their inception and losses have mounted after salaries and wages of the employees were raised;

(b) if so, the steps being taken to raise the capital base of the Regional Rural Banks due to the accumulated losses of the banks;

(c) whether the equity capital of the Regional Rural Banks will be raised on a selective basis or otherwise; and

(d) the number of such banks in Orissa whose equity base will be widened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Out of 173 Regional Rural Banks (RRBs) functioning as at the end of December, 1984 as many as 130 Regional Rural Banks are reported to have incurred losses. Continual rise in the wages and salaries of the staff is one of the reasons for losses in the Regional Rural Banks.

(b) to (d). With a view to improving the viability of the Regional Rural Banks it has been decided to sanction additional share capital to certain Regional Rural Banks in each State whose losses are in the range of Rs. 25 lakhs to Rs. 50 lakhs as on 31.12.1984. Accordingly 34 Regional Rural Banks were found eligible for additional share capital contribution. Two of these 34 Regional Rural Banks namely Kalahandi Anchalika Gramya Bank and Baitarani Gramya Bank are located in Orissa.

Additional share capital has so far been sanctioned to 29 of the 34 Regional Rural Banks and one of these is in Orissa.

Setting up of an Engineering Exports Committee

8642. SHRIMATI MADHUREE SINGH :
SHRI MURLIDHAR MANE :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to set up an Engineering Exports Committee; and

(b) if so, the composition, function and purpose of the Committee ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). There is no proposal to set up an Engineering Exports Committee. An Empowered Committee has, however, been set up in the Ministry of Commerce for the purpose of examining the issues relating to export Policy for engineering goods. The Committee is headed by the Commerce Secretary. The other members of the Committee are :

1. Secretary, Deptt. of Industrial Development.
2. Secretary, Planning Commission.
3. Secretary, Deptt. of Public Enterprises.
4. Secretary, Deptt. of Steel.

5. Secretary, Deptt. of Economic Affairs.
6. Secretary, Deptt. of Revenue.
7. Chairman, Central Board of Excise and Customs.
8. Chief Controller of Imports and Exports, New Delhi.
9. Joint Secretary, Incharge of Engineering Division in the Ministry of Commerce. Member Secretary.

The main functions of the Committee are as under :

- (a) to identify in the light of changing market situation the thrust industries and products.
- (b) to designate 'thrust' markets and prepare perspective export strategy and plans necessary for promotion of exports to these market.
- (c) Periodically review export performance of 'thrust' industries and individual units with respect to export targets and thrust markets.
- (d) to generate suitable export policy initiatives and draw up action programmes for export marketing;
- (e) to assess the requirements of transport, both sea and air and recommend necessary measures for development of transport and infrastructural requirements for export;
- (f) to take policy initiatives for streamlining procedures and removal of constraints in the area of export;
- (g) to review and to take policy initiatives regarding setting up of warehousing, opening of foreign offices, strengthening of commercial missions abroad.

- (h) to take policy initiatives necessary for export publicity, both brand and generic in the area of engineering goods and recommend suitable promotional measures and incentives necessary in the regard;
- (i) to review and recommend extension of lines of credit for promotion of exports to overseas markets; and
- (j) to take suitable policy initiatives and recommend promotion measures to promote exports of projects and consultancy and technical services from India.

Financing of Development Schemes by Financial Institutions

8643. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether financial institutions, such as the Industrial Credit and Investment Corporation of India will make all efforts in the Seventh Five Year Plan period to raise loans in foreign commercial markets to finance the various development schemes in the country;

(b) if so, the details of those development schemes;

(c) whether it is a fact that India's past record in borrowing especially debt servicing has given it a high credit rating in the international markets,

(d) if so, the detail thereof; and

(e) the action Government propose to take in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The three all-India financial institutions namely Industrial Development Bank of India Industrial Finance Corporation of India and Industrial Credit and Investment Corporation of India have been raising foreign currency loans in commercial markets abroad with Government's approval for financing foreign currency requirements of projects assisted

by them. These institutions will continue these operations in the future also as approved by Government Foreign currency loans are granted by these institutions to eligible industrial concerns for financing foreign exchange requirements for setting up of new industrial projects as also for expansion, diversification, modernisation or renovation of existing undertakings. Many banking agencies abroad have evinced keen interest on arranging borrowing for India on attractive terms.

Imports and Exports Handled by STC

8644. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) the volume of imports and exports handled by the State Trading Corporation during 1983-84, 1984-85 and 1985-86;

(b) whether it is a fact that the State Trading Corporation has entered into special trading arrangements and link deals with overseas buyers to step up exports;

(c) if so, the names of the countries with which the State Trading Corporation is considering to enter into such arrangements and particulars of the countries with which bar system will be followed;

(d) the details of the items to be exported/imported and the extend to which India will be benefited by these deals; and

(e) the other measures being taken by the State Trading Corporation to boost our exports during 1986-87 and the exports likely to be made during the years ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The Import and export turnover of STC during 1983-84 to 1985-86 are as under :

		(Rs. Crores)
1983-84	—	2215
1984-85	—	2866
1985-86	—	2522
		(Provisional estimates)

(b) and (c). STC is not having any barter agreement with any country. STC has however, various types of trading agreements with suppliers in different countries.

(d) Under Counter trade deals edible oil, chemicals, sugar, newsprint, cement etc. are to be imported and agricultural products frozen shrimps, frozen meat; tea processing machinery, textiles, shee uppoers, iron ore; trucks and buses etc; have been identified for export.

(e) The Corporation has fixed a target of Rs. 554 crores for exports during 1986-87. The measures being taken to boost exports are introduction of several new export items, entering into counter trade, undertaking bilateral developing bilateral trade, developing new markets, introduction of value added items, financial assistance to associates, on larging supply base exports etc.

Setting up of Rubber-Based Industries in Kerala

8645. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have any plan to set up rubber-based industries in the Central Sector in Kerala;

(b) if so, the details thereof;

(c) whether Government of Kerala have sent any proposal in this regard; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Does noe arise.

(c) No such request has been received.

(d) Does not arise.

Rubber Plantation During Seventh Plan

8646. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) the total amount earmarked by Rubber Board under rubber plantation development scheme for new planting and replanting of rubber during the Seventh Five Year Plan; and

(b) how many more acres are being brought under rubber cultivation during the Seventh Plan period ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). In the VII Plan a sum of Rs. 38 crores has been provided for subsidies on new-planting and replanting. It is expected that the progress in the VII Plan will exceed the performance during the VI Plan.

Rubber Production During Seventh Plan

8647. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) the per hectare yield of rubber and its cost of cultivation in India;

(b) whether any work has been done to increase the per hectare yield and reduce the cost of cultivation;

(c) whether Government have formulated any perspective plan to become self-sufficient in rubber production by the end of the Seventh Five Year Plan;

(d) if so, the details thereof; and

(e) the total amount earmarked for this purpose ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The per hectare yield varies from place to place the average per hectare yield of rubber during 84-85 was 886 kgs. The cost of cultivation as per the estimates of the Rubber Board ranges between Rs. 18,800 to Rs. 27,700 per hectare.

(b) Yes, Sir. New high yielding clones have been developed; subsidies are granted for replanting and other essential inputs.

(c) Considering the long immaturity period of 7 years for rubber plantation to grow, it is not possible to become self-sufficient during the Seventh Plan Period.

(d) Does not arise.

(e) The approved Seventh Plan outlay for rubber is Rs. 53.40 crores.

Publicity of 'Rasika' Fruit Juice

8648. PROF. P. J. KURIEN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the allocations for publicity during 1985-86 for 'Rasika' fruit juice;

(b) the total amount spent on media plan;

(c) the amount allotted for 1986-87 for publicity;

(d) whether it is a fact that publicity of this fruit juice over T. V., Radio, etc. has been stopped; and

(e) if so, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) to (c). Modern Food Industries (India) Limited has spent Rs. 4.76 lakhs on publicity of 'Rasika' fruit drinks during 1985-86 against an allocation of Rs. 5.0 lakhs for that year. For 1986-87, the Company has allocated Rs. 7.0 lakhs.

(d) and (e). While publicity for 'Rasika' fruit drinks is done almost through-out the year in some form or the other, the medium of Doordarshan is used during the summer months.

Performance of Nationalised Banks

8649. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has found that the performance of the nationalised banks was not encouraging during 1985-86;

(b) if so, the details thereof;

(c) whether the nationalised banks are managed only by officials as the Board of Directors; and

(d) the steps taken to set up full Board of Directors for these banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India has reported that the performance of Nationalised Banks has been satisfactory during 1985.

Apart from official representatives of the Central Government and the Reserve Bank of India, the Nationalised Banks (Management and Miscellaneous Provisions) Schemes, 1970 and 1980 provide for appointment of non-official directors on the Boards of Nationalised Banks also. In terms of the provisions of the nationalisation schemes, such of the non-official directors who had completed 3 years have been notified as having ceased to hold office from the dates they completed the period of 3 years as directors. The six non-official directors as have not completed their three years tenure, however, continue to function on the Boards of their banks. The process of selecting suitable persons for these vacancies is under way.

Criteria for Granting Loans to Industrialists and Agriculturists

8650. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) the criteria laid down by the Reserve Bank of India for grant of loans to industrialists and agriculturists by the scheduled banks and cooperative banks;

(b) whether the cost of agricultural land is assessed very low while giving loans by the cooperative banks and scheduled banks as compared to the industrial sector; and

(c) if so, the reasons therefor ?

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

Reserve Bank of India has reported that while sanctioning loans, banks have to satisfy themselves regarding the economic viability and technical feasibility of the project proposed to be undertaken by the borrowers. There is no difference in the criteria for grant of loans either to agriculturists or industrialists.

(b) and (c). Cost of land is generally assessed on the basis of the market price and no distinction is made in this regard as between agricultural land and land in the industrial sector.

Production and Export of Textiles

8651. SHRI V. SOBHANADREESWARA RAO :
SHRI BHATTAM SRI RAMA MURTM :

Will the Minister of TEXTILES be pleased to state :

(a) the total value of textiles produced in the country during the last three years;

(b) the annual value of exports of textiles and its percentage to the total production of textiles in the country during the last three years;

(c) whether Government have any plan for effective production of textiles for export and modernisation of the technology in textile mills;

(d) if so, the details thereof; and

(e) whether any role is being played by the National Textile Corporation in the export promotion of textiles ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The total value of production, exports of textiles and its percentage to the total production of textiles in the country during the last three years is as under :—

Year	Production (M. Mtrs)	Value of production (Rs. crores)	Exports (Rs. crores)	% of Exports of production
1982-83	11,758	8643.51	1118.50	12.94
1983-84	12,014	10530.08	1225.80	11.64
1984-85	12,366	11052.59	1642.45	14.86

(c) and (d). The Govt has provided a pragmatic and liberal policy framework for increasing exports of textiles and textile products. Some of the important steps includes :—

1. Formulation and operation of the textile export entitlement distribution policy in a flexible way.
2. Cash compensatory support scheme.
3. Liberalisation of Import Policy for import of Various inputs and raw materials.
4. Setting up of 100 percentage export oriented units and units in free trade zone is encouraged.

5. Liberal Assistance for sponsoring and funding promotional activities.

For modernisation of textile industry Govt. have taken several measures as envisaged in the textile policy, 1985. Some of these are (1) setting up of National Level Standing Advisory Committee for modernisation (2) encouragement to textile machinery manufacturing industry (3) allowing imports of high technology machinery.

(e) Export of NTC products have been increasing, In comparison to exports of Rs. 10.54 crores in 1982-83, exports of NTC products were Rs 39.57 crores in 1984-85. In 1985-86 (April-Nov. 1985) exports were to the tune of Rs. 25.89 crores.

Decline in Export of Tobacco

8652. SHRI V. SOBHANADREESWARA RAO :
SHRI M. RAGHUMA REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that it is not only due to competition from Brazil and Zimbabwe that our tobacco exports have declined, but it also due to serious lapses in the quality of tobacco exported to China a few years back by a group of companies;

(b) whether there are any claims of the quality of tobacco exported by the very same group of companies to U.S.S.R. in 1984 and 1985;

(c) if so, the action taken against the erring companies;

(d) if not, the reasons therefor; and

(e) the name of companies and the amounts of claims pending against these companies, year-wise ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Among other reasons, quality complaints led to a fall in exports to China.

(b) No, Sir.

(c) to (e). Do not arise.

Goods Confiscated by Customs Department at Trivandrum Airport

8653. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of FINANCE be pleased to state :

(a) the estimated value of the goods confiscated by the Customs department at Trivandrum Airport during 1985-86; and

(b) the procedure adopted by the Customs Department for the disposal of these goods ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the year 1985-86, contraband goods worth Rs. 2.69 crores were confiscated at Trivandrum Airport.

(b) Confiscated consumer goods ripe for disposal (after completion of adjudication, appeal proceedings, etc.) are sold to public through National Consumers' Co-operative Federation, State Civil Supplies Corporations, State Co-operative Federations, Co-operative Societies approved by the Central and State Governments and duly registered under the Co-operative Societies Act; Military/Para Military, Police Canteens and Departmental retail shops, etc. Gold and silver are deposited with the Government of India Mint. Indian and Foreign currencies are deposited with Reserve Bank of India.

Distribution of Subsidised Foodgrains in ITDP Areas

8654. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state the quantity of wheat, rice and other assistance provided to Kerala for distribution as subsidised foodgrains to rural families in the Integrated Tribal Development Project areas ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES ((SHRI A. K. PANJA) : A quantity of 1887 tonnes of wheat and 16227 tonnes of rice was issued by the Food Corporation of India during the period from 1st December, 1985, upto 15th April, 1986, to the Government of Kerala for distribution at specially subsidised rates in the Integrated Tribal Development Project areas. Under the scheme, foodgrains are supplied by the Food Corporation of India at special issue price of Rs. 125/- per quintal of wheat, and Rs. 160/- per quintal of common rice, and the State Government distributes the same to the consumers at Rs. 150/- per quintal of wheat and Rs. 185/- per quintal of common rice.

Assistance to Cooperative Sector by IDBI

8655. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) the share availed of by the Co-operative sector in the cumulative sanctions by the all Financial Institutions (AFI) affiliated to Industrial Development Bank of India and the reasons for low share;

(b) whether Industrial Development Bank of India proposes to approach AFI to make available funds to Co-operative sector up to a reasonable level;

(c) whether it is a fact that this is due to lukewarm attitude of AFI in giving helping hand to the Cooperative Sector;

(d) whether it is also a fact that Industrial Development Bank of India is not giving proper treatment to National Cooperative Development Cooperation by not treating it as one of the AFI;

(e) whether Government contemplate to take any action in the matter, and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Industrial Development Bank of India (IDBI) has reported that the cumulative assistance sanctioned by all Financial Institutions to industrial Co-operatives was Rs. 998.1 crores upto the end of March 1985 which was 3.9% of the total assistance sanctioned by these Institutions.

(b) to (f). The IDBI and other all India Financial Institutions are extending financial assistance to viable units coming up in the Co-operative Sector. The All India Financial Institutions do not have consortium financing arrangements with the National Cooperative Development Corporation for advancing loans to industrial concerns.

Representation of Industrial Cooperatives on IDBI's Board of Directors

8656. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Development Bank of India Act provides for a seat for Industrial Cooperatives on its Board of Directors;

(b) if so, whether any person belonging to Industrial Cooperatives has been appointed on the Board of Directors of Industrial Development Bank of India since its inception;

(c) whether Government propose to appoint a person from the Industrial Cooperatives on the Board of Directors of Industrial Development Bank of India; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). In terms of the provisions of the Industrial Development Bank of India Act 1964, there is no seat specifically reserved for representation of Industrial Cooperatives on the Board of Directors of IDBI, Section 6(1) (c) (v) of the Act provides that "not less than five directors shall be persons who have special knowledge of; and professional experience in, science, technology, economics, industry, industrial cooperatives, law, industrial finance, investment, accountancy, marketing or any other matter, the special knowledge of, and professional experience in, which would, in the opinion of the Central Government, be useful to the Development Bank."

Persons from all the spheres as mentioned in the Act are considered while selecting suitable persons for nomination on the Board of Directors of IDBI.

Deduction For Donations Made for Research in Art, Education or Cultural Activities.

8657. PROF. K. V. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether Section 35 of the Income Tax Act is proposed to be amended to include research in art, education or

cultural activities for giving hundred per cent deduction or tax rebate for any donations made; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. There is no proposal to amend section 35 of the Income-tax Act on these lines. The said section already permits deduction, inter-alia, of any sum paid to a university, College or other institution to be used for research in social science or statistical research related to the class of business carried on, being a university, college or institution which is for the time being approved for the purposes of this clause by the prescribed authority.

(b) Does not arise.

Proposal to Increase Tourism in Lakshadweep Islands

8658. PROF. K. V. THOMAS : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) what steps are proposed to be taken to increase tourism in Lakshadweep Islands; and

(b) whether helicopter service between Cochin and Lakshadweep is proposed to be started for promotion of tourism in the island ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) (a) The Government proposes to promote tourism to Lakshadweep Islands on a selective basis keeping in view the ecological and environmental considerations and the availability of infrastructure,

(b) No such proposal is under consideration, at present.

Loans for Purchase of new Cars for Taxi Purposes

8659. PROF. K. V. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether there is any complaint that even after depositing 25 per cent of the invoice price as margin money, the nationalised banks in Kerala refuse to advance loans for purchase of new cars for taxi purposes.

(b) if so, whether any direction has been given by the Reserve Bank of India not to give advance loans for vehicles; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India has advised that a representation dated 7th November, 1985 was received by them from the Cochin Taxi Operators, Cochin. Besides, a request to reduce the rate of interest charged by the nationalised banks to 6% per annum, it also raised the issue of refusal of loans by many nationalised banks for lifting new cars for taxi purposes, even though the taxi operators were prepared to remit 25% of the invoice price as margin money.

Reserve Bank of India has advised the Association that small road transport operators owning a fleet of vehicles not exceeding 6 vehicles, including the one proposed to be financed were included in the priority sector. Accordingly, the concessional rate of interest is charged by the commercial banks in respect of the advances sanctioned to such borrowers at 12.5% per annum upto 2 vehicles and 15% per annum for more than 2 vehicles. As regards refusal of loans for lifting new cars to taxi purposes, the Association has also been advised to approach the Regional Office of Reserve Bank of India at Trivendrum alongwith specific cases of refusal with full particulars to enable them to examine the matter.

Change in Rules for Foreign and Neighbourhood Travel Services

8660. SHRI CHITTA MAHATA :
SHRIMATI USHA
CHOUDHARI :
SHRI YASHWANT RAO
GADAKH PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has changed rules for foreign and neighbourhood travel services making them available once in three years instead of once in two years :

(b) if so, the details thereof; and

(c) to what extent these have been applicable so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Till 6th April, 1986, under the Foreign Travel Scheme (FTS), Indian residents were eligible to undertake visits to foreign countries once in two calendar years and were entitled to draw foreign exchange upto the equivalent of US\$. 500/- per person, except in the case of visits to Nepal and Bhutan. Similarly, under the Neighbourhood Travel Scheme (NTS), Indian residents were eligible to undertake travel to any country in the group of neighbouring countries (viz., Bangladesh, Burma, Malaysia, Maldives Islands, Mauritius, Pakistan, Seychelles Islands and Sri Lanka) once in two calendar years and were entitled to draw foreign exchange upto the equivalent of US\$. 250/- per person.

In The light of experience gained in the administration of the Schemes, it has been decided to introduce the following changes in the Foreign Travel Scheme (FTS) and Neighbourhood Travel Scheme (NTS) with effect from 7th April, 1986:

(i) FTS as well as NTS will be available once in three calendar years instead of once in two calendar years. A resident will now be eligible to travel under FTS if he has not travelled to any foreign country under the Scheme since the commencement of preceding two calendar years. Travel under NTS will now be permissible in blocks of three calendar years, the first triennium being 1st January 1985 to 31st December 1987 followed by 1st January 1988 to 31st December 1990 and so on.

(ii) FTS and NTS will be mutually exclusive. In other words, when the visit is only to countries in the group of specified neighbourhood countries, the travellers will be eligible to apply for exchange quota only under NTS and not under FTS. If, however, a traveller wishes to visit any country/ies in the NTC group on his way to other countries covered by FTS, he would be eligible for release of exchange under FTS only. Combination of FTS and NTS for the purpose of drawing exchange will not be permissible.

(iii) Minor children upto the age of twelve will be eligible to draw exchange at half the normal FTS/NTS quota i. e. US dollars 250 or its equivalent in the case of FTS and US dollars 125 or its equivalent in the case of NTS.

With a view to plugging the loopholes in the matter of passports lost or destroyed, it has now been provided that if a traveller holding a renewed passport is unable to produce his previous passport which is essential for determining his eligibility for travel under the Schemes within the relevant 3 year period, he will be eligible to avail of exchange under the scheme only on completion of two full calendar years covered under his current passport.

Further, it has been reiterated that it is absolutely necessary for Authorised Dealers and full-fledged money changers to insist on personal appearance and identification of the traveller in case of sale of foreign exchange under FTS/NTS. This has been done with a view to ensuring that foreign exchange is sold only to bona-fide travellers and also to hold them personally accountable for proper utilisation of the foreign exchange received by them.

[Translation]

Production of Opium in Uttar Pradesh

8661. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the total area in hectares under opium cultivation in Uttar Pradesh during 1984-85 and the estimated value of production therefrom;

(b) whether production of opium in the State is being discouraged during the current year; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total area under opium poppy cultivation in Uttar Pradesh during the crop year 1984-85 was 5,697 hectares and the price paid to the cultivators for the opium produced was about Rs. 3.17 crores.

(b) and (c). The production of opium in India is essentially export-oriented. Due to global oversupply of opiate raw materials, Indian opium has been facing increasing competition from alternate raw materials, particularly, the concentrate of poppy straw. This has resulted in the accumulation of large stocks in the Government factories. The Government have, therefore, been constrained to reduce the area for poppy cultivation in a phased manner in the last few years in the three opium-poppy growing states including Uttar Pradesh.

**Production of Silk From Silk Worms
Reared on OAK Trees.**

8662. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that best quality silk can be produced from silk-worms reared on oak trees;

(b) if so, whether it is also a fact that oak trees grow in large number in hill areas of Uttar Pradesh in a natural way;

(c) if so, whether any special scheme is being prepared by his Ministry to promote oak plantation in order to increase silk production in this area from commercial point of view ;

(d) if so, the details of this scheme; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. This is the position in some countries of the world.

(b) to (e). A Regional Tasar Research Station has been established by the Central Silk Board at Bhimtal. This Station has been entrusted with conducting a detailed survey work to assess the dispersal of oak plantation in the surrounding areas. In addition, the research station is imparting training in latest technology in oak tasar silkworm production and providing research and extension support to the efforts of state sericulture department to produce oak tasar silk on commercial basis.

[English]

Funds for Establishment of more Sub-Divisions in Orissa

8663. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Orissa have submitted a proposal to the Eighth Finance Commission for funds to establish eight more sub-divisions in the State, and

(b) if so, the names of those sub-divisions and the steps Government have taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government of Orissa in their memorandum to the Eighth Finance Commission sought assistance for creation of 8 more sub-divisions in the State. Their locations were, however, not indicated. The Eighth Finance Commission did not recommend any grant-in-aid for the purpose.

Curbing Gold Jewellery Trade

8664. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering to curb gold jewellery trade in the country in order to unearth black money;

(b) if so, the details thereof;

(c) whether Government are also considering some changes in the Gold Control Act;

(d) if so, the details thereof and the time by which such a change is likely to be brought; and

(e) the extent to which these new steps are likely to be helpful in unearthing black money in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c). Government have no such proposals under consideration.

(b), (d) and (e). Does not arise.

Charya Committee Report

8665. SHRI V. TULSIRAM
DR. T. KALPANA DEVI :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have allowed the manufacture and marketing of blend of soyabean oil with groundnut oil for direct human consumption;

(b) if so, the details thereof;

(c) whether a study in this regard has been conducted and if so, the findings thereof; and

(d) when Dr. K. T. Charya Committee Report is expected to be implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN

THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) A Notification No. GSR-892(E) dated the 6th December, 1985 has been issued by the Ministry of Health and Family Welfare allowing manufacture and marketing of blend of soyabean oil (refined) with groundnut oil subject to the conditions :

(i) The proportion of groundnut oil in the admixture is not less than 20% by weight;

(ii) The admixture is processed and sold by the Department of Civil Supplies Government of India or authorised agencies of that Department and the state Cooperative Oilseeds Growers Federation set up under NDDDB's Oilseeds and Vegetable Oil Projects in sealed package weighing not more than 5 kg. and bearing proper label declaration.

(iii) The quality of soyabean (refined) and the groundnut oil used in the admixture conforms to the standards prescribed by PFA Rules.

(c) Studies in this regard have been conducted. These indicate improvement in the keeping quality of the blended oils. Consumers' acceptance was also found to be satisfactory.

(d) There is no such Committee in respect of blending of oils.

[Translation]

Indo-Soviet Trade

8666. SHRI KALI PRASAD PANDEY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that has been considerable increase in the field of economic cooperation and export-import trade during the last few years between India U.S.S.R.;

(b) whether it is fact that India exported goods worth Rs. 2,500, crores in the year 1985 to U.S.S.R.;

(c) if so, the steps taken so far to increase exports during 1986-87 and the response to the USSR in the regard;

(d) whether Government propose to and some non-traditional items in Indo-U.S.S.R import-export trade during the current and the next financial year; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (e). Yes, Sir. The volume of trade turnover between the two countries in the five year period 1981-85 increased by more than 2.5 times as compared to the preceding five year period. As per provisional trade figures available, the value of exports from India to the USSR during 1985 are more than Rs. 2200 crores. It has jointly been programmed with the USSR authorities that both exports and imports would progressively increase in the years 1986-90 so that the volume of trade turnover in the five year period 1986-90 would be 1.5 to 2 times more than the turnover achieved in 1981-85.

There has been considerable diversification in the structure of exports from India to the USSR. The new items covered include a wide range of manufactured and value-added items as well as engineering items like jute decoratives, food processing and dairy equipment, telecommunication equipment and marine equipment. Similarly, efforts have been made to diversify the imports from the USSR and new machinery items and commodities such as Liquid Ammonia, Methanol, Polyethylene, etc. have been added.

[English]

Adulteration in consumables and Defective Weights and Measures

8667. SHRIMATI BASAVARAJESWARI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether any survey has been undertaken by Government or by any other recognised organisation to find out the extent to which Indian consumer is cheated due to defective weights and measures;

(b) if so, the outcome of the survey; and

(c) the steps Government propose to take to check the adulteration in various commodities like foodstuffs, fertilisers etc. and to eliminate defective weights and measures ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) No, Sir.

(b) Does not arise.

(c) The prevention of Food Adulteration Act and the Fertilizer (Control) order are in force to check adulteration in foodstuff and fertilizers. In order to eliminate defective weights and measures, periodical verification and surprise inspection are carried out according to the provisions of the weights and Measures (Enforcement) Acts of the States. The State Governments and Union Territory Administrations who are responsible for enforcing these law are advised from time to time to take suitable measures for their strict enforcement. In addition, steps are being taken to promote strong consumer protection movement in the country.

Printing Fake Currency Notes in Andhra Pradesh

8668. SHRIMATI BASAVARAJESWARI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the racket of printing of fake currency notes is going on unchecked in Guntur, Prakasham, Nellore and Chinttor districts and Chilakaluripet in Guntur district in Andhra Pradesh is the head quarter of the racket;

(b) whether it is a fact that some senior police officials belonging to this area are behind this racket,

(c) whether an enquiry has been conducted into this racket, and any instructions given to the State Government in this regard; and

(d) if so, the findings thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Andhra Pradesh Police has not so far reported to the Central Bureau of Investigation any case involving printing of fake currency notes.

(b) to (d) Do not arise.

Programme for Construction of Five Star Hotels by ITDC to Attract Foreign Tourists

8670. SHRI HUSSAIN DALWAI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether the India Tourism Development Corporation has undertaken an ambitious programmes during the Sixth Five Year Plan to construct its own five star hotels to attract tourists traffic from abroad;

(b) the number of such hotels sanctioned and the progress of construction of such hotels, State-wise break-up thereof;

(c) the total expenditure so far incurred by the ITDC on such hotel projects; and

(d) the expenditure proposed to be incurred to complete the spill over construction work of such hotels ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). During VI Plan, ITDC took up the construction of only one 5-Star hotel which was commissioned in November, 1982.

(c) and (d). During the VI Plan, the total expenditure incurred on this hotel project was of the order of Rs. 19.18 crores. During the VII Plan, an expenditure of Rs. 26 lakhs is estimated to be incurred to undertake minor works, settle outstanding bills, etc.

Export of Wheat and Non-Basmati Rice by STC

8671. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether State Trading Corporation propose to sell wheat and non-basmati rice in the world market;

(b) if so, the minimum selling price of wheat and non-basmati rice of wheat and non-basmati rice fixed by Government if any;

(c) the details of markets identified for wheat and non-basmati rice; and

(d) the quantum of wheat and non-basmati rice proposed to be exported during 1985-86 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) The export of wheat would be at prevailing international price there being no minimum export price. The export of non-basmati rice is subject to minimum export price of Rs. 4000 per Metric Tonne f. o. b.

(c) Identification of markets from time to time is continuous process and takes into account factors such as locational advantage, seasonal variations in supply and demand position etc.

(d) STC has not exported wheat and non-basmati rice during 1985-86.

Decline in Export Target of STC

8672. SHRIMATI JAYANTI PATNAIK : Will the the Minister of COMMERCE be pleased to state :

(a) the export target set by the State Trading Corporation in 1985-86 and the actual performance in that regard;

(b) whether there has been a sharp decline in State Trading Corporations export performance;

(c) if so, the reasons therefor; and

(d) the details of the imports made through State Trading Corporation during 1985-86 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). STC fixed a target for direct exports amounting to Rs. 329 crores for 1985-86. The actual performance against this target is Rs. 377 crores (Provisional)

(d) STC' imports in 1985-86 amounted to Rs. 2131 crores (provisional). Major items of import were edible oils, sugar, newsprint, chemicals, natural rubber, fatty acids, cement, drugs etc.

Export of Timber

8673. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether some countries have been importing timber from India;

(b) if so, the names of those countries;

(c) the total quantum of timber exported to those countries in the last three years; and

(d) the foreign exchange earned, year-wise ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (d). Export of wood and timber, all species, in log and sewn form is banned w. e. f. 27.5.80. However, some exports have been allowed in relaxation of the Export Policy. A statement giving particulars of instructions issued by the CCI and E to the port licencing officers for issue of export licences is given below.

Statement

S. No.	Country	Quantity and Value	Instruction issued to port licencing Offices on
1.	Japan	164 pieces of Indian Rose Wood Tokobeshira. US \$ 29478	9.2.83
2.	Sweden	500 Kg. of Eucalyptas/ Acacia species timber. Rs. 250/—	16.9.83
3.	Hamburg	200 Kg. of Eucalyptus/ Acasia species timber. Rs. 100/—	23.2.84
4.	Kuwait	100 MT Teak Wood. Rs. 8,37,500/— FOB	30.4.84
5.	Sweden	20 Cubic Meters of Teak Wood. Rs. 1,20,000 FOB	7.5.85
6.	Dubai	1625 Teak Wood poles. Rs. 1,48,000 FOB	3.12.85
7.	Kuwait	100 MT of Teak Wood. Rs. 9,56,250/— FOB	4.2.86
8.	Singapore	2½MT of Sandal Wood CIF of billets form. Rs. 1,56,507/—	6.2.86

Import of Synthetic Fibre and its Impact on Textile Industry

8674. SHRI N VENKATA RATNAM : Will the Minister of COMMERCE be pleased to state :

(a) the extent of synthetic fibre imported into our country during 1985-86 and its effect on our cotton trade and textile industry;

(b) whether a letter of intent was granted to Uttar Pradesh Government to put up an aromatic plant in the joint sector for production of 1,00,000 tonnes of Zylene, 1,30,000 tonnes of PTO and present stage of the project;

(c) whether any other letters of intent were granted; and

(d) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Statistics of imports have been compiled upto 1982-83. Information relating to import of synthetic fibre during 1985-86 is not available.

(b) A letter of intent has been granted to M/s Pradeshiya Industrial and Investment Corpn. of U. P. Ltd on 3.3.1986 for setting up of an Aromatic Complex at Salempur in the joint sector for the manufacture of following items :

1. Benzene	1,00,000 TPA
2. Ortho-Xylene	35,000 TPA
3. Cyclo-Hexane	50,000 TPA
4. P. T. A.	1,50,000 TPA

(c) No other letters of intent have been issued for Aromatic Complex after the issue of letter of intent to PICUP.

(d) Does not arise.

Extension of Cardamom Cultivation in Kerala under Seventh Plan

8675. SHRI K. MOHANDAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the Spices Board has a plan to extend the cultivation of cardamom to more areas within Kerala and outside during the Seventh Five Year Plan; and

(b) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Apart from experimental planting, the emphasis in VII Plan is to reduce the cost of production of cardamom by increasing productivity rather than starting new cultivation.

(b) Does not arise.

Annual Production of Cardamom

8676. SHRI K. MOHAN DAS : Will the Minister of COMMERCE be pleased to state :

(a) the average annual production of cardamom during the Sixth Five Year Plan;

(b) the production target for the Seventh Plan; and

(c) the amount being spent for providing high-yielding varieties during that Plan period ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). The average Annual Production of cardamom during the Sixth Five Year Plan, the Production target for the Seventh Plan and the amount earmarked for providing high-yielding varieties during the Seventh Plan period may be seen as under :

Average Annual Production of Cardamom during 6th Plan	3380 MT
Production target by the end of 7th Plan	6500 MT
Amount earmarked for production and supply of high-yielding varieties during 7th Plan period	Rs. 120.50 lakhs

Import of River Crafts, Fishing Trawlers

8677. SHRI R. P. DAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have decided to import river crafts fishing trawlers and similar other items which are already being produced in this country;

(b) if so, whether the indigenous production is inadequate or inferior;

(c) if not, the reasons for import of these items;

(d) whether Government have received any representation from manufacturers of these items in the country;

(e) if so, details thereof; and

(f) the action taken on the aforesaid representation, if received ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). Import of river crafts and fishing trawlers is allowed after scrutiny of each case on merits where circumstances justify the same.

(d) to (f) Representation has been received suggesting restriction on the import of fishing trawlers. The matter is under consideration of the Government.

Import of Trawlers

8678. SHRI BASUDEB ACHARIA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have decided to help foreign shipyards reeling under severe world-wide recession by giving orders for items like fishing trawlers river crafts, or the like by striking down the pari passu clause for import of trawlers; and

(b) if so, the reasons for such steps at the cost of indigenous shipyards which need orders for existence ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Does not arise.

Change in Rupee Payment Arrangements with East European Country

8679. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to shift bilateral trade with any East European Country to international financial practice rather than to rupee account basis; and

(b) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : There is no proposal to change the existing rupee payment arrangement with the East European countries with whom India has such an arrangement.

Funds Bank Meeting to Discuss Oil Price

8680. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether the Fund-Bank Meeting in Washington discussed the oil price question;

(b) if so, the floor price considered essential to maintain the oil economy; and

(c) whether concerted action will be taken to maintain this price ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) No, Sir.

(b) and (c). Does not arise.

Unreconciled Amounts in Intra-Branch Transactions of Banks

8681. DR. A. K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) the amounts which remained unreconciled in intra-branch transactions of the

banks during the Sixth Five Year Plan period year-wise and the current year separately and the likely problems/frauds which may result due to such unreconciled amount; and

(b) the procedure in regard to intra-branch transactions and the names of the banks which have failed to implement it ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Reserve Bank of India has reported that it does not have the requisite data separately for the Sixth Five Year Plan period as such. However, the latest position of old outstanding entries/amount involved relating to the period up to the end of 1983 pertaining to inter-branch accounts of the 28 public sector banks is given below :

Outstanding as on	No. of entries (in lakhs)	Amount-involved (Rs in crores)
31.12.1983	398	297941
31.12.1984	242	190075
30.6.1985	205	151740

During the period from 31.12.1983 to 30.6.1985, the number of entries and the amount involved have been reduced by 48.49% and 49.07% respectively.

Non-reconciliation of inter-branch transactions could facilitate perpetration of frauds.

(b) For the purpose of reconciliation of inter-branch transactions, banks follow either a mutual account system or a Centralised Account System or an admixture of both. Though the procedures adopted differ from bank to bank, the core procedure followed in different banks in inter-branch transactions are more or less common.

Reserve Bank of India and Government have advised the banks to liquidate the arrears and streamline the procedures and systems through a time bound programme.

Export of Graphite Electrodes

8682. DR. A. K. PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether there is big potential for export of graphite electrodes from India;

(b) if so, the export of graphite during last three years year-wise indicating the value thereof;

(c) the number of advance licences granted to these exporters year-wise; and

(d) the foreign exchange earnings to the country by exporting graphite electrodes ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) According to the Chemicals and Allied Products Export Promotion Council (CAPEXIL) there potential for export of graphite electrodes.

(b) and (d). According to information furnished by CAPEXIL the export of graphite electrodes and the foreign exchange earning therefrom are as under :

Year	(Rs lakhs) Export (f.o.b. value)
1982-83	411.0
1983-84	505.9
1984-85	579.8
1985-86 (upto Jan. '86)	342.8

(c) Information on advance licences issued in respect of graphite products is not separately maintained.

Stamping Date of Manufacturer/Selling Rate on Consumer Items

8683. SARI HAFIZ MOHD. SIDDIQ : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that all the consumer items do not carry the name of the manufacturer, selling rate and date of manufacture; and

(b) if so, how his Ministry propose to safeguard the interests of the consumers and in what way ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b) Under the Standards of weights and Measures (Packaged Commodities) Rules, 1977, all consumer items in packaged form, which are sold or intended to be sold in the course of inter-State trade or commerce, have to carry, among other things, a declaration as to the name and address of the manufacturer/packer, the month and year of manufacturing/packing and the sale price.

Eligibility of House Rent Allowance to Central Government Employees

8684. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the categories of employees (grade-wise) in the Central Government services who are eligible for drawing full house rent allowance along with their spouses;

(b) whether this relaxation is automatically applicable to the employees of the public sector undertakings, hospitals and educational institutions where in most of the cases either they have been provided with official accommodation or are drawing H.R.A. to the extent of thirty to thirty five per cent of their pay; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The following categories of Central Government employees including employees of Government hospitals and Government educational institutions who share accommodation (privately occupied or self-owned but not Government) with their spouses who are also employees of Central Government/State Government/autonomous/public sector undertakings/semi-Government organisations such as municipalities, Port Trust etc., are eligible to draw full House Rent Allowance along with the spouses :

(i) employees drawing pay of Rs. 1069 p.m. or less provided they incur some expenditure on rent, without production of rent receipt.

(ii) employees drawing pay above Rs. 1069 p.m. provided the claim is limited to what is admissible on the pay of Rs. 1069 p.m., without production of rent receipt.

(iii) employees drawing pay above Rs. 1069 p.m. who pay so much rent that even after a reduction of 40% from the rent paid, the husband is entitled to full House Rent Allowance on the basis of reduced rent and the wife is entitled to full House Rent Allowance on the basis of rent arrived at after a reduction of 60% or *vice-versa*, provided they produce a receipt in support of their claim.

These orders are not automatically applicable to the employees of Public Sector Undertakings, autonomous hospitals and autonomous educational institutions.

Proposal to Grow Tusser in Tribal Areas

8685. SHRI ANANTA PRASAD SETHI Will the Minister of TEXTILES be pleased to state :

(a) whether Government have finalised a plan to grow Tusser in the tribal areas of the country;

(b) if so, the details thereof and the progress made so far in the matter;

(c) whether Government have also considered the Orissa sub-plan under this scheme; and

(d) if so, the details thereof and the progress made so far in the matter ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). An Inter-State Tusser Project with assistance of Swiss Development Cooperation

was undertaken for implementation by the Central Silk Board for a period of 5 years from 1981-82 to 1985-86. A total sum of Rs. 10.50 crores has been invested in implementation of the project. Under this project an area of 7945 hectares of plantation has been raised in eight states viz, (i) Bihar, (ii) Orissa, (iii) Madhya Pradesh, (iv) Andhra Pradesh, (v) Uttar Pradesh (vi) Maharashtra, (vii) West Bengal and (viii) Rajasthan.

(c) and (d). The State of Orissa has utilised a sum of Rs 283.16 lakhs raising an area of 2500 hectares of block plantation under the project. On expiry of the project period, the tussler development activities are being continued by the respective States under their Normal programmes.

Delay in Taking Final Decision Regarding Closing of Textile Mills

8686. SHRI K. V. SHANKARA GOWDA : Will the Minister of TEXTILES be pleased to state :

(a) whether National Textile Corporation has been waiting for the Government's directions for closing down the first batch of losing textile mills;

(b) when a final decision in regard to closing of such textile mills which are increasing losses continuously is likely to be taken; and

(c) the reason for delay ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The Textile Policy envisages that selective modernisation would be undertaken where units can become viable. The continued operation of units, which are incapable of becoming viable, would mean a continued drain on scarce resources and such units or parts thereof may have to be closed down to prevent any further losses. The future course of action would be decided after examination of all relevant aspects. It is not possible to indicate any specific date in this regard.

Export of Textiles under New Textile Policy

8687. SHRI K. V. SHANKARA GOWDA : Will the Minister of TEXTILES be pleased to state :

(a) whether the hopes that the new textile policy announced in June 1985 would give a boost to textile exports has been belied;

(b) if so, the main reasons for not boosting the textile exports;

(c) whether it is a fact that there has been stagnation in exports of cotton yarn made-ups and fabrics;

(d) if so, the steps Government propose to take to remove the hurdles that are coming in the way for boosting textile exports; and

(e) when the new textile policy would boost textile exports ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (e). Although it is too early to evaluate impact of new textile policy on exports, the exports of textiles and garments of all fibres during the year 1985 increased as compared to 1984. In the case of millmade and powerloom cotton yarn, made-ups and fabrics also the exports in the year 1985 were higher than in the previous year.

A statement showing the steps taken by the Government to boost textile exports is given below.

Statement

Steps Taken to Boost Textile Exports

The following measures have been taken to boost textile exports.

(i) Sophisticated textile machines not manufactured indigenously are allowed to be imported on OGL.

(ii) Wide width shuttleless looms and rotor spinning machines are allowed to be imported at concessional import duty linked with export obligation.

- (iii) Soft loan scheme is available for modernisation of the textile industry,
- (iv) Foreign collaboration is allowed to modernise indigenous textile machinery to enable exporters to have access to modern machinery. Sophisticated machines not manufactured indigenously are allowed to be imported on OGL. As many as 114 machines necessary for garments and hosiery manufacture, have been placed under the OGL, 97 of them enjoying concessional import duty vide Appendix 1 part B of Import-Export Policy for 1985-88.
- (v) The number of day for packing credit has been increased from 90 days to 180 days.
- (vi) CGS rates have been substantially increased with effect from 1st January, 1984. These rates were continued during 1985. These rates have been extended up to 31st December, 1986, subject to review to be completed by June, 1986.
- (vii) Duty drawback rates for garments have been liberalised. The rates have been increased to 10% from 7.5%.
- (viii) Import entitlements under REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-88. Some items of raw materials/fabrics are permitted to be imported under the Advance Licencing Scheme and Duty Free REP Scheme vide Appendices 19 and 21 of Import-Export Policy for 1985-88.
- (ix) A new Import-Export Pass Book Scheme for manufacturer-exporter under the new Import-Export Policy has been introduced.
- (x) Additional assistance for new products and new markets is being given. 10% higher REP is given for new products and new markets.

(xii) Under the 100% Export Oriented Units and Free Trade Zones Schemes, facilities for liberal import of capital goods and raw materials along with any other concessions are given with necessary export obligation.

(xii) A fashion technology institute is being set up in Delhi for education, research, service and training in the areas of fashion design especially for the garment trade.

(xiii) Government has been given liberal assistance for sponsoring and funding promotional activities such as market studies, buyer-seller meets, participation in International fairs and exhibitions etc.

Introduction of One Bank-One Collectorate Scheme

8688. SHRI K. V. SHANKARA GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry is considering to introduce a scheme "one bank—one collectorate" to ensure that adequate facilities are available to assesses to deposit indirect taxes;

(b) if so, whether it is a new scheme or a revised one;

(c) to what extent this revised scheme will be more beneficial; and

(d) whether all the earlier defects in the scheme have been removed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The revised scheme for collection of Indirect Taxes has been introduced with effect from 1.4.1986, under which adequate facilities are available to the assesses to deposit Indirect Taxes.

(c) and (d). The revised scheme is directed towards speedier movement of Government revenue to Government cash balances as also speedier reconciliation and settlement of accounts with banks.

[Translation]**Distribution of Controlled Cloth to Poor People**

8689. PROF. NIRMALA KUMARI SHAKTAWAT: Will the Minister of TEXTILES be pleased to state:

(a) the total cloth (in sq. metres) allotted during 1986-87 for providing cloth at controlled rates to the poor persons in rural and urban areas;

(b) whether only the cloth manufactured by National Textile Corporation is allotted, or the cloth manufactured by other industries is also allotted; and

(c) the steps proposed to be taken by Government to redress the general grievances of the people in those areas where this cloth does not reach so that the cloth is made available to the general public?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) A production target of 200 sq. metres of controlled cloth has been fixed during 1986-87 with a view to providing such cloth to the economically weaker section of society at controlled prices.

(b) Controlled cloth allocated to the various States/Union Territories is at present being manufactured only by Mills of the National Textile Corporation.

(c) Distribution of controlled cloth is primarily the responsibility of the State Governments. However, they have been requested to strengthen the distributional arrangements for such cloth with a view to obtaining a larger coverage in the remote and rural areas.

Development of Places under 'Mewar Complex' Scheme in Rajasthan

8690. PROF. NIRMALA KUMARI SHAKTAWAT: Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state:

(a) the steps proposed to be taken for the development of tourism in Chittorgarh,

Udaipur, Dungarpur, and Banswara under 'Mewar Complex' in Rajasthan;

(b) the amount likely to be spent during the Seventh Five Year Plan for the development of Chittorgarh Fort which is the main centre of attraction for tourists, indicating the facilities proposed to be provided to the tourists; and

(c) whether the Union Government propose to make special provision for entertaining the tourists by showing sagas of heroes and heroines of Mewar through light and sound programmes?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT): (a) The Master Plan of Mewar Complex in Rajasthan prepared by the Department of Tourism through Town and Country Planning Organisation includes four centres viz. Haldighati, Kumbhalgarh, Chavand and Gogunda.

(b) The Chittorgarh Fort Complex is maintained by the Archaeological Survey of India. So far no proposals have been received in the Department of Tourism for provision of facilities in this complex specifically for tourists.

(c) No such proposal has been received.

[English]**Raids at Business Establishments in Bihar**

8691. SHRI RAMASHRAY PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some business establishments in Bihar were raided during 1984, 1985 and 1986 (up to March) and incriminating papers were seized from their premises;

(b) whether Government are aware that these establishments are possessing huge amount of black money;

(c) if so, the action taken against these establishments; and

(d) if no action has been taken so far, the reasons therefor and the action proposed to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Yes. Sir. Income Tax Department have conducted several searches in the cases of business establishments in Bihar during the years 1984, 1985 and 1986 (upto March) and seized a large number of incriminating account books and documents apart from, prima-facie, unaccounted assests of considerable value.

Necessary action under various provisions of Direct Taxes Act has been initiated against all the persons searched.

Development of Tourist Resorts in Bihar in Seventh Plan Period

8692. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government are considering to develop the Tourist Resorts during the Sevedth Five Year Plan period;

(b) if so, the allocation made for the purpose;

(c) whether it is a fact that tourist resorts in Bihar would be developed in the Seventh Plan period;

(d) if so, the names of the places where these tourists resorts are proposed to be developed in Bihar and the allocation of fund for the purpose;

(e) whether Government purpose to construct a Yatri Niwas in Gaya during the same period; and

(f) if so, the number of persons likely to be accommodated in that Yatri Niwas and the allocation of fund for the purpose ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b).

The creation of tourist infrastructure facilities and the development of Tourist resorts are a continuing process and proposals/schemes taken up by the Department is on the basis of tourism potentiality of the centre, inter-se-priority and availability of funds.

(c) and (d). So far the Department has recieved the following proposals seeking central assistance during 7th Five Year Plan :

	Rs. in lakhs
1. Way-side amenities at Hisua-Biheha	10.65
2. Tourist Bhavan at Sasaram	25.38
3. Yatri Niwas at Patna	32.45
4. Construction of cafeteria at Manersharif	3.43

Among the above, the Department has sanctioned proposal for construction of cafeteria at Manersharif for an amount of Rs. 3.43 lakhs, out of which Rs. 3.00 lakhs has already been released.

(e) and (f). No formal proposal for a Yatri Niwas at Gaya has been received by Department of Tourism. The policy of the Department is to consider one Yatri Niwas in each State in the first instance. Presently, the State Government has submitted a proposal for a 60-beded Yatri Niwas at Patna. Detailed estimates and blueprints are awaited by Department of Tourism.

Import of Horses

8693. SHRI SRIBALLAV PANIGRAHI : Will the Minister of COMMERCE be pleased to state :

(a) tne number of licences issued for the import of through-bred horses and the names of parties to whom issued during the last three years, year-wise;

(b) the value of import of these horses annually during the last three years; and

(c) the reasons for continuing the policy of import of these horses ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Yearwise statements for the last three years showing number of licences issued for the import of Thoroughbred Horses, the names of parties to whom licences were issued and the CIF value of the import are Laid on the Table of the Hous.

[Placed in Library. See No. LT-2730/86].

(c) Import of Stallions/Broodmares for breeding purposes is allowed to registered stud farms on a limited scale so as to improve the quality of the indigenous stock.

[Translation]

Supply of Nutritious Food to People

8694. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the percentage of total population in the country not getting nutritious food;

(b) whether Government purpose to take any steps to provide nutritious food to them;

(c) if so, the outlines thereof; and

(d) if not, how Government propose to supply nutritious food to them ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) reference to the norms of per capita daily calorie intake of 2,400 in rural areas and 2,100 in urban areas adopted by the Planning Commission; the percentage of population not getting adequate nutrition was 36.9 in 1984-85.

(b) to (d). Government has taken the following steps :

(i) distribution of foodgrains, sugar and edible oil to consumers through an extensive network of fair price shops;

(ii) distribution of foodgrains at specially subsidised rates in all Integrated Tribal Development Project areas as well as tribal majority States/Union Territories, and under National Rural Employment and Rural Landless Employment Guarantee Programmes;

(iii) provision of supplementary nutrition to pre-school and school-going children and expectant/nursing mothers; and

(iv) checking and close monitoring of open market price of foodgrains and other essential commodities available in market and release of such commodities as necessary for keeping the price within reasonable limits.

Survey of Places Where Nutritious Food is not Supplied

8695. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that most of the people in various parts of the country are not getting nutritious food;

(b) if so, whether Government have conducted any survey in respect of such places and people;

(c) if so, the details thereof; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) to (d). Information is being collected.

Survey of Persons not Getting Nutritious Food

8696. DR. CHANDRA SAEKHAR TRIPATHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that Government had set up a department for conducting survey to find out the number of Indians not getting nutritious food;

(b) if so, whether Government propose to wind up that department now; and

(c) if so, the means through which Government propose to find out the places and persons affected by malnutritions ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) to (c). The Diet and Nutrition Survey Unit in the Department of Food has been conducting surveys to collect the data on intake of different food items/nutrients as also on nutritional deficiencies. It has been decided to wind up this Unit as similar data can be had from the National Nutrition Monitoring Bureau of the Indian Council of Medical Research which conducts similar surveys.

[English]

Onion Exports

8697. SHRIMATI USHA CHOUDHARI : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of onions exported by NAFED to USSR and other countries indicating the price per quintal; and

(b) the impact of onion export on domestic supply ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Total exports of onion during 1985-86 are estimated at 2.63 lakh MTs valued at Rs. 50.69 crores. The average unit value of sale for the year was Rs. 1926 per tonnes. NAFED and its associate shippers have signed a contract for export of 25,000 MTs of onions at the rate of Rs 3,250 per MT, CIF Black Sea Port.

(b) The exports of onion is allowed under a limited ceiling and is not likely to

affect domestic supply since total production of onion in the country is estimated at 28.70 lakh tonnes.

Export Potential of Agricultural Good

8698. SHRIMATI USHA CHOUDHARI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that the study on 'Agricultural export strategy problems and prospects' has stated that agricultural exports from our country have great potential, and

(b) whether any assessment has been made in this regard and action taken in this direction ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). It is not clear as to which specific study is being referred to having the title "Agricultural export strategy problems and perspectives". Several surveys and studies on the export prospects of agricultural commodities and products have been conducted by specialised agencies like the Indian Institute of Foreign Trade and Trade Development Authority. These include comprehensive surveys by IIFT of processed fruits and vegetables markets in the Middle East and Western Europe; export potential surveys of Himachal Pradesh for export of fresh fruits, processed foods, mushrooms and medicinal herbs; export potential of Madhya Pradesh and also of Andhra Pradesh for exports of processed fruits and vegetables. Trade Development Authority has also conducted a contract programme for processed fruits and vegetables in Saudi Arabia and Kuwait. These surveys have shown that good prospects exist for export of fruits and vegetables to Saudi Arabia, Kuwait and U. A. E. There is also good demand for fruit juices, nectars and drinks from fruits and canned fruits and fruit pulps as also jams and marmalades, pickles and chutneys.

Financial Assistance to Kerala Handloom Development Corporation

8699. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of TEXTILES be pleased to state :

(a) the names of the states in which sizeable sections of the rural population depend upon traditional handloom industry; and

(b) whether Government have extended any financial assistance during the current year to the Kerala Handloom Development Corporation for the revival of Handloom industry in Kerala ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Andhra Pradesh, Assam, Bihar, Karnataka, Kerala, Manipur, Orissa, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh, West Bengal and so on.

(b) No, Sir. The assistance to State Governments is released on receipt of proposals from the Government of Kerala has been received so far during 1986-87.

Assistance to States/Union Territories for Strengthening Public Distribution System

8700. SHRI MULLAPPALIY RAMACHANDRAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the details of instructions, if any, issued by the Union Government to Government of Kerala for the expansion of the Public Distribution system in the under-served and un-served areas in the said State;

(b) whether Civil Supplies Corporations have been set up in all the States and Union Territories;

(c) if not, the States where those have been set up;

(d) whether the Union Government have extended any assistance to any of the States/Union Territories to strengthen the infrastructure of the Public Distribution System; and

(e) if so, the details thereof and the quantum of funds allocated in the Seventh Five Year plan for this purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The Government has been advising all the States/Union Territories including Kerala to review the functioning of Public Distribution System and extending its coverage on the basis of one fair price shop for 2000 persons with special emphasis on covering the remote and inaccessible areas. They have also been advised to organise mobile shops in far-flung and inaccessible areas which are sparsely populated so as to provide easy physical access of essential commodities to consumers.

(b) and (c) So far 12 States and the Union Territory of Delhi have set up Civil Supplies Corporations. Statement indicating. The list of States having Civil Supplies Corporations is given below.

(d) and (e). There is a Central Sector Scheme, "Assistance to States/Union Territories of North Eastern Region, Himachal Pradesh, Jammu and Kashmir, Sikkim and Andaman and Nicobar Islands" for strengthening/setting up of Civil Supplies Corporations and construction of Godowns. During the financial year 1985-86 a sum of Rs. 14 lakhs has been released to the Government of Himachal Pradesh. A total outlay of Rs. 2 crores has been provided during the Seventh Five Year Plan for this scheme.

Statement

Sl. No.	Name of the State/U.T.	Name of the Civil Supplies Corporation
1	2	3
1.	Andhra Pradesh	Andhra Pradesh Civil Supplies Corporation.
2.	Bihar	Bihar State Civil Supplies Corporation.
3.	Himachal Pradesh	Himachal Pradesh Civil Supplies Corporation Ltd.

1	2	3
4.	Kerala	The Kerala State Civil Supplies Corporation Ltd.
5.	Karnataka	Karnataka Food and Civil Supplies Corporation Ltd.
6.	Punjab	Civil Supplies Corporation Punjab.
7.	Madhya Pradesh	Madhya Pradesh Commodities Trading Corporation Ltd.
8.	Tamil Nadu	Tamil Nadu Civil Supplies Corporation Ltd.
9.	Uttar Pradesh	Uttar Pradesh State Food and Essential Commodities Corporation Ltd.
10.	Orissa	Orissa State Civil Supplies Corporation.
11.	West Bengal	West Bengal Essential Commodities Supply Corporation.
12.	Gujarat	Gujarat State Civil Supplies Corporation.
13.	Delhi	Delhi State Civil Supplies Corporation.

**Financial Sanction for Development of
Tourism in Northern Kerala**

8701. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is true that Union Government have sanctioned any amounts for the development of Tourism in Northern Kerala during the current financial year; and

(b) if so, the specific projects for which amounts have been sanctioned and the respective amounts thereof ?

THE MINISTER FOR PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). The Central Department of Tourism have sanctioned the following projects in Northern Kerala during 1985-86 :

Scheme	Amount sanctioned (Rs.)	Amount released (Rs.)
1. Way-side amenities with accommodation at Cannanore	10.28 lakhs	4.00 lakhs
2. Way-side amenities with accommodation at Palghat	10.28 ,,	4.00 ,,
3. Way-side amenities with accommodation at Wynad	10.28 ,,	4.00 ,,

Bank Charges on Drafts and Cheques

8702. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that as per State Bank of India Chief General Manager

it costs the banks at least Rs. 23/- for each draft and Rs. 13/- for each cheque, as reported in 'Economic Times' of 26 March, 1986;

(b) if so, the reasons for not charging these from the customes.

(c) whether any comparison has been made of the estimated expenses on drafts and cheques of our banks vis-a-vis banks of other countries;

(d) if so, the details thereof and if not, the reasons therefor;

(e) whether Post Offices also have to incur similar expenditure for drafts and cheques, and

(f) whether bank charges are proposed to be lowered or raised after computerisation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). State Bank of India have reported that according to a 1984 cost analysis, the cost of handling drafts in all the processes was Rs. 14/- and for cheques on current accounts Rs. 8/-. Banks levy charges for their various services taking an overall view of their operations including deposit mobilisation and lending operations. These are based on their own costs and incomes from the totality of their operations and have little relevance to the experience of foreign banks.

(e) Post Offices also have to incur costs in handling cheques. These may not, however, be comparable to banks' costs.

(f) Public Sector banks have recently revised their service charges.

[*Translation*]

Limit of Income Under D. R. I. Scheme

8703 SHRI VIRDI CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the nationalised banks give benefit of

"Differential Rate of Interest" Scheme to the families having income of Rs. 2,000 or less;

(b) if so, when this limit was laid down;

(c) whether keeping in view the rise in prices Government propose to increase this limit to Rs. 5,000 annually; and

(d) if so, when it is proposed to raise the limit ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government of India in 1972 formulated the Differential Rate of Interest Scheme, under which the public sector banks cater to the credit requirements of the weaker among the weak and assist them in their efforts to improve their economic conditions by small productive endeavours. Under the Scheme as originally stipulated in the year 1972, persons whose family income from all sources did not exceed Rs. 2000/- p. a. urban and semi-urban areas and Rs. 1200/- p. a. in rural areas, were eligible for financial assistance. In 1977, this criteria was modified so as to include the families whose income from all sources did not exceed Rs. 3000/- p. a. in urban and semi-urban areas and Rs. 2000/- p. a. in rural areas.

(c) and (d). A Task Force was constituted by the Government in 1983 to review the DRI Scheme and make specific recommendations regarding any changes that might be necessary in the Scheme. The Task Force has submitted its report. No decision has been taken by Government so far on the recommendations of the Task Force.

[*English*]

Holding of Credit Camps

8704. DR. SUDHIR ROY : Will the Minister of FINANCE be pleased to state :

(a) whether M. Ps. or M. L. As. of an area are informed when a nationalised bank holds credit camps in a particular locality;

(b) whether loans disbursed in a credit camp are recovered in time; and

(c) the percentage of recovery ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Credit camps are organised by public sector banks as part of the overall measure to increase the flow of credit to the priority sector—and within it to the 'weaker sections'—to achieve the targets laid down for credit deployment to these sectors. Banks generally inform the people's representatives/local dignitaries of the particular locality, including M. Ps and M. L. As. about the credit camps. The recovery position of loans given in credit camps is not being monitored separately. Banks follow the same procedures for recovery—as laid down by Reserve Bank of India for all categories of loans including those in credit camps.

Take Over of India Meters Limited by a Public Sector Unit

8705. SHRI MANIK SANYAL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have stopped public financial institutions from selling their shares in the India Meters Limited, Madras, to Bombay Suburban Electric Supplies Limited;

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

(c) whether steps are being taken to take over India Meters Limited by a public sector unit ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

(c) Efforts for take over of India Meters Ltd. by a public sector unit have so far proved unsuccessful.

Representation From Indigenous Belting Industries Association

8706. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

(a) whether he has received a representation dated 21st March, 1986 from the Indigenous Belting Industries Association, 74, G. T. Road, P. O. Baidyabati, Distt. Hooghly, (West Bengal);

(b) if so, the main demands mentioned in the said representation;

(c) whether Government have taken any steps on the said representation;

(d) if so, details thereof; and

(e) if not, the reasons therefor ?

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

(b) The indigenous Belting Industries Association has requested for restoration on excise duty exemption available on woven cotton belting prior to the budget.

(c) to (e). The full exemption on unprocessed cotton belting, woven, and cotton belting (other than those impregnated, coated, covered or laminated with plastics) of width not more than 15 cms available prior to the budget, has been restored vide Notifications No. 228/86-CE, dated 3.4.86, and No. 271/86-CE, dated 24.4.86, respectively.

Distribution of Loans by Banks

8707. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Prime Minister has received complaint regarding the partisan manner in which selection of beneficiaries has been made in two credit camps in West Bengal in Jalpaiguri and Midnapur District and two more attempted to be held in Jadavpur and Mathurapur;

(b) if so, whether any enquiry has been conducted regarding the manner of deciding on credit camps, selection of beneficiaries and sanction of loans; and

(c) the amount of money sanctioned and disbursed in the two credit camps held in Jalpaiguri and Midnapur and in respect of how many beneficiaries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sir. Reserve Bank of India has conducted a study on credit camps in different parts of the country.

(c) Credit camps are organised by public sector banks at the initiative of field functionaries, as a part of the overall measures taken to increase the flow of credit to the priority sector/‘weaker sections’ in line with the targets laid down for credit deployment to these sectors. Separate monitoring of the loan amounts sanctioned or disbursed etc. through credit camps held by banks in various parts of the country is not considered feasible or necessary by the Reserve Bank of India. However, banks have been advised to follow the prescribed procedure—as per R. B. I.’s guidelines issued from time to time.

[*Translation*]

Non-Payment of Income Tax by Film Artists, Producers and Directors

8708. SHRI MAHENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the names of the film artists, producers and directors against whom action has been taken for non-payment of income-tax during the last two years and the names of those against whom action is being taken to recover the arrears amounting to more than one lakh rupees indicating the kind of action being taken to this regard; and

(b) the names of the film artists, producers and directors, whose premises were raided during the last six months under the campaign to unearth the black money and undeclared assets indicating the action taken in this regard and the value of goods recovered from each of these persons ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Quarterly informations regarding film artists, producers, directors, etc., against whom income-tax demands exceeding Rs. 1 lakh remain outstanding are gathered from the field formations. Based on this information, the names of the film artists, producers, directors, etc., against whom income-tax demands exceeding Rs. 1 lakh were outstanding as on 1.4.1983 and from whom collections were made before 1.10.1985 as a result of action taken for recovery are given in statement ‘A’ below.

The names of such film artists, producers and directors etc. against whom income-tax demands exceeding Rs. 1 lakh were still outstanding as on 30.9.1985 are given in the statement ‘B’ below.

In these cases, depending upon the facts and circumstances of each case, appropriate steps are taken from time to time by the concerned authority for recovery of the outstanding demand. These steps include inter alia; requesting the Appellate Authorities for expeditious disposal of the pending appeals and also resorting to proceedings under section 226(3) and 179 of the Income-tax Act and attachment of movable and immovable property after issuing the recovery certificates to the Tax Recovery Officer under section 222 of the Income-tax Act.

(b) The names of film personalities whose premises were raided during the last six months and the value of assets seized are given in the statement ‘C’ below.

Necessary action under various provisions of Direct Taxes Acts has been initiated against all such persons.

Statement ‘A’

Sl. No.	Names
1	2
1.	Bhatt. K.G.
2.	Mallika V. Sarabhai K.M.
3.	Mohd. Ibrahim E.

1	2	1	2
4.	Sanjay Alias Abbes Khan.	36.	Neera P. Mehra (Smt.)
5.	Srinivasan A.L. (Decd) L/H-A.L.S. Kannappan.	37.	Ralhan O. P.
6.	Usman Shriff, K. Shriff.	38.	Ruby Sippy (Miss)
7.	Ajay Alias Parikshit Sahani.	39.	Vijay Sippy.
8.	Anjana Rawal (Deed).	40.	A. M. Saruyulla.
9.	Arbind Sen Roy.	41.	Suresh Malhotra.
10.	Gaikwad D. K.	42.	Gopalakrishnan K. S.
11.	Geeta Dutt (Deed) Smt. by L/H Tarun Datt.	43.	Nagarajan A. P. L/H Rani Nagarajan (Smt.)
12.	Indubhushan Mangatram.	44.	Radha M. R.
13.	Joginder Aurora.	45.	Ganesan R.
14.	Kewal P. Kashayap.	46.	Jayapradha (Miss)
15.	Kardar A. R.	Statement 'B'	
16.	Meena Kumari (Smt) (Deed).	<i>Names of the Film Artists Producers and Directors Etc. Against Whom the Income Tax Demand Over Rs. 1 Lakh was Outstanding as on 1.4.1983 and it Still Remain Outstanding as on 30.9.1985</i>	
17.	Moh. T. Mitha.	S. No. Names	
18.	Mody. K. M. (Decd) L/H Mody R. K.	1 2	
19.	Mody. R. K.	1.	Ganesan V. C.
20.	Moosa Haji Hassan Mitha.	2.	Hema Malini
21.	Naresh Kumar Tulsian.	3.	Jatin Alias Rajesh Khanna
22.	Nayyar R. K.	4.	Jitendra Kapoor
23.	Padma K. Patel (Smt.)	5.	Kalpana K.
24.	Piyush Kumar Gangully.	6.	Kishore Kumar Ganguli
25.	Rawal C. L.	7.	Nasirkhan Sarvarkhan (Deed) L/H Smt. Begum Para.
26.	Saraiya G. H.	8.	Prakash Mehra
27.	Savita Behl (Smt.)	9.	Ram B. Choithramani
28.	Sulakshana Pandit (Miss).	10.	Rana P. K.
29.	Shreeram Lagoo (Dr.)	11.	Ranbir Raj Kapoor
30.	Bihari T. M.	12.	Rekha Ganeshan (Kumari)
31.	Baracha D. D.		
32.	Dwarka S. C.		
33.	Luthra S. K.		
34.	Manmohan K. Desai.		
35.	Mirchandani. L. R.		

Statemen 'C'

1	2	Sl. No.	Names of the film artists, producers and directors etc.	Approximate Value of assets seized (Rs. in lakhs)
13.	Shanmughan K.			
14.	Shashi Raj Kapoor			
15.	Amar Nath Kapoor			
16.	Kamaludin Kazi alias Tonywaker	1.	Shri B. R. Chopra and Shri C. V. K. Shastry	18.36
17.	Mistry F. D.	2.	Shri Gulshan Rai	31.01
18.	Narayan K. A.	3.	Shri Yash Chopra	—
19.	Shabana Azmi	4.	Shri Sawan Kumar Tax and Usha Khanna	3.64
20.	Snehlata Gadkar (Miss)	5.	Shri Subhash Ghai	4.03
21.	Vijay Anand	6.	Shri Pranalal Doshi	12.98
22.	Rama Rao N. T.	7.	Shri N. N. Sippy	0.48
23.	Kamal Amrohi	8.	Shri P. B. Srinivas	0.70
24.	Randhir Raj Kapoor			
25.	Veeraswamy N.			
26.	Chakravarthy T. R.			
27.	Natesan M. L/H Neelakantan M.			
28.	Raj Babu P.			
29.	Rajabathar T. K.			
30.	Rajendran S. S.			
31.	Ramachandran T. R.			
32.	Savithri G. (Smt.)			
33.	Subbiah K. T. (Deed) by L/H K. T. S Karupayya			
34.	Sundaram Chettiar S.			
35.	Vasu M. R. R.			
36.	Venugopal T. P.			
37.	Vijayanirmala G. (Smt.)			
38.	Amartham P.			
39.	Selvam S.			
40.	Prem Nazir			
41.	Balasubramanian S. P.			
42.	J. Jamuna (Smt.)			
43.	Joy K. J.			
44.	Suchitra Sen (Smt.)			
45.	Kaimal P. K.			
46.	Somanathan R. S.			
47.	Hira Chand Vestaram			

[English]

Alleged Unaccounted Sales and Purchase of Gold Ornaments by Jewellers

8709. PROF. K. V. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) Whether it has been brought to the notice of Government that major jewellers in the country are having unaccounted sales and purchase of gold ornaments; and

(b) whether any major jewellers have been taken into custody for having unaccounted sales and purchase of gold ornaments ?

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

(b) During the year 1985, 6 persons have been taken into custody for having unaccounted sales and purchase of gold ornaments.

Relaxation of Rules and Premature Encashment of Term Deposit Certificates and National Saving Certificates

8710. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) whether the amount given to uprooted families of upper Kolab Hydro Electric project and rehabilitation assistance was converted to Term Deposit Certificates (TDC) by State Bank authorities and to National Saving Certificates (NSC) by Postal Authorities against the will of displaced persons belonging to Scheduled Castes and Scheduled Tribes and other indigents causing hardships to such members who are now unable to purchase land and to build their houses as the TDC and NSC are not encashable within five years;

(b) whether a large number of applications for such displaced persons have been received for according special relaxation in rules for premature encashment of the TDC's and NSCs;

(c) if so, when applications were received;

(d) whether Government have accorded special relaxation;

(e) if not, whether Government have some alternative proposal to help the aforesaid uprooted families; and

(f) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Investment in National Savings Certificates is voluntary. N.S.Cs. VI/VII Issues purchased before 1.4.1986 can be encashed after three years from the date of purchase. The Government of Orissa has been requested to send a report on the allegation that the tribals who were sanctioned rehabilitation assistance were compelled to purchase National Savings Certificates. Their report is awaited.

(b) and (c). 90 applications for premature encashment of National Savings Certificates were received in January 1986. 17 more were received in April 1986 through the Department of Posts.

(d) to (f). Relaxation of rules to permit premature encashment of the National Savings Certificates will be considered on receipt of the report from the Government of Orissa.

Delegation of Powers and Authority to Supervise working of Public Distribution System to Village Panchayats

8711. SHRI MANIK REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Evaluation Division of the Planning Commission recommended in February, 1985 powers and authority to village panchayats to check supervise working of Public Distribution System throughout the country;

(b) if so, action taken thereon; and

(c) whether Government have also decided to delegate authority to consumer groups to test food and drug samples and to file cases directly in courts on behalf of Government ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b). Yes, Sir. The Public Distribution System, being a consumer-oriented programme, needs participation of consumer representatives at various levels for full achievement of its objectives. The Central Government has been impressing upon the State Governments and Union Territory Administrations from time to time to form Advisory/Vigilance Committees at different levels, including village panchayat level, to supervise the working of public Distribution System. Most of the States and Union Territories have already set up such Advisory/Vigilance Committees.

(c) No, Sir.

Publication of Map Excluding J and K by National and Grindlays Bank

8712. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to a map of India excluding Jammu and Kashmir as part of India published in a Journal (October 1985 issue)

called "World News Link" brought out by ANZ Group of the National and Grindlays Bank;

(b) if so, Government's reaction thereto and the steps contemplated in the matter; and

(c) whether similar wrong maps excluding Jammu and Kashmir as a part of India were published in the Review Journals of the same bank in January, 1958 and the other in the 145th Report of the Bank in 1958 and those mistakes were corrected by the bank later in their 146th Report and through other publications ?

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

(b) Reserve Bank of India (RBI) has reported that it had taken up the issue regarding publication of a map of India excluding Jammu and Kashmir in 'World News Link' a House Journal published by ANZ Group (a Holding Company of the Grindlays Bank plc), with the Chief Executive Officer of the Grindlays Bank plc in India. RBI has further reported that the Grindlays Bank plc has informed RBI that the publisher of the Journal has made a mistake in printing the map. Grindlays Bank plc has also conveyed its sincere apology for the same and has promised to publish an apology in the House Journal.

(c) The National and Grindlays Bank (the name under which Grindlays Bank plc was then working in India), had published two maps one in the National Overseas and Grindlays Review of January, 1958 and the other in the 145th Report of the Bank for 1958. Neither of these maps showed Jammu and Kashmir State as part of India. RBI had then taken up this matter with the National and Grindlays Bank and the latter had expressed its regrets and offered to rectify the position in the Directors' Report on the Bank's working for the year 1959. According to RBI, the National and Grindlays Bank's Report for 1959, However, did not carry any map of India and Pakistan.

RBI has been asked to write to Grindlays Bank plc to ensure that such dis-

crepancies are not allowed to creep in its future issues.

Mobilisation of Savings by Bank Officers

8713. H. N. NANJE GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry is aware that the nationalised banks in Delhi and elsewhere mobilise savings by getting investments discharged from one nationalised bank and having them invested in a sister nationalised bank;

(b) whether this method has helped certain banks in inflating artificially their figures of mobilisation of savings;

(c) whether certain such banks are fast contemplating giving promotions to their officers for this type of mobilisation of savings; and

(d) the action taken or contemplated by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India has reported that certain Branch Managers/Regional Heads some times resort to undesirable practices of inflating deposits with a view to showing achievement of performance goals and targets set by the head office of the banks concerned. Reserve Bank of India has been repeatedly emphasising upon banks to effectively curb the practice of window-dressing, and have advised banks to instruct their Branch Managers/Agents and other officers that they should not adopt undesirable methods to inflate figures of deposits, advances etc. Reserve Bank of India has made it clear that deterrent disciplinary action should be taken against the officials who disregard this advice. Moreover, in order to guard against artificial inflation of deposit figures, Reserve Bank of India has advised banks to indicate average growth of deposits etc. in their annual reports and other publications whenever performance is judged as on various dates. Besides during the course of inspection of banks, Reserve Bank of India's inspecting officers look into this aspect also.

Publicity Promotion of Ancient Archaeological Centres in Andhra Pradesh

8714. DR. T. KALPANA DEVI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state whether ancient Archaeological Centres in the States like Andhra Pradesh will be put on National and International Tourist Map at the earliest and suitable information provided at Hyderabad Airport apart from good air-rail and road links for tourists and lodges ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : All important archaeological centres in States like Andhra Pradesh are put in maps provided for tourists.

An information counter run by the State Government functions at Hyderabad Airport which has good air, rail and road links. A Youth Hostel was built at Hyderabad during the Sixth Plan and the construction of a Yatri Niwas at Hyderabad is also under consideration. The State Government also runs tourists lodges at various tourists centres.

12.00 hrs.

(*Interruptions*)

[*Translation*]

MR. SPEAKER : I was saying whether you would continue to be on your legs or will you take your seat.

(*Interruptions*)

[*English*]

PROF. K. K. TEWARY (Buxar) : It should be in continuation. Mr. Speaker, Sir, I have something very import to raise.

(*Interruptions*)

[*Translation*]

SHRI ABDUL RASHID KABULI (Srinagar) : 12 persons have been killed in Bara Banki...(*Interruptions*)

[*English*]

SHRI AMAL DATTA (Diamond Harbour) : There should be a statement on what has happened in Bara Banki.

(*Interruptions*)

SHRI G. M. BANATWALLA (Ponnai) : Adjournment Motion should receive priority over other submissions...

(*Interruptions*)

[*Translation*]

MR. SPEAKER : Kindly listen to what I am saying. When the life of an innocent person is lost, it causes great pain. I totally agree with your contention, but I have my own compulsions. How can I take up a State Subject.

(*Interruptions*)

[*English*]

SHRI ABDUL RASHID KABULI : Government should come forward with some statement. The Home Minister should make a statement.

SHRI G. M. BANATWALLA : The Adjournment Motion...(*Interruptions*)

MR. SPEAKER : I have not allowed ...(*Interruptions*)

[*Translation*]

MR. SPEAKER : This is a State Subject and can be taken up in the State Assembly. The State Assembly can demand resignation from them.

[*English*]

Not allowed. Not a single word will go on record.

(*Interruptions*)**

MR. SPEAKER : I am not convinced. Not allowed.

(*Interruptions*)**

[*Translation*]

MR. SPEAKER : Tiwaryji, what do you want ?

** Not recorded.

[English]

PROF. K. K. TEWARY : Sir, this House should express its sense of appreciation to the Barnala Government and to Mr. Barnala for flushing out the terrorists from the Golden Temple and we must...

MR. SPEAKER : We have already done it.

[Translation]

You were not here... (Interruptions)

[English]

PROF. K. K. TEWARY : About 30 foreign nationals have been arrested from the Golden Temple premises. We want a statement from the Home Minister about the nationalities of these people. Seven persons have been gunned down today in the morning...

[Translation]

MR. SPEAKER : Please give in writing.

[English]

Kumari Mamata Banerjee.

KUMARI MAMATA BANERJEE (Jadavpur) : Education is a concurrent subject. The Calcutta University is one of the important Universities...

[Translation]

MR. SPEAKER : Please give in writing.

[English]

Now, papers to be laid on the Table.

Mr. Shiv Shanker.

12.02 hrs.

PAPERS LAID ON THE TABLE

[English]

Annual Report and Review on the Working of the Cardamom Trading Corporation Ltd. Bangalore Tea Companies (Acquisition and Transfer of Sick Tea Units) Rules, 1986

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : 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 :

(i) Review by the Government on the working of the Cardamom Trading Corporation limited, Bangalore, for the year 1984-85.

(ii) Annual Report of the Cardamom Trading Corporation Limited, Bangalore, for the year 1984-85 along with Audited Accounts and the comments of the comptroller and Auditor General thereon.

(2) A statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1), above.

[Placed in Library. See No. LT-2593/86].

(3) A copy of the Tea Companies (Acquisition and Transfer of Sick Tea Units) Rules, 1986 (Hindi and English versions) published in Notification No. G. S. R. 626 (E) in Gazette of India dated the 14th April, 1986 under sub-section (3) of section 32 of the Tea Companies (Acquisition and Transfer of Sick Tea Units) Act, 1985.

[Placed in Library. See No. LT-2594/86].

Annual Accounts of the Central Silk Board Bangalore for the Year 1984-85

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): I beg to lay on the Table :

- (1) A copy of the Annual Accounts (Hindi and English versions) of the Central Silk Board, Bangalore, for the year 1984-85 together with Audit Report thereon, under sub-section (4) of section 12 of the Central Silk Board Act, 1948.
- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT-2595/86].

India Airlines (Flying Crew) Service (Amendment) Regulations, 1985, Annual Report, Annual Accounts and Review on the Working of Air India for the Year 1984-85

THE MINISTER OF STATE IN THE DEPARTMENT OF CIVIL AVIATION (SHRI JAGDISH TYTLER): I beg to lay on the Table—

- (1) A copy of the Indian Airlines (Flying Crew) Service (Amendment) Regulations, 1985 (Hindi and English versions) published in Notification No. EN/RULED/43/3 in Gazette of India dated the 19th October, 1985 together with an explanatory note under sub-section (4) of section 45 of the Air Corporations Act, 1953.

[Placed in Library. See No. LT-2596/86].

- (2) (i) A copy of the Annual Report (Hindi and English versions) of Air India for the year 1984-85 under sub-section (2) of section 37 of the Air Corporations Act, 1953 together with Reports of its subsidiaries viz. Hotel Corporation of India Limited and Air India Charters Limited.

(ii) A copy of the Annual Accounts (Hindi and English versions) of the Air India for the year 1984-85 and the Audit Report thereon, under sub-section (4) of section 15 of the Air Corporations Act, 1953.

(iii) A copy of the Review (Hindi and English versions) by the Government on the working of the Air India and its subsidiaries viz. Hotel Corporation of India Limited and Air India Charters Limited for the year 1984-85.

- (3) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT-2597/86].

(Interruptions)

MR. SPEAKER : It is a State Subject. Not allowed.

(Interruptions)

MR. SPEAKER . Not allowed. I am not convinced. (Interruptions)

[Translation]

MR. SPEAKER : You kindly give in writing.

[English]

I will find out.

[Translation]

SHRI P. NAMGYAL (Ladakh) : With the collusion of China and Pakistan, Khanchirao Pass has been opened to foreign national tourists and for business purposes. It is an interference in the internal affairs of our country. The Minister of External Affairs is present in the House. He may kindly be asked to make a statement on this issue.

MR. SPEAKER : Give it in writing.

(Interruptions)

MR. SPEAKER : Mr. Janardhana Poojary.

PAPERS LAID ON THE TABLE—*CONTD.**[English]*

Central Excise (Eleventh Amendment) Rules, 1986, Appellate Tribunal for Forfeited Properties (Procedure) Rule, 1986 Notifications under Section 159 of the Constitution Act, 1962, Annual Report on the Working of the Querrel Insurance Corporation of India, Report of Hissar Sirsa Gramin Bank etc. etc.

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : I beg to
lay on the Table—

- (1) A copy on the Central Excise (Eleventh Amendments) Rules, 1986 (Hindi and English versions) published in Notification No. G.S.R. 648 (E) in Gazette of India dated the 21st April, 1986 under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944.

[Placed in Library. See No. LT-2598/86].

- (2) A copy of the Appellate Tribunal for Forfeited Property (Procedure) Rules, 1986 (Hindi and English versions) published in Notification No. S.O. 1547 in Gazette of India dated the 19th April, 1986 together with an explanatory memorandum under sub-section (3) of section 36 of the Smugglers and Foreign Exchange Manipulators (Forfeiture of Property) Act, 1976.

[Placed in Library. See No. LT-2599/86].

- (3) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

- (i) G.S.R. 622 (E) published in Gazette of India dated the 11th April, 1986 together with an explanatory memorandum making certain amendment to Notification No. 65/68-Customs dated the 17th February, 1986 so as to in-

clude parts of rock drilling bits as eligible for concessional rate of duty of 40 per cent so as to preserve the duty structure on such parts under the erstwhile customs tariff.

- (ii) G.S.R. 629 (E) published in Gazette of India dated the 15th April, 1986 together with an explanatory to X-ray cameras designed for diagnostic and surgical purposes when imported into India from the basic custom duty in excess of 40 per cent *ad valorem* and from the whole of the additional duty of customs leviable thereon.

- (iii) G.S.R. 630 (E) published in Gazette of India dated the 15th April, 1986 together with an explanatory memorandum making certain amendment to Notification No. 61/86-Customs dated the 17th February, 1986 so as to fix the effective rate of duty on free cutting steel bars and rods at the same level of 70 per cent *ad valorem*

- (iv) G.S.R. 636 (E) published in Gazette of India dated the 16th April, 1986 together with an explanatory memorandum regarding exemption to paraxylene when imported into India for the manufacture of dimethyl terephthalate from the whole of the additional duty of customs leviable thereon.

[Placed in Library. See No. LT-2600/86].

- (4) A copy of the Life Insurance Corporation of India (Agents Amendment) Rules, 1986 (Hindi and English versions) published in Notification No. G.S.R. 228 in Gazette of India dated the 29th March, 1986 under sub-section (3)

of section 48 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. LT-2601/86].

- (5) A copy of the Annual Report (Hindi and English versions) under Rule 6 of the General Insurance Business (Nationalisation) Rules, 1973 on the working and affairs of the General Insurance Corporation of India and its subsidiaries for the year ended the 31st December, 1984.

[Placed in Library. See No. LT-2602/86].

- (6) A copy each of the following Reports (Hindi and English versions) :

(i) Report of the Hisar Sirsa Kshetriya Gramin Bank, Hisar for the year ended the 31st December, 1984 together with the Accounts and Auditor's Report thereon.

(ii) Report of the Murshidabad Gramin Bank, Murshidabad, for the year ended the 31st December, 1984 together with the Accounts and Auditor's Report thereon.

(iii) Report of the Muzaffarnagar Kshetriya Gramin Bank, Muzaffarnagar, for the year ended the 31st December, 1984 together with the Accounts and the Auditor's Report thereon.

(iv) Report of the Sangameshwara Grameena Bank Mahbubnagar, for the year ended to 31st December, 1984 together with the Accounts and Auditor's Report thereon.

[Paced in Library. See No. LT-2603/86].

Calcutta Port Trust Employees (Other than Haldia Dock Complex) Recruitment, Seniority and Promotion Regulations 1985

THE MINISTER OF STATE IN THE DEPARTMENT OF SURFACE TRANSPORT (SHRI RAJESH PILOT) : I beg to lay on the Table—

- (1) A copy of the Calcutta Port Trust Employees (Other than Haldia Dock Complex) Recruitment, Seniority and Promotion Regulations, 1985 (Hindi and English versions) published in Notification No. G.S.R. 945 (E) in Gazette of India dated the 30th December, 1985 under sub-section (4) of section 124 of the Major Port Trusts Act, 1963.

- (2) A statement (Hindi and English versions) showing reasons for delay in laying the notification mentioned at (1) above;

[Placed in Library. See No. LT-2604/86].

12.03 hrs.

COMMITTEE ON PRIVATE MEMBER'S BILLS AND RESOLUTIONS

[English]

Minutes

SHRI M. THAMBI DURAI (Dharamapuri) : I beg to lay on the Table Minutes (Hindi and English versions) of the Eleventh to Nineteenth sittings of the Committee on Private Members' and Resolutions held during the current session.

COMMITTEE ON SUBORDINATE LEGISLATION

[English]

Seventh Report

SHRI MOOL CHAND DAGA (Pali) : I beg to present the Seventh Report (Hindi and English versions) of the Committee on Subordinate Legislation.

12.04 hrs.

**JOINT COMMITTEE ON MENTAL
HEALTH BILL, 1981**

[*English*]

Report and Evidence

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad) : I beg to lay on the Table a copy of the Report. (Hindi and English versions) of the Joint Committee of the Houses on the Mental Health Bill, 1981.

I also beg to lay on the Table a copy of the record of evidence (Volumes I and II) tendered before the Joint Committee of the Houses on the Mental Health Bill, 1981.

[*Translation*]

MR. SPEAKER : Saifuddinji, Please give it in writing.

(*Interruptions*)

I shall find out.

[*English*]

MR. SPEAKER : Not allowed. Finished. I have given my ruling. It is a State Subject.¶

[*Translation*]

Please give me in writing.

(*Interruption*)**

MR. SPEAKER : Bhagatji, yes please.

(*Interruptions*)

[*English*]

SHRI G M. BANATWALLA : Sir, we are constrained to walk out...

(*Interruptions*)

(*Shri G. M. Banatwalla and some other hon. Members then left the House*)

(*Interruptions*)**

MR. SPEAKER : I have not allowed anything to go on record.

(*Interruptions*)**

12.06 hrs.

**STATEMENT RE : VISIT OF THE
NAM MINISTERIAL GROUP TO
TRIPOLI (LIBYA) AND UN
HEADQUARTERS, NEW YORK**

[*English*]

THE MINISTER OF EXTERNAL AFFAIRS (SHRI B. R. BHAGAT) : The NAM Ministerial Group consisting of Foreign Ministers of India, Yugoslavia and Cuba and Ambassadors of Ghana, Congo and Senegal representing their Foreign Ministers visited Tripoli (Libya) on April 20-21, 1986 and the UN Headquarters in new York on April 23-25, 1986, in pursuance of the mandate given by the Ministerial Meeting of the Coordinating Bureau of Nonaligned Countries held in New Delhi on April 16-19, 1986. I had the honour of leading this Ministerial Group which represented the wide spectrum of the Movement and its universal geographical spread.

2. The Group was received by H. E. Col. Muammar El Gaddafi on April 20. He conveyed the profound thanks and the deep appreciation of the authorities and the people of the Libyan Arab Jamahiriya for the firm support and solidarity extended by the Nonaligned Movement at this critical juncture. He felt that the world take note of the US action which had caused considerable damage and devastation to civilian life and property. He disclaimed any terrorist action on his part. According to him the main reason for tension in the region was the denial of the legitimate rights of the Palastinians who had been forced to resort to violent methods to achieve their goals.

3. At the UN Headquarters in New York, the Group called on the Secretary General of the UN and the President of the Security Council and handed over to them the Communique adopted at the Emergency Meeting of the Nonaligned Foreign Ministers and Heads of delegations on April 15 on the Libyan issue. It also conveyed to them the profound concern of the Movement at the disturbing turn of events and the need for the UN to act urgently to prevent further escalation of an already tense situation.

4. In my statement in the Council I reiterated our principled position that we were opposed to all forms of terrorism whether committed by individuals, group of individuals or organised by States. We are prepared to lend our support to any well considered international cooperative effort to deal with this menace. At the same time, we could not but be gravely concerned at the violation of norms of international behaviour by sovereign states. We are also seriously concerned at the implications of recent events for the security of small states.

5. At the meeting of the Security Council convened at the request of the Group on April 24, I presented before the Council a position of principle based on the UN Charter. I stressed the imperative necessity of restraint being exercised at this critical juncture, and urged the Secretary General particularly since the Council had been paralysed by the triple veto, to continue his peace efforts. The Secretary General appreciated the strength and support given by the Movement and assured us that he was doing and indeed would continue to do all he could.

6. Besides me, the Foreign Ministers of Cuba and Yugoslavia as well as Permanent Representatives to the UN of Ghana and Congo (representing their Foreign Ministers) also spoke in the debate. The Permanent Representatives of USA and UK defended action of their government and were critical of the stand taken by the Nonaligned Movement on the Libyan issue.

12.09 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

PROF. K. K. TEWARY : Sir, the hon. Members. some time back wanted a discussion on this subject (*Interruptions*)

MR. DEPUTY-SPEAKER : Shri H. K. L. BHAGAT.

PROF. K. K. TEWARY : Sir, the hon. Speaker had promised to allow a discussion on this subject...(*Interruptions*)

MR. DEPUTY-SPEAKER : The hon. Minister, Shri H. K. L. Bhagat, is making a statement.

(*Interruptions*)

MR. DEPUTY-SPEAKER : Nothing will go on record.

(*Interruptions*)**

BUSINESS OF THE HOUSE

[*English*]

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND TOURISM (SHRI
H. K. L. BHAGAT) : With your permis-
sion, Sir, I rise to announce that Govern-
ment Business in this House during the
remaining part of the session, will consist
of :

1. Consideration and passing of :

- (a) The Muslim women (Protection of Rights on Divorce) Bill, 1986.
- (b) The Swadeshi Cotton Mills Company Limited (Acquisition and Transfer of Undertakings) Bill, 1986.

2. Discussion on the Resolution seeking approval of the New Education Policy.

DR. G. S. RAJHANS (Jhanjharpur) : Sir, the following item may be included in the next week's business :

It is really very disheartening to note that the objective of potable water for the entire population, rural as well as urban, will not be realised by 1991, the dead line set by the planners to correspond with the goals of the International Drinking Water Supply and sanitation decade. According to a recent survey the population coverage attainable by them will be 90 per cent in the urban areas and 85 per cent in rural. It is said that resource constraint is the main reason for this. It is therefore absolutely necessary to find cheaper ways of treating salinity, high fluoride content and bacteriological contamination of water.

In this connection, I want to draw the attention of the Central Government towards an urgent need to implement the long and short term drinking water supply scheme on a war footing in the rural areas of Bihar, particularly the MITHILA region. There most of the drinking water schemes in the villages are lying incomplete since sixties. The Central Government has spent a considerable amount on these schemes but the rural people have not been benefited. It is requested that the Central Government should pay proper attention to this problem so that the rural people of Bihar particularly of MITHILA region get at least one safe source of drinking water.

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : Sir, I beg to make the following submission for inclusion in the next week's business of the Government :

That because of the lack of central funding for Orissa it has not been possible to fund major projects like Samal Barrage, Upper Ko'ab irrigation and works relating to Subernarekha Project on the Orissa side adequately. Consequently, the entire tail race discharge from both these projects will go waste for want of funds for the

irrigation distributaries system. Similarly in case of Subernarekha Project works relating to Bihar portion will be completed and water available on the Orissa border can not be utilised for want of distribution system inside Orissa in the Seventh Plan. This needs urgent attention of the Central Government.

DR. A. KALANIDHI (Madras Central) : The following item may be included in next week's business.

Leptospirosis, a water horn disease, is causing great concern to people of Madras city. This disease is prevalent in entire Madras City and more particularly in north Madras. So, people are affected, including staff nurses and doctors. One student died due to this disease. It causes first fever, circum corneal injection and later of meningitis hepatitis and death. Adding fuel to fire six cases of AIDS reported in Madras city. When the question of occurrence of AIDS was raised in the floor of this House during the Winter Session, the Hon. Minister of State for Health has flatly denied such occurrence of AIDS in India. The Hon. Health Minister of Tamilnadu on 33.4.1986 has made a statement in Tamilnadu Assembly that six cases of AIDS reported in mid of 1985. But due to the request from the ICMR and Medical Council of India the matter was not disclosed. Whether this is a fact or not, six women contacted this disease AIDS. No they have been quarantained. Have they given any transfusion or donated blood? Whether these women were given any injections. If so, whether the doctors and nurses attended on them were screened or not? Whether the syringes, needles and materials used for these AIDS patients are disposed or not?

In view of the dreadful nature of AIDS and prevalence of Leptospirosis I urge upon the Government to constitute a Committee consisting of doctors, social workers and Members of Parliament to popularise the prevention of these diseases and remedial measures to be taken, therefor.

[Translation]

SHRI AZIZ QURESHI (Satna) : Mr. Deputy Speaker, Sir, the hon. Minister of

Parliamentary Affairs may kindly include the following item in the Business of the House for the next week.

There is an acute drinking water crisis in the Satna Lok Sabha constituency of Madhya Pradesh. In the Satna, Chitrakoot, Maihar, Regaon, Amarpatan, Barawaha, Kenoor, Nagod and Rampur Baghela State Assembly constituencies, sufficient drinking water is not available for the poor labourers, farmers and even for the cattle. The villages inhabited by Adivasis, Harijans and other backward classes are, in particular, hit hard. The Central Government should initiate steps at the earliest to solve the drinking water problem on war footing by providing special financial assistance to the Madhya Pradesh Government.

In the Satna Lok Sabha constituency of Madhya Pradesh, the people and particularly the youths are facing acute problem of unemployment. The industrialists of this area like the Tatas and the Birlas do not give employment to the local people in the cement factories and other industries located in the Satna Lok Sabha constituency. Due to this, there is great unrest and discontent among the people particularly the educated unemployed.

The Central Government should take interest in locating some big public sector industry in the Satna Lok Sabha Constituently so that the unemployment among the people is removed and the standard of living of the people is raised. Besides, the Central Government should take strong action against industrialists like the Tatas and direct them to provide employment to the local people.

[English]

SHRI CHINTAMANI JENA (Balasore) : I would like to submit the following in the House on 2.5.86 for inclusion of these two subjects in the list of Business for the next week commencing from 5.5.86.

Many thousands of Railway employees of S. E. Railway Men's Congress under South Eastern Railway, have started

agitation by relay hunger strike from 22.4.86 to fulfil their fourteen demands including streamlining industrial relations (Negotiating Machinery), early submission of 4th Pay Commission Report, early granting of third instalment of interim relief, lifting of ban on recruitments, filling of existing vacancies in grades "C" and "D" categories etc. If this stalemate allowed to continue for a further period, this would create heavy losses to the Government exchequer and disruption on traffic movements. This serious matter need be included in the business of the rest of the Session.

Secondly, the most prestigious and costly Heavy Water Plant at Talcher in Orissa, installed at the complex of Talcher Fertiliser Factory has been closed down due to a very high explosion on 29.4.86 night by which the control room of the plant has been totally destroyed and created a very serious situation in the locality and the employees as well as the people of the area became very panicky. This heavy water plant of Atomic Energy Commission has the capacity of producing 300 KG. but the pump of the plant was compelled to work exceeding working capacity to 350 KG. instead of 300 KG. has created such explosion. There are serious apprehension of loss to human lives and Government properties, specially when, this plant is located in the premises of Talcher Fertiliser Plant may pose danger to Fertiliser Plant also.

This very important subject needs to be included in the next week list of business commencing from 5.5.86.

SHRI ANOOPCHAND SHAH (Bombay North) : Sir, the following matter may be included in the next week's business.

After the introduction of new textile policy, it seems powerloom industries are badly affected and a number of workers engaged in the industries are likely to be jobless, and a number of small industry people may be thrown out. This breaking of powerloom industries may have a long-term adverse effect on our economy. I request the hon. Minister for Parliamentary Affairs to include the following subject for next week's business :

"Impact of new textile policy on powerloom industry and measures to be taken up for the survival of powerloom industries."

[*Translation*]

SHRI BALWANT SINGH RAMOO-WALIA (Sangrur): Mr. Deputy-Speaker, Sir, the following matter may be included in the next week's List of Business.

The murder and the harassment of the people of Indian origin in Lanka is continuing unabated. The Indian and the Sri Lankan Governments have been holding negotiations for a long time. The representatives of the Indian Government visited Sri Lanka from time to time with proposals and similarly the emissaries of Sri Lankan Government paid visits to India but they have not reached any conclusion. However, there are indications in the press reports that the results of the present negotiations will be no different from the earlier ones. On the one hand, efforts are being made to solve the problem through negotiations and on the other hand, rift has been created between two groups of Tamils so that the talks fail and the situation in Sri Lanka remains the same. I would also like to point out that Sri Lanka generally prefers to hold talks during the months of April and May because in June the meeting of countries, which give economic assistance to Sri Lanka, is held. Foreign economic assistance constitutes fifty per cent of the Budget of Sri Lanka. In these meetings, the Sri Lankan Government gives hint to the effect that they will solve the problem through negotiations and thus manages to get assistance from those countries. I would urge the Government that besides negotiations, they should take other positive step to solve the problem of the people of the Indian origin in Sri Lanka. For example, economic and political sanctions against Sri Lanka may be helpful in solving the problem.

Therefore, this matter should be taken up for discussion in the House.

SHRI KRISHNA PRATAP SINGH (Maharajgani): Mr. Deputy-Speaker, Sir, the following may be included in the next week's agenda,

The number of educated unemployed in the country is increasing day by day. The Centre as well as the State Governments have imposed a ban on the recruitment in all the Ministries. The result is that the people have been deprived of all the opportunities of employment. Besides, there is a ban on the recruitment in all the co-operatives. The ban on recruitment in Bihar is in force for the last three years.

I would, therefore, urge the Centre Government to withdraw the ban on recruitment without delay and issue instructions to this effect to all the State Governments.

The matter may be taken up for discussion next week.

SHRI MOOL CHAND DAGA (Pali): Mr. Deputy-Speaker, Sir, the following matter may be included in the next week's agenda.

Even today there is an acute crisis of drinking water in the thousands of far flung villages of the country particularly in the desert area where there have been no rains for the last four years. The cattle are facing extinction on large scale due to the absence of drinking water. It is an irony that the Government and the State Governments have not been able to provide even drinking water in all the villages even after 38 years of independence. Although funds were allotted for this purpose but they were misused and the rural population has been deprived of drinking water.

[*English*]

SHRI V. S. KRISHNA IYER (Bangalore South): The following items may be included in the next week's business:

The Centre has rejected the Karnataka Power Corporation's proposal to float bonds for Rs. 60 crores and the Government's move to import diesel generators. The Karnataka State is facing acute power shortage. The Centre has turned down the import of generators on the ground that foreign exchange position was not good. When the Centre has been importing all sorts of things under the garb of modernisation, it is not known why the Centre has

not permitted the Karnataka Government to import diesel generators and that too when Karnataka has been facing acute power shortage and the industrial production has severely affected. Hence it is requested that the Government should reconsider the proposal and give permission to import diesel generators by Karnataka Government.

MR. DEPUTY-SPEAKER : Minister of Parliamentary Affairs.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : Sir, I have listened to all the suggestions made by the hon. members and I will bring them to the notice of the Business Advisory Committee. I would again, however point out that the number of issues the hon. members want to raise is large and the time at the disposal of the BAC is always limited. There are also various other matters, special discussions under Rule 193, etc. Anyway, my duty is the same and I will bring it to the notice of the Business Advisory Committee.

12.28 hrs.

STATUTORY RESOLUTION RE :
 MINISTERS' (ALLOWANCES, MEDICAL TREATMENT AND OTHER PRIVILEGES) AMENDMENT RULES,
 1986—CONTD.

[English]

MR. DEPUTY-SPEAKER : We will now take up item No. 14.

Kumari Mamata Banerjee.

KUMARI MAMATA BANERJEE (Jadavpur). Sir, I rise to support the Resolution moved by Shri Ram Niwas Mirdha.

The decision of the Government to raise the Sumptuary Allowance of the Prime Minister and the Cabinet Ministers to Rs.

1500 and Rs. 1000 respectively is welcome. The Ministers of State and the Deputy Ministers are also proposed to be paid a Sumptuary Allowance of Rs. 500 and Rs. 300 respectively and this is also welcome. But I think that it is not enough because these all very small amounts, I would request the Minister to kindly increase the Sumptuary Allowance of the Ministers of State and the Deputy Ministers from Rs. 500 to Rs. 1000 and from Rs. 300 to Rs. 500 respectively.

Sir, we are all members of Parliament and there is no difference or discrimination between them. Ministers are also human beings. They have more powers and they have greater responsibilities and duties and they should maintain some status. Their public dealings are more and their work is much greater. Hence we should see the reality and recognise it. It is very easy to criticise every thing and every time and as I have stated, it is not so easy to implement all these things. I am really surprised to note what one hon. member has said and I quote :

“This is only the tip of the iceberg, so far as the expenses incurred directly or indirectly on behalf of the Ministers are concerned. The Ministers do not only spend Government's money, they also spend money on the public undertakings in the various trips and entertainments either here or abroad. They are spending money from all kinds of sources...”

I think this is a very... **

(Interruptions)

SHRI AMAL DATTA (Diamond Harbour) : Is it according to parliamentary etiquette ? Is it covered by the rules ?

KUMARI MAMATA BANERJEE : I do not know why he is agitated. I did not mention the name. I am just quoting from Parliamentary Debates.

MR. DEPUTY-SPEAKER : If it is unparliamentary, it will not go on record.

SHRI AMAL DATTA : She can say that it is known; she can say it could not be said. But she cannot use the word ..

KUMARI MAMATA BANERJEE : I am quoting from Parliamentary Debates.

MR. DEPUTY-SPEAKER : Madam, they are talking about the word you are using...

KUMARI MAMATA BANERJEE : I am quoting this word from the Parliamentary Debates.

SHRI AMAL DATTA : She is speaking in the House. If she lacks in expression, let her say that. I can advise her.

KUMARI MAMATA BANERJEE : I too hold a similar view. I am quoting the Parliamentary Debates. I know that these friends are dabbling in words. They are not really interested in our country. They always try to criticize us. But a Chinese friend has already been quoted in his speech, viz. that Chinese are not doing any harm. This friend is now maligning our Government; our Minister and our Prime Minister also. I also agree with some views of these Ministers, and these Members. *(Interruptions)* I do hold similar views, as those of the hon. Member and the hon. Minister. It is a fact that **

**

SHRI AMAL DATTA : Sir, Why should she be allowed to say all these things ?

KUMARI MAMATA BANERJEE : What I said is completely within my discretion.

**

MR. DEPUTY-SPEAKER : Madam, don't drag them in.

SHRI AMAL DATTA : She has to learn.

KUMARI MAMATA BANERJEE : I have not replied. What I am quoting is my version. I should support; and I am supporting the Resolution. So, I am quoting. Why should he get agitated, Sir ?

MR. DEPUTY-SPEAKER : Don't drag them in.

SHRI AMAL DATTA : Mr. Minister, you are also the Whip.

KUMARI MAMATA BANERJEE : They have spoken like anything about our Prime Minister and the Ministers. Why should I not quote ? It is my democratic right to quote a Minister.

DR. SUDHIR ROY (Bardwan) : She is distorting the truth** *(Interruptions)* It is not the truth.

(Interruptions)

KUMARI MAMATA BANERJEE : I ask these Members to see their faces in the mirror. Then they should criticize the Government, and malign our Government.

SHRI AMAL DATTA : She saying that **You should not allow this, Sir. *(Interruptions)*

KUMARI MAMATA BANERJEE : I am not mentioning that; I am quoting. He has already stated it. Some hon. Members have quoted.

So, I would like to say that a lift was installed **

MR. DEPUTY-SPEAKER : Madam, don't drag them in. I will not allow. Please take your seat. I will not allow.

SHRI AMAL DATTA : She has nothing better to say.

*(Interruptions)***

MR. DEPUTY-SPEAKER : I will not allow. I have told you, Madam, that I will

now allow. Please take your seat. I will not allow.

*(Interruptions)***

MR. DEPUTY-SPEAKER : Please don't do it.

KUMARI MAMATA BANERJEE : Why not ? What I am stating, I am stating from the Parliamentary Debates, and I am stating from different sources. The sources are different. **

MR. DEPUTY-SPEAKER : Why are you dragging them in, Madam ? I won't allow. Hon. Minister, you can reply.

*(Interruptions)***

MR. DEPUTY-SPEAKER : I don't allow you, Madam, take your seat. I do not allow. Madam, take your seat.

*(Interruptions)***

MR. DEPUTY-SPEAKER : Take your seat, Madam. I am not allowing you.

*(Interruptions)***

MR. DEPUTY-SPEAKER : I won't allow. Please take your seat.

*(Interruptions)***

MR. DEPUTY-SPEAKER : Madam, the time is over. The Minister is going to reply. I won't allow you. Please take your seat. I won't allow. Take your seat.

*(Interruptions)***

MR. DEPUTY-SPEAKER : Nothing will go on record.

SHRI BRAJAMOHAN MOHANTY (Puri) : One point of order : the question is whether the Parliamentary Debates can be quoted here, or not. You should give a ruling.

SHRI AMAL DATTA : No, if it is not in a Parliamentary debate, the question is different. But if it is in parliamentary debate...

KUMARI MAMATA BANERJEE : Yes, it is in the Parliamentary Debate.

MR. DEPUTY-SPEAKER : I am only saying that dragging in Ministers in States I will not allow. I am not allowing. It is enough. Now, the hon. Minister will reply to the debate.

Please take your seat. Your time is over.

KUMARI MAMATA BANERJEE : I would like to say something regarding this.

MR. DEPUTY-SPEAKER : Only five minutes I had given. Your time is over.

SHRI AMAL DATTA : For talking irrelevant things 10 minutes she has taken. *(Interruptions)*

KUMARI MAMATA BANERJEE : I also agree with the hon. Minister that Ministers should not utilize government power for political purposes. We are proud of our Ministers, because our Prime Minister and our Ministers, when they are going to visit some places in connection with official programme, that is totally an official programme; when they visit some place in connection with political programmes, that is a political programme. So, there is some difference between public programme, government programme and the political programme. I would also like to say that when our hon. Minister visited Andhra Pradesh and Karnataka, he did not mention one of the hon. members said that the latest example of this type was the Prime Minister's visit which has created a commotion in the whole nation. He had gone to see the conditions of the people who were affected by drought; he is doing something for them. *(Interruptions)*.

MR. DEPUTY-SPEAKER : Have you given in writing to get permission for quoting these things. Without permission, how can you quote all these things ?

(Interruptions)

KUMARI MAMATA BANERJEE : I can quote something. This is not a parliamentary question.

MR. DEPUTY-SPEAKER : Even for that, you have to get permission.

(Interruptions)

KUMARI MAMATA BANERJEE : He has stated that the Prime Minister has created a commotion. It is a false allegation. The Prime Minister has categorically denied that; he had never said anything regarding the Chief Minister of Karnataka, but some political party members are trying to malign our government and malign our Ministers. So, I would like to support wholeheartedly this and also I deny all types of allegations coming from the Marxist Party.

(Interruptions)

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : The matter is quite simple. This Parliament has already unanimously passed a Bill relating to amendments in regard to- which is an Act now-salaries and allowances of the Ministers. This Parliament, this House itself had passed that Bill and that was passed unanimously. wherein certain amendments were made providing for some more sumptuary allowances, the amount was raised. The present motion before this House is a procedural consequence of the same asking for an omission of something. I think, this is a matter, which, to my mind, needs debate. All the same, some hon. members thought it fit to raise the matter which was raised in other discussions also the Prime Minister's visit to Karnataka, what he said and what he

had not said. This was raised in other debates in various manners, but, all the same, some hon. members thought it fit to bring it. Well, it has been said already that there is no substance in the observations or allegations made in regard to that. Then certain other things were brought about ministers in a general way, which to my mind, also..... I do not want to join issues these are not correct. I do not want to join issues with them over this matter, which is a procedurally consequential matter of a Bill which has already been passed by this House without any difference of opinion. Therefore, I would say that this be supported.

SHRI MOOL CHAND DAGA : I want to say a word.

MR. DEPUTY SPEAKER : The question is :

"That this House approves the draft Ministers' (Allowances, Medical Treatment and other Privileges) Amendment Rules, 1986 framed under sub-section (1) of section 11 of the Salaries and Allowances of Ministers Act, 1952 (58 of 1952) and laid on the Table of the House on 2nd April, 1986."

The motion was adopted.

12-40 hrs.

INDUSTRIAL FINANCE CORPORATION (AMENDMENT) BILL, 1986

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to move :

"That the Bill further to amend the Industrial Finance Corporation Act, 1948, be taken into consideration."

As hon. Members are aware, the Industrial Finance Corporation of India was the first development institution established in the country in 1948, by an Act of parliament. Industrial Finance Corporation of India provides various types of assistance to eligible medium and large sized projects. This assistance could be in the form of rupee and foreign currency loans, underwriting or direct subscription to shares/debentures as also guarantees for deferred payments and foreign loans. IFCI has also increasingly taken up promotional work so as to facilitate industrial development.

The cumulative financial assistance sanctioned and disbursed by IFCI since its inception upto December 31, 1985 aggregated to Rs. 2777.83 crores and Rs. 2084.30 crores respectively. About 52 per cent of this assistance has gone to projects located in backward areas.

It is felt that certain amendments are now necessary in the Industrial Finance Corporation Act in order to enable it to continue to discharge its functions smoothly. These amendments are mainly aimed at enlarging the area of operations of the Corporation, augmenting its resources for future expansion of its business, reorganising its management pattern and removing some restrictions in the procedural and operational matters of the Corporation.

The underlying objectives and reasons for bringing this legislation before this august House have been set out in the Statement of Objects and Reasons appended to the Bill.

The main activities of IFCI pertain to providing various types of facilities to industrial concerns. It is proposed to enlarge the definition of 'industrial concern' in the Industrial Finance Corporation Act so that some new activities could be taken up. These include medical health and other allied services, leasing and sub-leasing activities, services relating to information technology, telecommunication and electronics, etc. etc.

It is also proposed to incorporate an enabling provision so as to confer powers

on Central Government to direct IFCI to take up new activities which the Central Government may approve from time to time. The definition as amended would enable financial assistance to be made available to these essential activities.

It is also proposed to enlarge the scope of functions of IFCI so that it could play its role in a more meaningful manner. The main amendments which are being proposed regarding this pertain to empowering the IFCI to open accounts outside the country with the approval of Reserve Bank of India for better management of its operations of borrowings, lending and repaying in foreign currency and to enable IFCI to invest in shares; bonds and debentures of any financial and development institution or any other institution/organisation. A provision is also proposed to be made to authorise IFCI to provide technical and administrative assistance as well as consultancy and merchant banking services to industrial concerns.

The activities and operations of the IFCI have been increasing steadily over the years. It is considered essential to expand its financial base and also remove certain restrictions regarding its borrowing etc. so that it can meet its commitments during the Seventh plan. Presently the authorised share capital of IFCI is Rs. 100 crores. It is proposed to increase it to Rs. 250 crores. Further it is proposed to provide that IFCI could borrow money from LIC, GIC and UTI besides borrowing from the IDBI and the Government of India. It is also proposed to drop the ceiling of Rs. 15 crores on the borrowings of the IFCI from Reserve Bank of India to provide more flexibility in the operations of the IFCI.

The Industrial Finance Corporation Act, at present envisages appointment of a Chairman, besides other directors but there is no provision for appointment of a Managing Director. With a view to bring the management pattern of IFCI on the same lines as it exists in the IDBI and nationalised banks, it is proposed to provide for both the Chairman and Managing Director with the provision

[Shri Janardhan Poojary]

that the same person may hold these two posts. This will provide greater flexibility to Government to appoint a separate Managing Director if felt necessary.

It is also proposed that Reserve Bank of India may have a director on the Board of IFCI.

All these amendments, it is hoped, would provide operational flexibility to the IFCI and also increase the scope of its business and activities so that it can play its role effectively as an All-India term lending institution. I am sure that these proposals would receive the support from all sections of this House. With these remarks I commend the Bill for the consideration of this House.

MR. DEPUTY SPEAKER : Motion moved :

“That the Bill further to amend the Industrial Finance Corporation Act, 1984, be taken into consideration.”

SHRI C. MADHAV REDDI (Adilabad) : Sir, I raise to extend my qualified support to this Bill. On the face of it, this Bill looks a very simple one as the hon. Minister has just now explained the Objects and Reasons of this Bill. First, it seeks to define the industrial concern to widen the scope of assistance by the IFCI.

This is one of the series of financial Bills which have been passed by this House during the last one year. It is, more or less, on the lines of the IDBI amending Bill which had been passed during the last session.

Going by the clauses, it looks to me that even though it is a simple amendment; but it is likely to open up the floodgates and the funds are likely to be diverted to non-industrial and non-productive lines. It is said that the IFCI would be able now, after this amendment, to take up the leasing business, higher-purchase of machines, etc., building of hospitals and several other services. Is it really needed? Are we not having enough financial institutions or banks in the country which are

taking up this particular function? why should we divert the funds which are meant for the industrial development of this country to such undesirable lines of investment? I strongly object to this particular clause. I feel that this should be deleted from the Bill.

Coming to the management aspect of it, it is very good that we are now going to have a Managing Director. Though the Bill does not say that it is going to automatically create the post of a Managing Director yet the Government is being given powers to authorise the IFCI, by notification, to have a Managing Director. Today, the management set up of the IFCI is such that we have a Chairman appointed by the Government, then we have two Directors appointed by the Government from the Industry Department and the Finance Department. Then, there are four Directors appointed by the IDBI and six Directors are elected by various financial institutions and banks. This is the set up. There is another Director who is called the Executive Director who is a whole-time Director. But he is not a Director on the Board of Directors. He does not have the status of a Director on the Board of Directors. Now, Sir, we have 13 directors. This Bill says that we will have 2 more directors, one is M. D. and another is Director to be appointed by the Reserve Bank of India. This is the position. Sir, I have no objection to this. But the fact of the matter is this. Government is putting four nominees on the Board after this Bill. We are having three nominees now, and that is, including the Chairman. There will be another one nominee. A total of four directors will be appointed by the Government. Why not the Government subscribe to the paid-up capital of the company? Sir, way back in 1964 or so, when the IDBI was incorporated, the Govt. gave up its share-holding, it transferred its share-holding to the IDBI. The Govt. of India has no shares on this particular corporation. Today the paid up capital of the company I am surprised to know-is only Rs 35 crores. Originally it was only Rs. 27 crores. But because of certain reserves being converted into equity, it is only Rs. 35 crores which is a meagre sum. What we are doing is this : We are only

increasing the subscribed capital of the company from Rs. 100 to Rs 250 crores. This is what is being done. What are you going to gain out of it? Already you have Rs. 100 crore of authorised capital out of which only Rs. 35 crore is paid up. We don't know what the plans of the Government are regarding increasing the paid up capital. I say this because this is more important. Because, the capital base of this corporation has to be enlarged. Today the corporation is feeling utterly suffocated because it does not have the funds to invest in various schemes which they have taken up. Something should be done to see that more and more capital is invested in this corporation which is charged with the responsibility of promoting industrial growth in this country. I have no dispute with the increase of capital base from Rs. 100 to Rs. 250 crores but I would like to say this. This corporation, as you know, was established in 1948 soon after our Independence. For a very long time it was a handmaid of the private sector right from the days when the late Lala Shri Ram was its Chairman. It has been catering to the needs of the big business and private sector for a very long time. That is a matter of record. Nobody will dispute it. But what is the position today? Of course, it has changed a lot. Since the present Chairman Mr Davar has come, it has improved a lot and it has changed its character also. I have to pay my compliments to the untiring efforts with which he is trying to put the corporation on an even keel. But, Sir; even today I feel that this corporation is mostly catering to the needs of the private sector. Sir, I don't find fault with that type of functioning. After all, the private sector is a part of our economy. The institution has certainly to look to the needs of the private sector. But even within the private sector which takes today more than 60% of its total investment every year, the monopoly houses are taking 21%. Why not we have a directive to tell them that 50% of funds should be earmarked for the public sector, cooperative sector and joint sector? Why should we not allow public sector companies to go to IFCI to raise loans for their expansion and

diversification schemes? I am pointing this out from the figures given in the Annual Report for the year 1984-85.

I find that in 1983-84 the monopoly houses got about Rs. 22 crores only. In 1984-85 the total assistance given was about Rs. 87 crores and the cumulative assistance received since the inception of the Corporation by the big business is Rs. 543.52 crores which forms about 21 per cent. This is in respect of monopoly houses. My point is that there is a very strong case for directing this Corporation to reserve 50 per cent of its funds to the public sector and the cooperative sector.

Sir, the other point which I would like to mention about this Corporation is that there are some very important and very useful schemes which they have taken up during the last 10 years. One such scheme is the risk capital foundation scheme. The working of the risk capital foundation scheme requires a little careful consideration. Yet, I feel that this is a good scheme which is being implemented by the Corporation, but which requires certain modifications. What happens today is that under the risk capital foundation scheme, when an application is received, no action is taken on the application until the term loan application is finalised and loan is sanctioned by other institutions or by IFCI itself. Under this scheme the engineers or professionals having experience, who want to set up their own industry but they do not have enough funds of their own to contribute to their own equity, promoters' equity, they are eligible to get 50 per cent of the promoters' equity as soft loan without any interest though they are charging 1 per cent service charges without interest. (Interruptions).

After all, 1 per cent interest is as good as no interest. 1 per cent is a very nominal interest. You can say that it is without interest they are getting. Similarly, IDBI is operating a scheme which is called the seed capital scheme. But the difficulty comes where the entrepreneur has to wait

[Shri C. Madhav Reddi]

for the financial assistance to be sanctioned by other financial institutions regarding term loan I am talking. Until that is done, no application will be processed here. What happens is, suppose finally if the term lending institution takes into account Rs. 15 lakhs or Rs. 30 lakhs which is likely to be given under this scheme and ultimately if it is rejected, then that sanction becomes infructuous because the capital cost has been firming up by financial institution; i. e., IDBI or ICICI or any other institution, and in that firming up of the capital this particular aspect that the entrepreneur has to bring about Rs 30 lakhs, is taken into consideration already, and once the risk capital application is rejected by the IFCI, what will happen to the entrepreneur? My suggestion would be that this should be taken up simultaneously and there should be greater cooperation between the term lending institutions as also between the IFCI which gives this risk capital to the entrepreneur. Unless this is done, the difficulty will certainly come. Another point is that it takes a very long time in getting the application processed and finally sanctioned. There should be no such undue delay for getting applications sanctioned. Even for loans also I find that it is taking 4 to 6 months after all the information is given to the IFCI and after everything is completed for processing and then finally for sanctioning the application, there are several cases in which it went on for more than six months and up to one year and there is a need for improving the working out system to see that there is no delay in sanctioning of these applications.

Regarding other promotional activities which this Corporation has been undertaking, I am very happy that they have taken up the consultancy services and they have also taken up the organisation of Seminars etc. for entrepreneurship building schemes etc. These are all very good but they touch only the fringe of the problem. There is much need today to enlarge the base of entrepreneurs. Just conducting a few Seminars and publishing a few brochures on the subject or, identifying a few projects and stating that we have identified projects and we have given the

feasibility reports, will not solve the problem. All these institutions, whether it is IDBI or IFCI or ICICI, are having a lot of information at their disposal regarding the projects and their marketability etc, so much information they have today that they are in a position to utilise that information to prepare a number of project studies and reports every year and see that these reports are made available to the entrepreneurs in large numbers. That is possible to them. Even though we have a large number of industrial consultants in the country, yet, we feel that there is dearth of real consultants who can really help the entrepreneurs. Today the entrepreneurs are going from pillar to post, first in project identification, and then to know what promising line of production they should undertake and what industry is to be established, how it should be established and where it is to be established. These are the questions which worry the entrepreneur always and I feel that such an activity must be taken up on a very extensive scale by institution of this type which has got all the information at its command.

Coming to the question of the convertibility clause, I do not take much time on this. But we have to look into this and we must insist that the convertibility clause is to be enforced, we must see that the agreed percentage of the loan is converted into equity whenever and wherever it is possible it should be seen that the industry or company management runs properly. I say this because I find the IFCI is not having a very good monitoring system. Once it gives the loan, it forgets it. Sometimes they appoint a Director and that Director does not go there. He does not attend the meetings. Even if he attends the meetings, he only takes the TA and DA and comes back and there is not much of feed back. There is no proper feed-back and no proper monitoring from the IFCI to the loaning companies existing today and unless that is done, there is a possibility of the unit going sick and again you have to think of reviving it by going to other institutions.

These are some of the suggestions which I would like to make and, at the same

time, I would like to support some of amendments which have been taken up.

Particularly I would like to support the activities which are proposed to be taken up, such as the merchant banking activity. In a number of institutions, the merchant banking activity should be taken up. After all, our capital market is very buoyant. Lot of funds are available with public. We require agents, brokers, several financial institutions and others which can take up this work on a specialised basis and to see that the public issues which are coming out these days are made a success and public contribute more and more to the development of the country.

MR. DEPUTY-SPEAKER : We adjourn for Lunch now and re-assemble at 2-00 p.m.

13.05 hours.

*The Lok Sabha then Adjourned for
Lunch till Fourteen of the Clock*

*The Lok Sabha Reassembled after
Lunch at Four Minutes Past
Fourteen of the Clock.*

[MR. DEPUTY SPEAKER in the
Chair]

INDUSTRIAL FINANCE CORPORA-
TION (AMENDMENT) BILL, 1986
CONTD.

[Translation]

DR. G. S. RAJHANS (Jhanjharpur) :
Mr Deputy Speaker, Sir, I support the Bill and would like to mention a few points in this regard. The scope of this Bill has been enlarged to cover other industries and other activities such as leasing, hospitals etc. An hon. Member of the opposition has suggested that leasing should not have been included in this because a number of companies are doing this business in the country. I would like to submit in this regard that during the last three years, leasing business has grown in the country in the same way as video

business has picked up. One can come across a V. C. R. in every house these days. Three or four years back nobody knew about a V. C. R but today it has reached even those places where television has not. Similarly, leasing companies have been set up in every big town. Three or four years back there were hardly one or two leasing companies and nobody knew that investment in a leasing company could be so profitable. If you take a look at the statistics, you will find that there are thousands of leasing companies in the country today and many of them are trying to dupe and mislead the masses. In view of the fact that the private leasing companies are exploiting the people, what is the harm if the Industrial Finance Corporation takes up leasing business. At least the people will feel confident and assured that they will get right type of machines. Therefore, taking up of leasing business by the Industrial Finance Corporation is a healthy sign. In this connection, I would like to point out that ever since the Managing agency system was abolished in the country, there has been no organisation to provide guidance to the entrepreneurs I am fully aware of the drawbacks of the managing agency system. I also know why the Government abolished this system. It is sad that the services which the managing agency system used to provide are not available anymore. The Industrial Finance Corporation will provide that service without inheriting the drawbacks of managing agency system besides providing consultancy service. This is a good thing in itself. You may be aware how the private consultants all over the world are indulging in malpractices. Only bills are made in the name of consultancy service and the money is pocketed by someone else. Consultancy service is not provided in the real sense and people earn a lot of money. Under these circumstances if the Industrial Finance Corporation provides consultancy service it is a matter of satisfaction to us.

The Bill provides for the appointment of a managing director apart from the Chairman for whom a provision is already there. My experience is that wherever the post of managing director and chairman have been separated in the Public Sector Undertaking, it has caused problems and

[Dr. G. S. Rajhans]

led to bickering and clash of interests. I would suggest that the same person should be appointed to the post of Chairman as well as the managing director of IFC. I have seen the working of many public sector Undertakings. It has often been found that there is bickering between the chairman and the managing director and as a result the work of the organisation suffers. They often accuse each other.

The capital of IFC has been increased from Rs. 100 crores to Rs. 250 crores. But even Rs. 250 crores do not mean much. As the activities of the Industrial Finance Corporations have enlarged and are likely to increase still further in future, I would suggest that its capital may be increased to Rs. 500 crores. This would be appropriate keeping in view the pace of industrial activity in our country.

I would like to bring one more thing to your notice. An hon. Member has suggested that the Industrial Finance Corporation should not take up merchant banking, because there are so many merchant banks and other financial institutions which are doing it. I would like to say that even if other financial institutions and agencies are engaged in it, what is the harm if the Industrial Finance Corporation also takes up this work. This would enable the customers to get three to four services under one roof.....
(Interruptions) My friend here had said that it should also be undertaken by the IFC which just supports my contention.

The Bill states that to accelerate its activities :

[English]

“The corporation should subscribe to the shares, bonds, debentures of any financial or development institutions or organisation”.

[Translation]

Nothing can be better than this. I feel that the objects and reasons are very

practical in their approach. Another thing which to my mind is very useful is :
[English]

“It is proposed to make an enabling provision in the Act so as to authorise the Corporation to borrow money from the Life Insurance Corporation of India, the General Insurance Corporation of India and the Unit Trust of India as also from any Authority, Institution, Organisation or Trust in and outside India with the approval of the Central Government besides borrowings from Central Government or Industrial Development Bank of India”.

[Translation]

The scope of the enabling provision is so broadbased that it beyond one's comprehension.

In the end I would conclude by saying that the industrial activities are increasing at a fast pace in the country. It is true that when the Industrial Finance Corporation was established in 1948, some private industrialists were at its back but gradually the corporation threw off this yoke and became independent. The amendment in the Industrial Finance Corporation Act which has been brought forward keeping in view the increased industrial activity in the country is commendable. The industrial climate in the country has tremendously changed since 1948. Therefore, there is need for a pragmatic approach in this regard so that more and more industries can benefit from the Industrial Finance Corporation.

I have to add one thing more. A ceiling has been fixed for expenditure on modernisation by the Industrial Finance Corporation. I would like to submit that in today's world of technological advancement the ceiling imposed for modernisation should be reviewed. If merely Rs. 4 crores are spent on modernisation it cannot be undertaken in real sense. The Government has permitted import liberalisation as it believed that industries will be modernised. I would suggest that the limit of modernisation be raised from Rs. 4 crores to Rs. 15 crores.

With these words I congratulate the hon. Minister for bringing forward this Bill.

[English]

SHRI AMAL DATTA (Diamond Harbour) : This Bill is one of the twin introduced together along with the IDBI Amendment Bill. But somehow this got left out. I think, in the last Session the other one was passed. It is in the same pattern, namely, the authorised capital is sought to be increased and certain other powers are sought to be given with regard to the investment pattern, with regard to management, and so on.

There are various financial institutions which have been set up by the Government from time to time for the purpose of providing finance to the industrial sector, to the various sectors of industry. But there does not seem to be any pattern in the way Government has gone about setting up the various financial institutions which are handling public money directly or indirectly. These financial institutions, apart from the Industrial Finance Corporation of India, are the Industrial Development Bank of India, the Industrial Credit and Investment Corporation of India, the Life Insurance Corporation, the General Insurance Corporation, the Unit Trust of India, the Industrial Rehabilitation Corporation of India, now termed as Board, NABAD and also nationalised banks. All of them, more or less, to a large extent, traverse the same territory. Along with them, the other financial institutions—some of these refinance—are the State Financial Corporations and State Industrial Development Corporations. There is no definite separation of the target group or the target industries which are to be financed or in the modalities of financing by these various financial institutions. This has become a hotch-potch arrangement, devised from time to time, without any thought of evolving a systematic pattern so that people do not get immersed only in the procedural formalities of the institutions. At the moment, if an industrialist, be it private or public or joint sector, has to get equity or loan from the financial institutions, he

usually will not be able to have it from any one of those institutions, particularly those which are all India institutions; he has to go to two or three; a consortium is formed; although one takes the lead, all have to go to their Boards separately for sanctioning which means enormous delay. This delay can be averted only if the Government formulates a pattern whereby each of the institutions takes charge of a particular sector; for instance, one finances the large scale, one finances the medium scale, one the small scale or refinance the small scale industrial financing which is done by the State Industrial Development Corporations and Financial Corporations, etc. This has been one of the main drawbacks of industrial financing in India, and it is time that Government took a look into the whole thing and set a pattern in them so that people do not have to run from one institution to another not knowing which one will ultimately give them loan and how to proceed. This kind of thing is galling especially for the new entrants to the industry. Those who are well-entrenched, the big business houses, as my hon. colleague, Shri Madhav Reddi has already said, have got 20 per cent loan from the Industrial Finance Corporation. Similarly they have got similar percentage of loan from other financial institutions also. Even the multi-nationals and FERA companies have got substantial loan—10 per cent to 12 per cent—from each of these institutions. Therefore, I suggest that Government should not be content with making cosmetic changes. Of course one of the changes is quite substantial, namely, increasing the authorised capital from Rs. 10 crores to Rs. 250 crores but then the amount dealt with by these institutions is far more. The authorised capital does not give clue to the financing done by these institutions because they do not depend on their internal resources which are obtained through equity financing by the Government. They also depend on deposits and loans to be able to do their business properly. Increasing the equity base is good. The connection between equity base and borrowing power was severed by an amendment of 1982. Therefore, increase in equity base is not of much importance any more. We do not know why it is thought necessary now to increase

[Shri Amal Datta]

the equity base when they have not so far reached the authorised capital of Rs. 100 crores and now it is being revised to Rs. 250 crores. I hope the hon. Minister in his reply would explain the reasons as to why it was thought necessary at this stage to increase the authorised capital to such an extent.

Sir, the Government has in the past constituted various committees to go into the working of this institution. One of them is Dutt Committee which had recommended that the Institution should put their directors in any of the companies they give substantial assistance whether in the form of equity or loan. Now the financial institutions have been religiously but somewhat mechanically and ritualistically doing this. They have been putting 'x', 'y' or 'z' on the Board of a company taking loan from them. But the nominated directors of the financial institutions have been extremely inactive. They might attend the meeting but they would not do more than that. They would not keep the information which is required of a director to keep about the company's day to day and long-term planning. Even many of the companies when they stop the payment of statutory dues they have not kept the parent organisation informed or if they have been informed they have not taken any steps to prevent the downward slide of these companies.

Sir although the monitoring arrangement is there but this arrangement has not been functioning. Institutional finance has got blocked up in sick industries today. They have got the power to take remedial steps at the earliest but the same were not taken. So there is no monitoring of the sickness at an early stage and as a result many of the companies today are in the death throes.

Then in 1983 another Committee was constituted, namely, Narasimha Committee which also recommended that so far as big houses, FERA and MRTP companies are concerned there should be a proper surveillance through the nominee directors, that is these directors should be much more active

than they have hitherto been. I do not know whether the Government has accepted this recommendation. But it has not done anything to show that it has been alive, that the financial institutions' spending or disbursing Government funds have been alive to the responsibility of the public. There are various suggestions also made because it has been found by one of the Committees. Khusro Committee, that the needs of the small industries, needs of the village and tiny sector get overlooked by these big financial institutions. They cater to the needs of the bigger houses, large and medium scale industries. Now, it is necessary—and this Committee recommended—that other institutions be set up for the purpose of financing these small scale sector or act as an apex Corporation for financing the small sector and the village and tiny sector. The Government has not done anything about it.

I suggest that Government should now try to evolve a pattern, establish separate financial institutions so that medium, large and small and tiny village industries are separately financed by separate institutions, so that the interest does not get overlooked because of the lobbying power and money power of the bigger and medium-scale industries.

Sir, another thing is that for these institutions along with the banks, there is no parliamentary supervision on their functioning. There has been parliamentary supervision on other public undertakings. But today these are public undertakings. These are financial institutions which are public undertakings. But there is no parliamentary supervision on them. So, it is time that the Government saw to it how to ensure accountability to the Parliament, because various charges of misuse of public funds have been brought against the banks. We have discussed on the floor of this House some of the cases of these banks and other institutions. But there is no continuous monitoring by parliament as has been the case of public undertakings. So, such committees should be formed, as far as possible, to make them really accountable in a system of parliamentary democracy. Apart from what I have opposed, I do not want to raise any other points except to say

that the whole financing pattern has become rather a jungle and this time a person like Mr Poojary is in charge of this Department and I think he should clear it up with his great perseverance, patience and tenacity. I think he is an ideal person to do this and see how best to increase the financing of the small scale and tiny industries.

Sir, my last point in this. According to the financing pattern, the agro-industries have been left out. The agro-industries have been left out and this should be given proportionate financing in proportion to the importance given to agriculture which occupies a pivotal place in our economy.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : I have gone through the clauses of the Industrial Finance Corporation (Amendment) Bill. Government desired to convey the impression that activities of the aforesaid corporation have been increased on a wider scale. But I want to ask one thing. The hon. Minister had said in reply to a question.

[English]

That question was answered by the hon. Minister on 25th of April 1986. It was replied that the State Financial Corporations give financial assistance for the development of artisans, village and cottage industries, tiny and other small scale and medium scale industries so as to achieve regional balance in growth of economic activities, of greater employment generation and dispersal of ownership of industrial capital.

[Translation]

I had the impression that a large part of the funds must be going to the villages of India where the majority of our population lives. But when I saw the actual figures; it pained me to note that out of Rs. 1,99,000 crores spent upto March 31, 1984, only Rs 264.81 crores were allocated for the villages. Now you can imagine the percentage of the total expenditure allocated for the villages. Eighty per cent of the total population of our country lives in the rural area.

What is the purpose of the high officials of the banks in visiting the rural areas? Do they go there to undertake rural development? You are always claiming that you develop the backward areas. But will you tell me how many backward areas have been declared so far and how many public undertakings have been set up by the Government in those areas. Can you give a single example where a corporation has been established by the Government or where loans have been advanced to the people living in backward areas? I am unable to understand your system of functioning. On the one hand you declare backward areas and talk of their development and on the other hand you talk of the removal of regional imbalance. But when I asked you about the reasons, you replied that you have lost Rs. 4000 crores in 94 thousand sick industries. Even then you want to start leasing of machinery business because the bank employees are benefited by it. Who made a demand for the hire-purchase scheme? It is the work of some antisocial elements. Why have the banks been included? It is to ensure that people approach the banks. Ministers like Shri Janardhana Poojary have tried to streamline the banks. But the banks employees started opposing him, abusing him and started agitations against him. Even in newspapers charges were levelled against him. The reason for all this was that he wanted to streamline the banking system and improve their services. He wanted that after nationalisation, banks must serve the rural areas and the weaker sections. But what I want to point out is that you must assess how far you have succeeded in your task. The report which you have presented is beautifully printed and has a good cover on which thousands of rupees have been spent. The way of conducting meetings by the banks is unique. Only God can take care of their working. Their employees spend quite lavishly and the way bank offices and the office of a bank Chairman or a Managing Director are furnished, one would find them more luxurious than the room of a former prince of Maharaja. A single room is furnished with furniture worth Rs. 3 lakhs. Every officer has a car for conveyance. On a slight pretext they go to Bombay to attend a meeting, have lunch there and while returning they are presented with some beautiful packet which they bring

[Shri Mool Chand Daga]

back with themselves. This is the real state of affairs. They have also got this report printed beautifully.

[English]

They are giving facts and figures of economic survey. Who has asked them to do this job? It is always the Finance Minister who submits such a report, but they have done it and have also given the history. What do they know about it? They know about banking only.

[Translation]

Mr. Deputy-Speaker, Sir, I have noticed one more thing. A bicycle company in Uttar Pradesh has been granted a loan of Rs. 68 crores. I want to know what are your objectives. You say that you will advance loans for hospitals and equipments. But why? The Government is already very much alive to it. The defence and the Railways have their own hospitals. You do not give loans to those to whom you are responsible. If some industries are sick then it is your duty to give them loans which in turn will lead to the development of the country. You must have noticed that rate of industrial growth in India has never been more than five to eight per cent. What is the condition of development process in the country today? The industries fall sick due to non-availability of loans. You cannot point out any area which has developed due to loans granted by the banks.

You have said some very good things in your report. It is true that by claiming false achievements and by presenting a rosy picture they can impress the public at large. You go on painting a rosy picture but we know about the frauds being committed in the banks. They give loans for a new venture. They have learnt a new word 'technology' and so loan is granted for it. Even for consultancy service loan is provided. Loan for consultancy is granted to such companies which do not require any consultancy. These banks grant such loans only for their vested interests. I have already suggested that you should appoint Members of Parliament also as the direc-

tors of banks. Shri Venkataraman had also supported my suggestion. It is on record and I have not been able to produce it now.

You have given it in writing that the term of the director should be increased to five years. What is the justification for it? The term of the director is three years and that of the Chairman five years and in order to ensure that their terms run concurrently, you are increasing the term of the director to five years. But you have not made any amendments and so there will be no change in the terms of the chairman and director. (*Interruptions*) The issue involves crores of rupees. You can of course expenditure the proceedings of Parliament. You have learnt these two new things—new technology and technology consultancy. Shri Janardhana Poojary is a very experienced man and he has visited the banks as a common man. You know it very well that bank managers do not behave properly.

[English]

MR. DEPUTY-SPEAKER : You please be brief and he will understand the whole thing because, being an experienced man, he does not need elaborate explanations.

[Translation]

SHRI MOOL CHAND DAGA : Sir, they can raise the amount from Rs. 100 crores to Rs. 250 crores and you cannot extend time for me by a few minutes. Give me some more time.

I was saying that they have started giving loans and I understand that they are giving loans to the Tele Communication Corporation at Bombay and Delhi. I was surprised why are they giving loans? Loans should be given to those areas which are backward and undeveloped so that some developmental work may be started there. Those areas require loans. Your bank employees' capability and efficiency will be appreciated if they themselves set up industries in the backward areas and then they can claim that they have done this work and have given so much employment.

Sir, I want to know how many unemployed educated persons have been

helped in setting up industries under the Self Employment Scheme announced by Shrimati Indira Gandhi on 15 August, 1983? The hon. Minister while replying should apprise us about the performance of each bank. You have under taken many new schemes. I wanted to know how many persons out of the lakhs of unemployed people have been provided employment under the Self Employment Scheme.

The banks which provide consultancy service should be asked to set up one industry each in the backward area and they should tell us that this is their achievement. It is one thing to provide consultancy and it is another thing to do concrete work.

In my amendment it has been clearly stated :

[English]

“Two Directors to be nominated by the Speaker from the Members of Lok Sabha”.

[Translation]

There should be two Directors. Therefore, eminent persons like Shri Y. S. Mahajan, who is an economist, should be appointed as Directors. But who becomes the Director?

(Interruptions)

Appoint Mool Chand Daga. That is a good thing.

SHRI V. TULSIRAM : Shri Daga, you want to use the furniture costing Rs. 3 lakhs. Take us there one day. We want to see.

SHRI MOOL CHAND DAGA : The Industrial Financial Corporation Act, is an Act of 1948. It needs many radical amendments but by bringing amendments at different times it was said that the spendings should be brought down. My submission is it is better to act than to preach.

[English]

SHRI S. THANGARAJU (Perambalur): Sir, I rise to say a few words on the Indus-

trial Finance Corporation (Amendment) Bill, 1985.

At the outset, I welcome this Bill. The Provisions of this amending Bill will go a long way to meet the financial needs of industrial institutions. I particularly welcome the expansion of the definition of 'industrial concern' for eligibility to get loans from IFC. The concerns engaged in setting up hospitals and providing medical services will now become eligible for loans from IFC. The authorized capital of the Corporation is being raised from Rs. 100 crores to Rs. 250 crores.

I also support the provision for making IFC as an agent of the Industrial Bank for Reconstruction and Development. This will give a fillip to the revival of sick industrial units.

There are already 90,000 sick industrial units, in which public sector's money to the tune of Rs. 5000 crores is blocked. There are 450 large industrial units, with a capital investment of more than Rs. 1 crore each; and 85,000 small scale units, which are reported to be sick.

Here, I would like to point out the negligence of IFC's representatives on the board of management of sick units. IFC has its own representative on the board of management of industrial units which have an invested capital of Rs. 1 crore and above. What do they have to do? They are to keep a close watch on the financial working of these industrial units. When the funds are mismanaged, when their financial working is mismanaged, they have to bring it to the notice of the IFC. But in practice, they do not do any such thing.

They keep mum till the units become sick. In this connection I suggest that the IFC's representatives on such sick units should be penalised for their failure to pocket the public money. IFC should also nominate on industrial undertakings some financial experts of reputation. The IFC itself should be run on business acumen and not on half-hearted study of an industrial proposition.

[Shri S. Thangaraju]

I would like to suggest that IFC's activities should be such as to have an impact on share market and stock exchanges. As the government has not yet brought any comprehensive Bill controlling the speculative activities of stock exchanges and the share market, I feel that I.F.C., LIC, Unit Trust etc. should play the necessary role to curb the speculation in stock exchanges. In this connection, I welcome the provision in this Bill which enables I.F.C. to buy debenture also. The limit of Rs. 15 crores borrowing from RBI by the IFC has been removed. This should enable the IFC to expand its financial activities.

I conclude my speech welcoming the Bill.

[*Translation*]

SHRI RAJ KUMAR RAI (Ghosi) :
Sir, an amendment is being made in the Industrial Finance Corporation Act of 1948 after quite a long time. It is a welcome step because the proposed amendment seeks to enlarge the area of operation, capital and jurisdiction of investment. It will be welcomed every where. But one thing which I want to say though you is—Shri Poojary is also sitting here—that in spite of increasing its capital, its main object, a pious one, that industries should be set up in the backward areas and the backward and the poor should get the finance is neither being fulfilled and nor there is any hope in future of its being fulfilled. The bank employees have been given much discretion in this regard but they have never used it judiciously. They have always acted arbitrarily, whether it related to the choosing of the filed or the person. They can do anything. Their decision is final. Therefore, I would submit that their discretionary power should be withdrawn. For this purpose a high power committee should be constituted.

Sir, eastern area of Uttar Pradesh is a very backward area. There are districts like Azamgarh and Ballia where are no industries all and if a person of that area wants to take any loan he will have to

face so many technicalities and formalities from this Corporation that he cannot hope to get the loan in his life time. But if a big industrialist of Kanpur applies for a loan, they will say he is a small scale industrialist and in this way they will bring him under their purview. They will cite some rule which will cover him under small scale industry. Can the small entrepreneurs and the small scale industrialists be benefited in this way? They have always misused their discretion. Therefore, I would request the hon. Minister that a provision should be made in this Act that the discretionary power will be vested in some high power committee because they have used their discretion arbitrarily.

You deserve thanks for increasing the area of jurisdiction and also capital to Rs. 200 to Rs. 250 crores. I would request that a new survey should be conducted and, new areas for investment should be identified so that the poor and backward areas may also be benefited.

With these words, I thank you.

[*English*]

SHRI V. S. KRISHNA IYER
(Bangalore South) ; By and large I welcome the amendment.

This amendment is aimed at enlarging the area of operation of the Corporation in view of the rapid increase in industries particularly electronics industry. I would only like to seek certain clarifications.

First of all, with regard to the definition of industrial concern', it is proposed to widen the definition of industrial concern by including for setting up of hospitals and medical services. I would like to know from the hon. Minister. What does he mean by hospitals and medical services? Is it setting up a private nursing home? If that is so, than I am opposing it. If the aim of the private nursing home is to run it on commercial lines to make profit, then I am opposing it. If a number of doctors join together and start a hospital on a service motive, then certainly I welcome it. But it is not clear from this. If you want an individual doctor to start a private nursing home,

if you give him finance to set up a big hospital and make money, then in that case, I am opposing it.

There are other provisions which I welcome. You are enhancing the share capital from Rs. 100 crores to Rs. 250 crores. I would like to make one or two suggestions.

Many Members have already suggested about starting industrial concerns in the no-industry districts and backward areas. But that still remains a dream. I would like to know whether a survey has been conducted all over the country about the potential of starting industries in no-industry districts and backward areas. I would like to request the Government to set up a committee to, first of all, have a survey in each district with the help of the State Governments. Let them give a list of the areas which need industries and where there is an industrial potential for starting industries.

In this connection, I would like to know that the IFCI has invested nearly Rs. 2993 crores out of which the private sector alone has claimed the lion share i.e. 65 per cent. No private person is going to invest in backward or hilly areas or no-industry districts. My suggestion is that the Government itself must take the initiative, and start industries in the backward areas. Otherwise, no industry will come up in the backward areas. Let it be a joint sector or public sector.

The hon. Minister is quite aware that IFCI has made a profit of Rs. 29 crores. But that is not important. What is important is how many people they have helped. Are they monitoring that the amount which has been given as assistance has been utilised for the purpose for which it has been given?

Is the industry running on healthy grounds? That is important. I would like to bring to the notice of the hon. Minister—and I am sure he is also aware—that in a number of States in our country, many of the industries which have taken assistance from the IDBI or the IFCI are

running under loss, not due to their own failure alone but due to the failure of various processes which are beyond their control. Take, for instance, our own State, Karnataka. What is the percentage of power cut there? It is 80 per cent now. And what is the fate of the industry? For the past three years, there is drought, and no industry is making profit in Karnataka, not even in public sector. So, I would like to know from the Minister, while he is replying, that under such circumstances what does the Government do. You have given them the finance and the interest accrues from a certain date. So, they are forced to pay not only the ordinary interest but penal interest also. Now what is the position. We have thousands of sick industries now and the accumulated losses in the industry come to more than Rs. 5,000 crores. So, my suggestion would be that the Government should deal with them sympathetically, on humanitarian grounds. Such industries, both in private sector and in public sector, which are running under loss, not due to their own fault but due to the reasons beyond their control, deserve sympathetic consideration.

Finally, I would request the hon. Minister—because I have the experience though I have not personally tried it—that since it is not easy to get financial assistance from the financial institutions, so, he must have a single window procedure and he must see to it that there should be a time limit by which the financial assistance is given.

These are the few clarifications which I want to seek from the Minister while he gives reply to the debate.

[Translation]

SHRI PRATAP BHANU SHARMA (Vidisha) : Mr. Deputy Speaker, Sir, while supporting the Industrial Finance Corporation (Amendment) Bill, 1986 I want to draw the attention of the hon. Minister towards certain important issues. The new subjects included under its area of operation should be welcomed. IFC will finance setting up of industrial estates in the field of electri-

[Shri Pratap Bhanu Sharma]

city, energy and electronics and in the backward areas. Efforts have been made to bring them under this Act. For this the hon. Minister deserves congratulations. During the last few years there has been deterioration in the working of the IFC. It lags behind the other Indian financial institutions like IDBI and ICICI. There is some fault in the functioning of this institution and the young entrepreneurs find certain difficulties in getting the loans.

SHRI C. MADHAV REDDI
(Adilabad): This is the oldest Corporation.

SHRI PRATAP BHANU SHARMA :
This Corporation was set up in 1948 and its functioning needs to be improved. Therefore, the rules should be reviewed and its functioning should be improved.

So far as leasing and hire purchase by this corporation are concerned, Shri Madhav Reddy has said that this Corporation need not undertake this work. In this connection my view is that the functions which you have brought under the area of operation of the Corporation are definitely in consonance with the needs of the present times. The leasing or re-financing or hire purchase mentioned in it relate particularly to those assets of an industrial plant which will promote industrial progress. Therefore, there is no question of functioning outside this jurisdiction. What is to be noticed in it is that the corporate sector in the country and leasing and financing companies are entering this field very rapidly. The Finance Ministry and the Central Government should stop it because limited companies are formed in the corporate sector and after taking permission from the controller of capital issues, amass crores of rupees in the name of leasing and financing and mislead the people. They finance their own industries and that money is not utilised for the benefit of the public. As you have brought these activities under IFC and IDBI, I suggest that this activity should be stopped in the private sector or the corporate sector.

15.00 hrs.

Lastly, the most important thing is, and Shri Madhav Reddy has also referred to it, that under the IFC there is the Risk Capital Foundation. It generally helps such entrepreneurs with assistance capital whose project cost is more than Rs 3 crores. They are given matching assistance by RPF. I suggest that the way our technocrats, professionals and young entrepreneurs are entering this field, RPF should think of giving more facilities. Presently, it is giving small loans in different ratios in different fields and that too to limited number of people. My suggestion is that for the development of the backward areas, the young engineers, technocrats and professionals who want to set up their own industries should be provided with facilities under relaxed rules. Alongwith its sanction, its implementation should also start. When we submit a proposal to the All India Financial Institution, a joint appraisal is made. It should also be associated in the joint appraisal so that the people may get assistance from the Foundation.

Through this amendment, IFC will help in the development of industrial estates in the backward areas and will provide economic assistance for this purpose. I suggest that if the local entrepreneurs come forward in the most backward areas and the neglected rural sectors, industrial estates should be promoted there on cooperative basis. IFCI can make its contribution in this regard by creating infrastructure like providing roads, railway lines; water supply, high tension electric wires. This aspect needs to be looked into. You have brought this amendment keeping in view the need to industrialise the country. It is a timely amendment. I thank you for this and support the Bill.

15.02 hrs.

COMMITTEE ON PRIVATE
MEMBERS' BILLS AND
RESOLUTIONS

Nineteenth Report

[English]

SHRI DAL CHANDER JAIN
(Damoh): Sir, I beg to move the following:

"That this House do agree with the Nineteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 30 April, 1986."

MR. DEPUTY SPEAKER : The question is :

"That this House do agree with the Nineteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 30th April, 1986."

The motion was adopted.

15.03 hrs.

MUSLIM PERSONAL LAW
(SHARIAT) APPLICATION
(AMENDMENT) BILL

(Amendment of Section 2)

[English]

SYED SHAHABUDDIN (Kishanganj) : I beg for leave to introduce a Bill further to amend the Muslim Personal Law (Shariat) Application Act, 1937.

MR DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Muslim Personal Law (Shariat) Application Act, 1937."

The motion was adopted.

SYED SHAHABUDDIN : I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL

(Amendment of Eighth Schedule)

[English]

PROF NARAIN CHAND PARASHAR (Hamirpur) : 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 : I introduce the Bill.

15.04 hrs.

FLOOD CONTROL AUTHORITY
OF INDIA BILL

[English]

DR. C. S. VERMA (Khagaria) : I beg to move for leave to introduce a Bill to provide for the setting up of a flood control authority of India to control floods and for matters connected therewith.

MR DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the setting up of a flood control authority of India to control floods and for matters connected therewith "

The motion was adopted.

DR. C. S. VERMA : I introduce the Bill.

CROP INSURANCE SCHEME
BILL

[English]

SHRIMATI USHA CHOUDHARI (Amravati) : Sir, I beg to move for leave to introduce a Bill to provide for a comprehensive crop insurance scheme and for matters connected therewith.

MR. DEPUTY - SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for a comprehensive crop insurance scheme and for matters connected therewith."

The motion was adopted.

SHRIMATI USHA CHOUDHARI :
Sir, in I introduce the Bill.

15-05 hrs.

CONSTITUTION (AMENDMENT)
BILL

(Amendment of Eighth Schedule)

[*English*]

PROF. NARAIN CHAND
PARASHAR (Hamirpur) : 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.

BEEDI AND CIGAR WORKERS
(CONDITIONS OF EMPLOYMENT)
AMENDMENT BILL, 1985 - *CONTD.*

[*English*]

MR. DEPUTY SPEAKER : We
shall now take up further consideration of
the motion moved by Shri Ajit Kumar
Saba on the 14th April, 1986.

Shri Hafiz Mohd. Siddiq may speak
now.

[*Translation*]

SHRI HAFIZ MOHD. SIDDIQ
(Moradabad) : Mr. Deputy-Speaker, Sir,

I am grateful to you for providing me an opportunity to speak on this Bill. It has been introduced for the welfare of the Beedi workers. I think that Beedi Industry in India is the only industry where the poor labourers can get employment very easily. It is spread throughout the country and the poor farmers, the unemployed people and women are engaged in this industry because employment is easily available there. I observe that wherever the beedi industry is located, it provides livelihood to the poor but these workers are also facing certain difficulties and problems. It is the duty of our Government to remove their difficulties and problems.

In the rural areas where beedis are manufactured, the poor labourers are exploited by the contractors and manufacturers and they do not get even the minimum wages. Therefore I would like to stress the need of a legislation to check such exploitation by the contractors and Manufacturers and to ensure payment of minimum wages to the workers. The poor workers work from the morning till evening in the factory to feed the irchildren. The toilet and bathroom facilities should be provided to them at their working places so that after the day's work they may take bath before leaving the factory and attend to their domestic chores. I want that law should be enacted to ensure that the wages settled between the workers and the contractors are paid to them. The labourers do not get their full wages. It is possible only if our Labour Inspectors go there and check them. If the Labour Inspector perform their duties, honestly I think the labourers would get their full wages.

Similarly, there provident fund case is also under the consideration of the Government. Provident Fund Facility should be provided to them because it is also a small scale industry and is spread all over the country like the Cotton Industry. The Government wants to help the poor, but the benefits do not reach them. Therefore, I would like to suggest that provident fund should form part of their wages and only then it will benefit the Beedi Workers. Whatever benefits Government wants to

give to them must reach them and they must also get their full wages. Being a small scale industry, its work is spread in every village and in every city. This work cannot be undertaken at one place because lakhs of workers are engaged in this work and it is not possible to make their sitting arrangement at one place. That is the main reason why proper control could not be exercised over it till now. Therefore, I would request the hon. Minister to make law to have uniform wage structure in the entire country. Besides, other facilities proposed to be given to them, may be given as part of the wages so that the worker may take full advantage of the scheme. All the manufacturers and contractors are licence holders, so their registers should be checked to confirm whether they are paying minimum wages to the workers or not because the owners of the Beedi Industry make them full payment. With these words I thank you and conclude.

*SHRI V. S. VIJAYARAGHAVAN (Palghat): Sir, I am in support of the objective of this Bill. While supporting it I would demand that the Govt. bring forward a comprehensive Bill for the welfare of the beedi workers.

There are above 33 lakhs employees engaged in this industry. Although the Govt. has passed a law for the welfare of the beedi workers they are not getting the benefits of the law.

The beedi workers are facing many problems. The first and foremost is the absence of a uniform national minimum wage. We have not been able to introduce national minimum wage in this industry. In many States there is no minimum wage for the beedi workers. The demand for a uniform minimum wage throughout the country was made in a meeting of the federation of the beedi workers and a memorandum to this effect was submitted to the Prime Minister. Later this issue was discussed in the tripartite meet but the opinion emerged in that meet was that introduction of a uniform national minimum wage was not feasible at

the moment. But there was an agreement on a regional minimum wage. In this context I must say that my State of Kerala is facing the problem of migration of beedi industry to the neighbouring States like Tamilnadu, Karnataka etc. Since the wages in these States are low the beedi manufacturers and contractors go to these States manufacture beedi there, put a label and then bring them back to sell. This has seriously effected the employment opportunities in this industry in Kerala. The workers are losing employment. Therefore, the Govt. should take initiative in introducing national minimum wage in this industry.

Another problem is that the beedi and cigar workers (conditions of employment) Act is not being implemented in many States. The beedi workers are subjected to perpetual exploitation by the beedi manufacturers and contractors. They work from 10 to 12 hours but do not get enough wage to make both ends meet. The welfare officers do not act in time because they have no interest in the welfare of the beedi workers. According to an estimate half of the beedi workers are suffering T. B. The Govt. of India made some attempts in the past to organise them on the basis of cooperatives. I want the hon. Minister to tell the House as to what has been done in this respect and to what extent the Govt. has succeeded in it. The problems of the workers could be solved only by bringing them into the cooperative sector. The Dinesh Beedi Corporation in Kerala is a good example of the success of the cooperative endeavour in the beedi industry. I would request the Govt. to take initiative in this regard.

I am very happy that the Govt. is paying attention to the health problems of the beedi workers. But the existing medical facilities need to be augmented. For example, there is only one hospital for the beedi workers in the whole country and it has only 10 beds. More such hospitals should be set up in different parts of the country. I take this opportunity to request the Govt. that a coup'le of hospitals

*The speech was originally delivered in Malayalam.

[Shri V. S. Vijayaraghavan]

should be set up in Kerala exclusively for the benefit of the beedi workers.

There is a housing scheme for the beedi workers. But the fact is that it is not beneficial to all the workers. This scheme benefits only those workers who are working in recognised manufacturing units and thus a large number of workers are deprived of its benefits. My request is that all the workers in beedi industry irrespective of whether they work in recognised or unrecognised units should be brought under the housing scheme. Similarly, pension should be given to all the workers above the age of 50, Beedi workers are most disabled section of the working class in the country. When they become old and sick they have nothing to fall back upon. Therefore, pension should be given to them.

The beedi workers organisations have put forth a demand that the excise duty on beedi should be shifted to tobacco. They also say that if it is not possible to shift the excise duty in this manner then the exemption given upto 20 lakh beedis should be removed. There are complaints that the exemption given is being misused by certain vested interests. I would therefore request the Govt. to reconsider this issue.

I would also request the Govt. to extend the coverage of BSI scheme to all the beedi workers in the country. I feel that the present bill is not such as would help in solving all the problems of the beedi workers and therefore I request the Govt. to bring forward a comprehensive legislation to deal with all the aspects of the welfare of the beedi workers. With these words I conclude.

*SHRIMATI BASAVARAJESWARI (Bellary): Mr. Deputy Speaker, Sir, we are discussing an important amendment bill which seeks to provide more and more facilities to the beedi workers. In this regard I would like to give some suggestions. Children and women from various parts of the country are entering this

industry. There is a steep increase in the number of persons smoking beedis, cigars, cigaretts etc. Earlier, only a few persons used to smoke. These days we see many people smoking. Even children have started smoking. Day by day more and more people are taking to smoking. Smoking is injurious to health. This fact has been given sufficient publicity. Newspapers are publishing various articles, research studies etc. about the danger of smoking. Many notable doctors have given their expert opinion in this matter. In spite of all these precautions and warnings the number of smokers is increasing in the country. This habit of smoking was rampant in many foreign countries. Some of the foreign countries have taken various measures to curb this habit among the people. Studies have revealed that smoking may lead to cancer which results in death. World Health Organisation is doing its best to curb this habit among the people in our country. Even then, particularly in our country this disease of smoking is spreading all round like wild fire. Here I would like to cite an example. Many snakes are poisonous. Even a poisonous snake which can move anywhere does not enter the field where tobacco is cultivated. It is understood that it dies if it enters the field. From this one can imagine how dangerous is tobacco. When the smoke of tobacco is inhaled it spoils the health of the body. Hence the Govt. have to take proper measures if they want to protect the health of the people of our country.

Tobacco is grown in various parts of the country as a commercial crop. In Andhra Pradesh tobacco is produced in large quantity. The tobacco that is grown in "Guntur" is of a better quality than that of virginia tobacco. The tobacco Board is buying tobacco at remunerative prices to help the growers. Tobacco is yielding substantial foreign exchange to the country. By exporting tobacco, our farmers are getting very good return.

Various people are getting profit from tobacco but the conditions of the persons

*The speech was originally delivered in Kannada.

working in tobacco industry is really miserable. The owners of the beedi factories and cigarette factories are not taking proper care of the workers. All these workers especially in beedi factories have to work from morning to night. Most of these workers are children and women. They work in a very bad environment. Many of the workers are attacked by diseases. The wages that they get is very meagre. Child workers get very low wages. In some factories the records show a particular pay and the workers get another pay. This deserves all condemnation. The children who work in this industry gradually become slaves of smoking. The Government has to take steps to see that the children do not become habitual smokers. Childrens' work in beedi cigarette factories should be abolished completely. Women working in these industries should be provided alternative jobs and they should never be allowed to work in beedi factories.

The facilities provided to these workers are very poor. There is no medical check up of workers. Work load is too much. When the worker becomes a patient due to some disease he will not get proper compensation from the owner of the factory. Stringent action must be taken against such owners.

Beedi workers who are severely attacked by diseases will reach a stage when they are no more capable of doing any work in their life time. For such persons it is very essential to provide rehabilitation. In this regard the Govt. should bring an amendment bill to help such persons.

There are several thousands of persons working the beedi industry in Karnataka and also in other States. It is the responsibility of the States to look after the welfare of the beedi workers. Some States have provided the facilities to some extent. But in some other States the condition of the beedi workers is miserable. Therefore I request the Govt. of India to come forward to frame a uniform policy and to rescue the poor workers. The workers work in a very bad atmosphere. The factory buildings are small and we see thousands of people working under the

same roof. Neither there is light to see or air to breath. Under these circumstances how can one expect the poor beedi workers to sit and work from early morning to night. Therefore, I earnestly plead with the hon. Minister to introduce a uniform policy for the welfare of the beedi workers. Sir, I thank you for giving me this opportunity to speak and with these words I conclude my speech.

SHRI RAM PYARE PANIKA (Robertsganj) : Mr. Deputy Speaker Sir, I support the objectives of the Beedi And Cigar (conditions of Employment) Amendment Bill, 1985 introduced by Shri Saha. I request the Government to bring a comprehensive legislation for the welfare of the Beedi workers so as to solve their problems.

Sir, the condition of unorganised labourers, whether they are Beedi Workers, agricultural labourers or workers in any other industry, is appalling. In my area Tendu leaves are available. Sir, you will be surprised to know that so many contractors are exploiting Beedi workers there and do not pay them minimum wages.

15.29 hrs.

[SHRIMATI BASAVARAJESWARI
in the Chair]

Madam, the main problem of the Beedi workers is that they become victims of dangerous diseases like T.B. But neither the Government nor the contractors have provided any facility for their treatment. These contractors engage Beedi workers at very low wages. Therefore, I request the Government to ensure minimum wages for the Beedi workers. What actually happens is that the contractors give some advance to the workers and purchase Beedis from them at a very cheap rates. This is the reason that the workers are compelled to work for the contractors at very low wages. Therefore, a legislation for the welfare of the workers should be brought and arrangement should be made to pay them their wages.

There is no facility of health centres, educational institutions and other basic

[Shri Ram Pyare Panika

amenities for the workers. Generally these people live in the villages and in Jhuggis and their living conditions are appalling. The companies engaged in Beedi industry are increasing their assets and doing nothing for the welfare of their workers. We want that the Government should compel these companies to open schools for the children of poor workers. Besides keeping in view their low wages, Government should provide them the facility of gratuity, provident fund and some other old age scheme.

The Government have enacted various laws, particularly after 1980, for the welfare of the workers but I would like to bring it to your notice that the State Governments are not at all implementing these laws. Such laws are confined to statute books and gathering dust in the almirahs of the offices of the State Governments. You must have a machinery to ensure implementation if the laws passed by you.

In the previous plans, you had appointed some inspectors at Block level on the payment of Rs. 250 as honorarium. Regarding this I would like to say that these inspectors come to the Block offices just to collect their honorarium. They neither have any concern with Beedi workers nor do anything for their welfare. Therefore, I would request you to appoint full time inspectors at Block level and they should be empowered to ensure implementation of the laws by the States Governments.

The issue of bonded labour in the carpet industry was raised in the Parliament sometime back and after that a plan of Rs. 40 crores was formulated for the welfare of the carpet industry workers at Mirzapur and Banaras. I want that similar arrangement should be made for the workers engaged in Beedi industry.

Generally, adivasis and harijans are engaged in the Beedi industry who live in jhuggis in villages. Some training arrangement should be made for them. The

contractors are exploiting the workers in the name of training, and as such Government should itself make arrangement for their training. The raw material and tobacco should be supplied to them in time. The officers deputed by the Central Government ask the contractor to give him the names of 10-20 workers, to whom he makes payment of half of the amount earmarked for them and pockets the rest of the amount. The Central Government has initiated so many labour-welfare programmes. It is, therefore, necessary to form a monitoring cell which should submit its report to the Government regarding the implementation of these programmes. Only then there will be some use of formulating such laws. You will have to take drastic steps to uplift the labourers of Beedi industry, who are leading a miserable life, to the level of other well-to-do section of the society. You will have to exhort the State Governments to take action to implement the objectives of the Central Government regarding the welfare of unorganised and bonded labour. It will not be possible to implement it by appointing supervisors or inspectors on honorarium basis. I want that Government should formulate a policy regarding the inspectors appointed on honorarium basis in all the Blocks to ensure that appointment of inspectors is made mandatory to look after the interest of the labourers of unorganised sector and they should be asked to submit their report to the Government. The funds are provided by the Centre whereas the appointments are made by the State Governments. I know that out of Rs. 250, they pay Rs. 100 to the Block officer. Such cases have come to our notice that the names of the villages mentioned in the inspection report, do not exist in that area. I personally enquired from many agricultural labourers in this regard. In this way whom are we deceiving?

I am sure that under such circumstances, the hon. Minister will bring a comprehensive legislation in this regard. I fully agree with the objectives of the Bill introduced by one of our friends but I do not support it because it is not comprehensive. I request the hon. Minister to bring a comprehensive legislation in consonance with the sentiments expressed by me.

SHRIMATI USHA CHOUDHARI
(Amravati) : Mr. Speaker, Sir, I welcome this important Bill. Maharashtra is also one of the States in the country where Beedis are manufactured. In Maharashtra, the Beedis are manufactured in Vidarbha, Dhoda Bhondap, Marathwada, Beed district and its surrounding areas and the areas along the Western Maharashtra and Karnataka border and mostly women are engaged in this industry. Manytimes I also got an opportunity to listen to their grievances and had participated in the agitation. I tried to raise this issue in the Parliament several times. I am happy that this Bill has been introduced in the House. Before the land ceiling Act came into force, there were two distinct classes the Zamindars and the tillers. Similarly, there are two distinct classes of workers. Various laws have been enacted for the workers but to no effect. The educated people who work in the organised sector have formed strong unions and can exert political pressure also. Their agitation can hold up our work, that is why their problems are solved immediately. But the problems of the unorganised and uneducated workers remain unsolved because they do not have a union, are scattered all over the country and do not know how to fight for justice. The workers of the Beedi and Cigar industry are also in this category.

For this purpose a very effective law is needed, not only on paper but in practice also. It has been cited or we have mentioned in this Bill that more than 50 lakh workers are engaged in this industry. I feel that you might be knowing that very few people work in the factories but a large number of people are given Beedi leaves to prepare Beedis on contract basis. They are given bad quality leaves and tobacco. If beedis are of bad quality or their number is less, then the wages of beedi workers are deducted. If you wish, you may ask them On the one hand a deduction from their wages is made on this account and on the other hand full quantum of work is also not given to them. This Bill has been brought to stop such exploitation of labourers.

We find posters of Malaria and Smallpox eradication programmes and

feel proud in saying that we have eradicated Malaria. But T. B. is also spreading and a survey is needed in this regard. The incidence of Cancer and T.B. is increasing I want to inform the House that workers of Beedi factories generally fall victim to T.B. Why do you not check the site of any factory before issuing an industrial licence, which leads to pollution. No action is taken if Beedi factories or Cigar factories do not provide for the requisite facilities in accordance with the rules. These industries do not have facilities such as light, air, sufficient space to sit as a result of which the workers cannot move their bodies and they have to work for 12 hours at a stretch. What is the criteria of issuing licences to such industries. What are the laws which govern the setting up of this industry? I would urge the hon. Minister, through Mr. Chairman, to provide for deterrent punishment to these people. If some factory owners are punished in this way it would be helpful in preventing the recurrence of such lapses in future.

I also want to inform you that in our society ladies get the work, which is considered low in dignity and fetches less wages. That is why generally ladies are engaged in Beedi and Cigar industry. We want that nobody should be hungry and unemployed but it does not mean that in order to get a square meal, six children of a family should work. Therefore, we should help them in improving their living conditions. It may not be binding legally but it is the need of the hour. The works of these industries fall victim to T. B. and other diseases. We should give them attention. We always demand facilities for labourers as well as farmers, such as hospitals, schools and service security for them but they are never fulfilled, because it is not practicable. We must conduct a survey to find out the number of workers suffering from T.B. and how many out of them are women. After getting these figures, we must make an introspection to find out how it was permitted to continue so long. In this way we shall be able to identify the areas which we had ignored so far. Late Shri Nehru had said that we could bring about social and economic change through Five Year Plans and the

[Shrimati Usha Choudhari]

Twenty point programme. Cooperative movement is a must for our country. Late Shrimati Indira Gandhi made possible the implementation of the plans and put the country on the road to progress through the Twenty Point Programme. Pandit Nehru had said that the poor could be uplifted through the cooperative sector only. Only if we associate the poor people, farmers, workers and labourers with the cooperative movement, can the country make progress and we can bring about economic revolution and also stop exploitation by the industrialist and the zamindars. Therefore neither can the poor think of establishing big industries nor can we stop the business of the Tatas and the Birlas. We should, therefore, frame a policy under which subsidy may be provided to the poor to set up their own industry in the handloom sector or in the Beedi industry which do not require much finance. We find that some women organisations are doing well in the fishing trade in Bombay and all over Maharashtra. This trade can be carried out better through cooperatives than through a Government agency. Women should be provided with assistance in the field of Beedi and Cigar industries. Fifty per cent of our population consists of women. Unless we provide them facilities to earn their own bread or to run their own trade, we cannot bring about economic revolution and our families cannot be uplifted. Therefore, Government should help them in forming cooperative societies.

[English]

MR. CHAIRMAN : The time allotted for this Bill is almost over. There are yet many Members who want to speak on this Bill. If the House agrees, the time for this Bill may be extended upto 5.30 p.m.

MANY HON. MEMBERS : Yes.

MR. CHAIRMAN : The time for this Bill is extended upto 5.30 p.m.

[Translation]

SHRIMATI USHA CHOUDHARI : support this Bill but still I request the

hon. Minister and the Government to order an enquiry into the Beedi and Cigar industry. Merely passing the Bill cannot help in this matter. You should look into the working conditions of this industry. Some steps should be taken to protect the health of the workers and to provide guarantee of service and wages to them. We have seen that some industries undertake measures to prevent the ill-effects of tobacco on the workers. We cannot close this industry because even now the poorest of the poor smoke Bidi. Therefore, we should refine it to see that the likely ill-effects of Bidi and Cigar could be reduced.

With these words, I support this Bill.

CH. SUNDER SINGH (Phillaur) : Madam, Chairman, I had been Minister of labour in Punjab for two terms. So far as this Bill is concerned, I know the condition of the labourers there. Be it bidi labourers or agricultural labourers, I tell you no law can help them unless they organise themselves to agitate unitedly. You may make a number of laws for them but they can't defend themselves unless they are imbued with the spirit to fight for their Cause.

So far as this Bill is concerned, I would like to quote Mahatma Gandhi :—

[English]

“Smoking is in a way a greater curse than drinking inasmuch as the victim does not realise its evil in time. It is not regarded as a sign of barbarism, it is even acclaimed by the civilized people. I can only say, let those who can, give it up and set the example”.

‘M. K. Gandhi’

[Translation]

Mahatma Gandhi had forbid smoking. He said I have horror of smoking as of wine.

[English]

“Smoking I consider to be a vice. It is a habit which is difficult to get rid of when once it seizes hold of a person.

It is an expensive vice. It fouls the breath, discolours teeth and sometimes even causes cancer". It is a dirty habit."

M. K. Gandhi

[*Translation*]

Mahtama Gandhi had said that bidi smoking affects health. Even the labourers who manufacture it fall victim to its ill-effects.

[*English*]

Mussoloni had said : "First I am a labourer than anything else".

[*Translation*]

Only a labourer can feel another labourer's problems. You may pass a number of laws but nothing can be done till the labourers organise themselves. You people enjoy all facilities in your life. Has anybody ever said that land belongs to the tillers ? Shri Jakhar owns vast area of land. Rao Birendra Singh owns 3000 acres of land. There are persons who own as much as 5000 acres of land. Shri Sparrow owns land and bungalows at so many places. If you distribute it among the poor it will be a practical step. We just talk of Mahatma Gandhi but do not follow his teachings.

[*English*]

Even the small morsel of food that he eats is taken away from his mouth.

[*Translation*]

You may frame a number of laws but if the poor people do not organise themselves nothing is going to happen. We also cannot do anything for them till they produce their own leaders.

Mahatma Gandhi first reformed himself and then asked others to follow the right path. How far you people have been influenced by his teachings ? You people talk of the poor and suggest all sorts of laws for them. Mere passing of laws cannot solve the problem; what matters is your intention. Once the labourers become

aware of their rights, they will set the things right. Mahatma Gandhi did "a practical thing. You may pass a number of laws, give a number of laws, give a number of speeches but these cannot solve the problems. This would not work. The straight fact is that unless the affected people, who are the poor workers themselves, organise themselves and find leaders from among themselves, no good can happen to them. Untill life is infused into these people, the ideals of Mahatma Gandhi, Indira Gandhi and Nehru would not be fulfilled. We do not want their upliftment and that is the bare fact. If they are filled with enthusiasm then who would care for us ? Therefore, make hay while the sun shines. People are able to talk well, but there should be an ideal as well.

SHRI MOOL CHAND DAGA :
Madam, they are speaking ill of us.

(*Interruptions*)

CH. SUNDER SINGH : When I became an MLA, I had observed certain ideals. My people have elected me not merely on political grounds but for economic reasons as well. It has been my endeavour that they should not possess less money than I possess. What I mean is their financial standing should in no way be less than mine and this should be the cherished goal. Until this is accepted as the ideal, your becoming representative of the people will not benefit at all. Mahatma Gandhi had said the same thing and our leaders also reiterate it but unless we follow it ourselves, it will not have any meaning at all. Pray, follow it yourself just a little and you will see how people follow you. I have been a member since 1946, but I have never canvassed for votes. Yet people surround me wherever I go. As they do not find another candidate more suitable than me, they elect me, I do not canvass for votes. Well, I am not indulging in self praise but what I am saying is that you should also follow the same course and you would enjoy it. Mere talking won't do.

[*English*]

It is better to be cheated by others than to cheat others.

[Ch. Sunder Singh]

[Translation]

We must reform ourselves. Unless we follow these ideals ourselves, it would be very difficult to bring about socialist pattern of society. The educated people exploit the depressed section of the society to the maximum but a time would come when the exploited people would take their revenge and set you right. They would accuse you of not practising what you preached. A day of reckoning would come but before they take the matter in their own hands, you should correct yourselves. When I was the Labour Minister, I went to see a factory at Khanna. There I saw a man standing and working near fire. He used to earn only 75 paise per day. He requested me that he would be satisfied if his daily wage was increased by 15 paise. When I come out, I saw that a white cloth was spread on which rasagulla's and other delicacies were kept—it was a grand affair. I declined to partake of the feast. When they asked the reason for it I replied that I had no right to partake of the feast; it was only the labourers who could have it. When the labourers come to know about that incident they raised slogans in my support, I was told that since I was the Labour Minister, I must think about the development of the industries but I had done the very opposite. I replied that the welfare of the labourers was uppermost in my mind. I then increased the wages by 15 paise per day which resulted in extra payment by the factory to the tune of Rs. 40,000. You should also act in a similar manner. These who want to do something are easily discernible. You should first reform yourself. One should be realistic...*(Interruptions)*

16.00 hrs.

People read voluminous scriptures and visit temples, mosques and Gurudwaras for praying to God, but they never work in that spirit. It is no use doing all this if it does not bring any change in a person. The terrorists had entered the Golden Temple. Those who entered were worthless people otherwise why should they have become terrorists.

[English]

“Where should you seek for God. Are not the poor, the down trodden and the miserable Gods? Worship them first. I do not believe in God and religion who cannot wipe out tears from the widow's eyes, who cannot bring a morsel of food to the orphan's mouth.”

Vivekananda'

“All expansion is life, all contraction is death, all love is expansion, all selfishness is contraction. Love therefore is the only life line. He who loves, lives, he who is selfish is dying. Therefore, love for love sake, because it is the only life line.

Vivekananda'

“Truth, purity and unselfishness, these three are present. There is no power below and above sun to crush the possessor thereof. Equipped with these: Even a single man can stand against the whole universe in opposition—Arise, awake and stop not till the goal is reached.”

Vivekananda's

[Translation]

The person who can mend himself will go ahead. If you want to bring about change in the society you must change the whole atmosphere. A person who derives the least benefit from society and gives back the maximum, only he would become the leader. The person who takes Rs. 4000 from the society and does only Rs. 500 worth of work would never become a leader. One who exploits the society cannot progress. The bidi workers or the poor people who take least from the society and give back more, in my opinion, should become the leaders. These people will definitely come forward one day, so you should set yourself right. One cannot expect much from you as you like to live well. So, how can you reform yourself? We must think before we utter the name of Mahatma Gandhi. Wherever Mahatma Gandhi went, he always tried to find out the per capita diet available there and did not partake of more diet than the per capita

consumption. But you are not following his ideals. Wherever you find an opportunity you take advantage of it. With these words I express my thanks.

SHRI ZAINUL BASHER (Ghazipur) :
Mr. Chairman, Sir, I wish to thank Shri Ajit Kumar Saha, for introducing this Bill. Through this Bill we have been given the opportunity of discussing a section of labour whose condition is indeed appalling. I think there is no other class of labourers whose condition is worse than that of the bidi workers. It can be guessed from the appalling conditions in which they lead their life. Those who have seen their pligh and suffering must have been greatly moved and in fact it does cause distress. It is a matter of regret that although laws regarding welfare of bidi workers exist yet those are not helpful to them. Laws are violated time and again and attempts are made to see that a sizable section of the bidi workers is not covered by the laws enacted for them. The Bill has been introduced by Shri Saha for removing this Lacuna in particular, and I appreciate it.

The bidi factory owners do not show in their office registers the names of many bidi workers although they work there. They show the names of a very few workers in their registers. Most of the workers are engaged on contract basis, who are given the bidi leaves and tobacco and are asked to deliver the rolled bidis, and in this way they are shown as contractors or agents or bidi retailers. In this way a large number of bidi workers are deprived of the benefit of the laws enacted for them. When such a large number of bidi workers are taken outside the purview of these laws then those laws cease to have any value for them. They are not paid the wages which are reasonable under the law.... The labourers in every district and State do not get their due wages as fixed by the law.

Both men and women work in the bidi industry. Rather, I would say that the number of women workers is more. These women workers are either widows or from very poor families where there is no other earning hand or those women whose husbands also work in the bidi industry. And the anomaly is that the factory owners give

more wages to the male workers as compared to women workers. Whereas there is a provision in our constitution that equal wages should be paid for equal work and there should not be any discrimination on the basis of sex. Whenever this matter is raised, they argue that women do not make bidis correctly, their hands are not clean and these bidis have to be sold at a lower price. But less wages to women is a sort of exploitation. Even children in a large number are engaged in this trade. This is the violation of the law that children work in factories. But they are also paid less wages even though they do not have anything to eat and are in distress. It is the poor and people in distress who are engaged in this trade and their plight causes great concern. So far as Government machinery is concerned, the labour laws are not enforced effectively.

I shall tell you about my district, Ghazipur. Bidi workers live there in large number. I have been drawing the attention of the State Government and the Central Government to their plight for the last many years. Sometimes some big officials visit these places and even raids are conducted but the owners tell them that they have employed only ten workers who are being paid full wages and the rest are not workers. These people do not come in the category of the workers. So far as their welfare and medical facilities are concerned, cess has imposed to create welfare fund for them but from that fund even they do not get money in time. The intention behind this Bill is good and it is in the interest of the workers and it is necessary to cover all the contractors, Agents and the bidi makers under the provisions of this Bill. I would therefore, request the Labour Minister that if this Bill is not acceptable to him and according to him there are some lacuna then these lacuna should be removed and a new Bill be introduced in the House so as to fulfil the intention behind this Bill.

Madam Chairman, I wish to draw the attention of the House to the prevalence of T.B. among the bidi industry workers about which other hon. Members have also spoken. I do not know about the reason,—whether it is due to the leaves or the tobacco—but bidi smokers do not suffer from this disease. The bidi smokers can contract other diseases

[Shri Zainul Basher]

but not T.B. There are few examples of tobacco smokers suffering from T.B. But the bidi workers are largely afflicted with this disease. We know all this because people come to quite often for medicines and help. A survey must be conducted to find the reasons why bidi workers become victim of tuberculosis while the bidi smokers are not affected by it. I do not have the courage to say that the bidi industry should be closed down because more than fifty lakh people are engaged in this trade and their livelihood depends on it. We are not in a position to offer them some other work or some alternative employment and as such cannot demand the closure of the bidi industry. But we can at least ask that efforts must be made to remove the root cause of tuberculosis or other diseases prevalent among the bidi workers before treating these diseases. We must conduct research to find out why the bidi workers are prone to this disease and make efforts to remove these causes. There should be full arrangements for medical aid and their treatments.

The welfare fund, created by imposing cess on bidis, should be used for the treatment of workers, for the marriages of their daughters for their other necessities and needs. Today the situation is that these workers do not get the money. It is all due to the lacuna, pointed out in the Bill, that the workers of this trade are not registered as labourers. Even if some of them are registered they do not get the money properly because the procedure for it is very complex and difficult. The decisions regarding this fund are made at the State level and only four to five persons per district get the benefit of the scheme. It is my request that this procedure may be made easy and simple. Wherever there is concentration of bidi workers, the disbursement should be made at district level. A committee should be constituted at the district level consisting of public-representatives, bidi workers' representatives, Government officers and persons from the labour department. It would be easy for this committee to process the case and recommend payment to the workers. This step is quite important. The sooner the

Government pays attention to the plight of bidi workers and the loopholes in the law, and removes these shortcomings, the greater is the justice we can provide to this neglected, and poor section of society. If we delay this work, I am afraid then we would not be able to ameliorate their lot. Poor women and children are engaged in this work. The conditions of these poor bidi workers is really miserable. You can recognise a bidi worker from a distance. Just a glance at the face and dress of a bidi worker would reveal his industry. The plight of no other worker is so appalling. Madam Chairmain, through you, I would forcefully request the hon. Minister to pay immediate attention to this matter.

Madam, Shri Saha has done a commendable work by introducing this Bill because it has provided an opportunity to discuss this subject in the House and as a result an outline of the condition of the bidi workers has emerged. I am hopeful that keeping in view the sentiments of the House the hon. Minister will bring forward a Bill in the House which will remove all the shortcomings of the present Bill and injustice would no longer be meted out to the workers.

[English]

SHRI SOMNATH RATH (Aska) : Madam Chairperson, I thank Mr Saha for having brought this amending Bill to the Beedi and Cigar Workers Act of 1966, so that some loopholes in the Act can be plugged and these workers can be helped and their living conditions improved.

As you know, this beedi production is labour-intensive and is done in various stages and levels. Usually, a factory employs very few workers while the major portion of the beedi production is done typically outside the factory. The principal employer supplies the raw materials, namely, the tendu leaves, tobacco and yarn etc. to the contractor who, on the other hand, distributes the same to several workers, who take these to their homes and prepare beedi and do the levelling, rolling, etc. The different stages of preparation of beedi is done by different persons and also this is done mostly by ladies. Firstly, the leaves are cleaned, washed and dried.

Beedi is prepared and sent to the market after packing. There are problems relating to the wages of these beedi workers. The shottage of the raw materials supplied to them is realised from these workers. The damage done while preparing the beedis is also realised from these workers. Suppose there is a sudden gust of wind, the leaves may blow away including to bacco and the workers have to pay for it. There is an improper counting of beedies and bundles. So many other things are there for which these workers are suffering a lot. They are taking loans and their indebtedness continues for a long time.

16.19 hrs.

[SHRI ZAINUL BASHER *in the chair*]

Their children are pledged to work in the factories for many years. An amount of one rupee and fifty paise is paid to them for working for ten to twelve hours per day which is adjusted against interest of the borrowed amount. And if they are released from the bondage the amount that is advanced by way of loan is to be repaid and the work done so far is adjusted towards the interest.

Sir, these workers are not in the organised sector. The women workers of the bidi industry are not members of the trade union and the District Labour Officers and the Instructors many times have expressed their inability to protect the beedi workers because of the inherent lacuna in the Beedi and Cigar Workers Act, 1966. Though the Act demands that the workers must be given a service book, in fact this is not supplied and there are many lacunae in the Act, as I have stated, and here are many problems too. They are not paid minimum wages and there is improper distribution of wages. Even the purchases of gum and yarn for levelling are paid from their own earnings. As I have stated, there is improper counting of beedis and there is shortage of beedis. It is because of short supply of raw materials to workers. Besides that, there is health problem. High incidence of T.B., asthma, is nopeelio and nervous disorder are common, there is no access to beedi workers dispensary for women workers.

There is no proper medical attention to them and they are exploited to a large extent. The contractors by and large supply less raw materials and fix a target for a number of beedis to be rolled and necessarily the number of beedis will be less and the workers are made to pay for this. Sir, while the employers can afford the commission they pay to the contractors, the workers on the other hand suffer enormously. They cannot protest. If they protest, they stand to lose their jobs specially since many others are in queue and there is no alternative employment for them. So, what is needed is that the hon. Minister may think of cooperative societies through which this manufacture of beedis can be done and the workers can be protected.

If possible, and it can be made possible, loans under the Prime Minister's 20-point programme can be advanced to these workers. So also there can be the bank's lending scheme for individuals and organised cooperatives with or without guarantee. The low rate of interest being charged, compared to the exorbitant interest rate by the private money-lenders can be taken advantage of. There must be special schemes to educate the unemployed youth, both men and women and how to protect themselves from this health hazardous atmosphere and all these must be looked into. I would suggest that unless stringent measures are taken and all these aspects are looked into, their problems are sorted out and a comprehensive Bill is brought forward, the workers can not be helped. It is because, in this area, we find that women and children are involved and they work in their houses and the wages they get are too low. One of the reasons for this is, these labourers are not in the organised sector. In Orissa, *Kendu* leave has been nationalised and the labours mostly Adivasis, Harijans and backward people collect the leaves. But they are not getting proper wages though it is nationalised. It is not that they are not getting better wages than what were given previously. They are getting better wages. But they are not getting the wages that were expected, which they ought to get after it is nationalised.

[Shri Somnath Rathod]

Similarly, the labourers engaged in the collection of raw materials for the production of bidis such as Kendu leaves tobacco etc. should be given proper wages and protection should be given. Steps should be taken to see that the labourers and these employees are benefited. As I have said, in this area, the labourers are not organised and they are not in a position to bargain. They are mostly exploited and the hon. Minister knows about it. I congratulate him as he is taking keen interest in their welfare and he wants to bring forward a comprehensive Bill. When a comprehensive Bill is brought forward, all these aspects must be looked into.

I invite his attention when I speak of unorganised labour sector. In Orissa, thousand of labourers who are working as *Dadan Sheramikas* are being exploited. They are being brought to Bombay and specially to Delhi, by the construction companies, both in private and public sectors and thousands of rupees are collected from them, with an assurance that they will be sent abroad. Before that, they are made to work in different projects by the same continental construction companies inside India and the minimum wages are not given. They are made to work in unhygienic conditions and many of them have met death because they were not given protection by these contractors. For years, they are not sent abroad and they are roaming without any work. You will be surprised that these contractors have no licence for years together. In reply to a question of mine, the hon. Minister said that only one manpower company in Orissa has got the licence to send labourers abroad till the period 1987 but no other. But how the unauthorised agents or contractors are functioning? They are exploiting the labourers from Orissa. What action has been taken? I invite the attention of the hon. Minister to this aspect.

Now there are about 500 workers in Delhi who have come from Orissa. They have got their passports to go abroad. But these companies under which these wor-

workers fit, are not sending these workers abroad. The reason for their not sending these workers abroad is that some complaints were made in the House against those companies for exploiting labourers, and illegally collecting huge amount.

You may kindly imagine the gravity of the situation. The workers are all the more exploited simply because the Members in the House have mentioned about the legitimate demands of the workers inside the House and the Members have brought to the notice of the Government how much the workers are exploited by these companies. The matter raised by the Members in the House has resulted: not in giving protection to the workers, not in the eradication of the evil, but in more humiliation and sufferings of the workers.

I have brought this fact to the notice of the hon. Minister in the House many times earlier and I urge, the hon. Minister to take necessary action.

THE MINISTER OF STATE OF THE
MINISTRY OF LABOUR (SHRI P. A.
SANGMA): You have told me many
times.

SHRI SOMNATH RATH: I have brought this matter to the notice of the hon. Minister of Labour many times earlier but till today no action has been taken. That is the problem.

I have brought this matter to the notice of the present hon. Minister of Labour as well as the previous hon. Minister who complimented me in the House for bringing this matter to his notice but nothing has been done. I do not know what is the remedy to the situation.

How many workers of Orissa have been sent abroad? How many companies which have illegally extracted crores of rupees have been penalised by the Government? The beedi workers are also not in the organised sector. The labourers who are not in the organised sector are

exploited most because they have no bargaining power. As all these workers, starting with the beedi worker to the worker to be sent abroad, are being exploited.

The hon. Minister of Labour should pay more attention to the beedi workers who are in the unorganised sector.

SHRI P. A. SANGMA : Yes. We should pay more attention.

SHRI SOMNATH RATH : Any worker going abroad is required to pay Rs. 15,000 to Rs. 20,000 illegally to the companies.

I hope that the hon. Minister would take into consideration all these facts while bringing forward a comprehensive Bill. These workers should be protected. The Government should give more attention to this unorganised sector than the other sectors where there is trade union right. That is my contention. I hope that my voice will not be a cry in the wilderness and I know that the hon. Minister would take note of these facts and take necessary action for the workers in this unorganised sector and against those companies which are exploiting these workers.

[Translation]

SHRI KEYUR BHUSHAN (Reipur) : Mr. Chairman, Sir, this Bill has provided us an opportunity to discuss the plight of the bidi and cigarette industry workers, about which all of us are concerned.

So far as the bidi or cigarette industry is concerned different types of people work in it. First, those who are the industrialists; Secondly, those who work as employees and Thirdly, the persons who directly work as bidi labourers. One related activity is of plucking and gathering the leaves. All these activities are inter-related and a large number of people are earning their bread from this industry. Near about fifty lakh persons are involved in it. There categories of persons are engaged in this industry in the State to which I belong and there is wide dissimila-

rity between them. The bidi factory owners are so powerful that they constitute an influential section in the society. They have become influential because of their enormous income from this trade. The second category comprises the workers who collect leaves. A look at their condition would reveal the wide disparity between the two groups. If not cent per cent, at least 90 per cent people are addicted to smoking and it has become a part of their life. Though it is an intoxicant and harmful yet it has become an item of common use. But the more important thing is that the livelihood of 50 lakh people is dependent on it. The main objective of this Bill is to provide protection to Bidi workers and to provide them an opportunity to lead a comfortable life.

What is their condition now? If we look at the condition of the working class we shall find that they are being exploited very badly not only economically but physically also. The majority of the workers do not work in factories, the work at their own houses. It is necessary for all the Beedi factory owners to build a factory for this purpose. In the factories, the working hours are fixed and under the law, they have to provide all the facilities to their workers. But you will find that the facilities which are due to the workers are not provided to them. Most of the workers bring tobacco leaves and thread to their houses and prepare Beedis there. They work for 24 hours at home and prepare Beedis. After that, the contractor or the agent of the owner sorts-out their Beedis and makes payment of only the approved Beedis. The rejected Beedis are not even returned to the worker and instead leaves and tobacco are weighed and if found short, the recovery is made from his wages. Even the Beedis with minor defect are rejected very cleverly by these contractors and recovery is made from the wages. After all these deductions have been made, the payment to the workers is so meagre that they are in a position to make both ends meet. What we have to see is how we can protect the workers and how to remove such deficiencies. The hon. Minister must pay full attention towards it and take steps to check exploitation.

[Shri Keyur Bhusban]

The second problem is related to their health. Under the existing law, there are provisions to provide many facilities to the worker. Under the existing rules, if any worker falls sick, the factory owner has to make arrangement for his free treatment but actually the rule is not being followed by the factory owners. If a survey is conducted regarding the average age of the workers, you would find that old age overtakes them even in the prime of youth due to the ill effects of tobacco from their childhood. As a result, they meet premature death. The labourers are aware of it that they will become victim of T. B. and once they become T. B. patients, they meet premature death in the absence of any treatment. We must think of measures to save him from this disease.

Free medical facilities should be provided in the localities of Beedi factories and Beedi manufacturing centres. This is the condition of the Beedi workers. Their children also make Beedis in their houses in the light of kerosene oil lamp from their childhood and they are exposed to the tobacco dust. There is no arrangement for their education.

The labourer generally accepts this work when he does not get any other work. He takes up this work in compulsion. He knows the fact that it is a poisonous substance which can kill him but he has no other alternative to feed himself and his family members. Under such circumstances, the labourer and his children take up this work. As a result of it, the children can neither get education nor can maintain their health. The Government should provide scholarship to their children so that they may pursue their studies. The Government should provide all other facilities for their education and health.

We have to take steps to redeem the labourers who are engaged in this industry for many years. Due to the non-availability of any other occupation in their area, they are deprived of the opportunity to leave this occupation and go for any other occupation. For example, Sagar in Madhya Pradesh is a very large area

where beedis are manufactured but besides Beedi industry, there is no other industry in that area. Therefore, our Government should set up new industries in such areas so that Beedi workers may get employment there. In my constituency, there is an area named Dhantri where Beedis are manufactured. As no other industry or occupation is available there, the beedi workers cannot leave the Beedi industry.

I would like to inform the hon. Minister that child labour is being engaged in this industry and until some alternative arrangement is made for them, they will continue in this trade. While providing scholarship, it must be ensured that the children do not go back to the beedi industry. Children who have worked in the Beedi industry from the age of 8 to 10 years, should be given scholarships equivalent to their wages so that they may be in a position to pursue their studies. I therefore, request the Government to provide adequate scholarship so that the children may not go back to beedi industry. The students pursuing higher studies should get sufficient scholarship and also some other work. An intelligent student of Sagar got first class first but he did not have any facility to go for further studies because he was the son of a Beedi worker. Though he belonged to a scheduled tribe, yet he could not go in for higher studies. He, wanted to do Ph. D. Some legal restrictions come in the way of granting scholarship to him because he was the son of a beedi worker and was himself engaged in the Beedi industry on part time basis. He, therefore, faced difficulty in getting scholarship for his Ph. D. And ultimately on the intervention of the Central Government the scholarship was granted to him. Therefore, I would like to say that full opportunity should be provided to the intelligent students irrespective of their caste, class of social status. Beedi workers are poor. I, therefore, request the Government to provide all those facilities to their children as are being provided to the children of the scheduled tribes. And if there is a brilliant student, the Government should make full arrangement for his studies and the expenditure should be borne by the Industrialist. These industrialists are prospering due to the Beer

industry and are expanding their business. Therefore, some part of their income should reach the workers. I would, therefore, request that full attention should be paid towards the welfare of the workers.

SHRI K. D. SULTANPURI (Simla) : Mr. Chairman, Sir, the House is discussing the Bill regarding Bidi and Cigar workers, introduced by Shri Ajit Kumar Saha. I feel that he has done so with good intentions. But so far as this Bill is concerned, I feel that there was no need for it. Under the labour laws of our country, various facilities have been given to the workers and the industrialists have also been kept under check. These laws govern the working conditions and wages of workers.

I would like to submit to the hon. Minister that so far as bidi workers are concerned, they may be getting low wages but the only way to increase it is to provide them work for at least 8 hours a day. I do not fully agree with the view that they have to toil throughout day and night. I cannot say much about bidi workers but I know that bidi is manufactured on a large scale in Madhya Pradesh and they have such brand names like 'Khilari bidi', 'Pahalwan bidi' etc.....(Interruptions)

It is the poor who fall sick because of bidi smoking. I think that bidis worth crores of rupees are sold in our country today because cigarettes have become expensive and, therefore, the poor are forced to smoke bidi. I wanted to submit that besides looking after the interest of workers, Government should also take note of the fact that a handful of businessmen are pocketing crores of rupees and, therefore, this trade should be nationalised.

The habit of bidi smoking is hard to die. It is a common addiction in a village. Bidi has reached each and every worker's house in the same way as television and Radiodid. Shri Ajit Kumar Saha has introduced this Bill. Shah is considered a rich man in our area. Had this Bill been moved by Ajit Kumar it would have served the interest of the poor people

(Interruptions)

SHRI AJIT KUMAR SAHA : Not Shah but Saha.

SHRI K. D. SULTANPURI : Shah is supposed to be a money lender and therefore an influential man. His intentions may be to organise the unions. I feel that it is not a bad idea. The Government is also interested in safeguarding the interests of workers whether they are bidi workers or other workers. The 20 Point Programme is benefitting everybody in the villages. Those living below the poverty line are identified, statewise. It was pointed out here that the workers are being exploited, the Government should therefore look into it. It has also been mentioned that the workers and their children suffer from T. B. and therefore efforts should be made to save their children. Many things have been mentioned here. I think that even in remote areas, where people used to smoke cigarettes, they now smoke bidi. In Gujarat there is a heavy concentration of the bidi industry. In Rajasthan also there are many brand names of bidis like 'Shankar bidi,' 'Khilari bidi' etc. Even the women and children are engaged in bidi making during spare time. They do it to feed themselves. There is nothing wrong in it. There should be fixed working hours in the bidi factories. Bidi factories should be registered. The labour Ministry should look into the working of bidi factories and ensure that a record is maintained of the quantum of production as well as the number of employees, so that there is no exploitation (Interruptions) So far as our workers are concerned, they should get fair wages. The big industrialists who are engaged in bidi production should not be allowed to exploit workers. It would be appropriate if the Government looks into it. The Government is otherwise safeguarding the interests of workers. I feel that Shri Saha should withdraw this Bill and the Government should itself consider it. With these words I thank you.

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : Mr. Chairman, Sir, a lot

[Shri Syed Masudal Hossain]

of discussion has already taken place on this Bill. I would also like to make a few points. There are about 1.75 lakh beedi workers in my district Murshidabad. The problems there are somewhat different from those being faced at other places. A number of the problems are, of course, common. The Beedi owners have no factory of their own, they get this work done through contractors. They entrust this work to *Munshis* who get *beedis* manufactured from the people in different villages. Those *Munshis* indulge in a lot of exploitation. The beedi workers do not get proper wages. The *Munshis* have their own shops and they tell the beedi workers that since the owner had not made them cash payment, they could take rice, wheat or pulses. On the one hand, they pay less wages and on the other, hand they over-charge for wheat, rice and pulses. I do not know whether such a problem exists elsewhere or not. So far as the child labour problem is concerned, it will continue to persist as long as the beedi owners do not have factories of their own, and as long as the Contractors or *Munshis* continue to get the beedis manufactured in the villages. The entire family of the worker who brings beedi leaves and *masala* gets engaged in this work. There is no check on this process. Therefore, it is imperative that in the first instance, factories should be set up.

Secondly, no identity cards have been issued to the beedi workers. Identity cards must be issued to them. A lot of discussion has taken place on the question of wages of the beedi workers, but I would like to say something about the problems being faced in my district. There is Jangipur Sub-Division of Murshidabad district which has the highest concentration of beedi workers. This Sub-Division is flanked by Bangladesh on one side and Bihar on the other. When the beedi workers start agitation there for wages, it is heartening to note that the hon. Members from that side also support them the owners shift their factories from Jangipur to Bihar which results in the closure of the work. When this situation continues for months together, the helpless beedi

workers agree to work on the same wages paid hitherto. Therefore, the labour laws should be made applicable on all India basis and should apply to beedi workers also because when the beedi workers resort to agitations, the owners shift their factories to Bihar and elsewhere and the agitation fizzles out. the workers have no rights whatsoever.

Besides, there are a lot of problems due to its being a border area. My friend from Madhya Pradesh was telling that during the process of sorting, they reject a large number of beedi as bad and refuse to pay wages therefor. They send such rejected beedis across the border to Bangladesh. The State Government has no control over it. Everybody knows about it. Shri Sontosh Mohan is present here and he also knows about it. The Government should pay attention towards that border also. Everybody knows the conditions under which the beedi workers have to work there. During the course of his speech, an hon. Member from that side was saying that those who smoke beedis do not contract T. B. but those who manufacture them do contract. It is a fact that if they work in such conditions, they are sure to contract T. B. Therefore, I urge the Government that at least one T. B. hospital should be set up in the area where more than 50,000 beedi worker live, of which they are very much in need. There is a proposal for setting up of a T. B. hospital in my district, but there is a dispute on the question of its location. It is not being located where it should be. You have laid the foundation-stone of the proposed hospital elsewhere. I do not know whether the foundation-stone has actually been laid there or not, but it has surely put me in great peril. I do not know. You had to lay the foundation-stone at Dhulian, but you did it at Aurangabad. You did lay the foundation stone at Aurangabad, but thereafter the Government did not take any action.

[English]

THE MINISTER OF STATE OF THE
MINISTRY OF LABOUR (SHRI P. A.

SANGMA) : According to your formula, there should be one T. B. hospital for 50,000 workers or more whereas Dhulian has got 45,000 workers. So, it does not qualify. According to your formula; I am saying this.

SHRI SYED MASUDAL HOSSAIN :
I think your figures are not correct.

SHRI P. A. SANGMA : I do not know. But it is the official figure.

[*Translation*]

SHRI SYED MASUDAL HOSSAIN :
Anyway, you have laid the foundation stone at Aurangabad, but there are about 1.75 lakh beedi workers in my district also. You should pay attention to them also. You did it at Aurangabad. We do not want that to be shifted to Dhulian but you should set up a hospital at Dhulian also. Let there be hospitals at both the places. What is the harm if two hospitals are set up for two lakh people? This is my appeal to you on behalf of the beedi workers of my district. At the same time, I would also request you to get the Bill moved by Shri Saha in this House passed, if possible, because it has received support from all sections of the House. If necessary, some amendments can be brought later on and passed, but you must do something in this regard. In the end, I shall resume my seat by saying that you must pay attention to the problems of the beedi workers and take action to solve them.

[*English*]

SHRI K. S. RAO (Machilipatnam) : Mr. Chairman, Sir, we have certainly admiration for Mr. Ajit Saha for bringing out the various problems faced by the beedi workers wherein about 50 lakh people are engaged who, without and doubt, are living below the poverty line. Taking the average living cost as Rs. 2700 per annum, the entire 50 lakh beedi workers are living below the poverty line. So, this requires the attention of the entire House, particularly, the

attention of the hon. Minister in plugging the loopholes that are there in the Act. Every time when we think terms of the problems of the workers, we are always discussing about the organised sectors and it is the common knowledge that the organised sector is able to get a part of its due at times, but in the case of unorganised sector it is not like that and it is well known to everyone of us that the number of workers in the unorganised sector is no less than those in the organised sector and beedi workers is one such unorganised sector. So, not only the Government, but I would even request the trade union leaders and social scientists also to give thought to this and think how best the living conditions of the people working in this unorganised sector could be improved.

Sir, a good number of my friends here have already brought out various problems faced by the beedi workers. Sir, I come from Warangal District in Andhra Pradesh and I know the living condition of these workers. If you look back the history of these poor people, especially the living condition of these people, you will know that these beedi workers since the period of their grand-fathers and ancestors have been living the same way of life i.e. for hundred years or more. This is particularly so because at no time their income is sufficient to meet their meagre requirements. The immediate relief that the hon. Minister could think of is as the hon. Finance Minister has already included the urban poor to get the benefits of the 20-point programme i.e. to the 'rikshwa pullers' 'cobblers, etc.', beedi workers must also immediately be included in the category to take advantage of this 20-point Programme. There should absolutely be no second thought about it because the hon. Minister also agrees that the beedi workers are comparable to 'rikshaw pullers'. The only difference is that the Rikshaw pullers are known to everybody in the cities and towns whereas the beedi workers may not be so. Therefore, a definite consideration must be given to these poor people, particularly because a good number of them are women.

17.03 hrs.

[SHRI SOMNATH RATH *in the Chair*].

[Shri K. S. Rao]

It will be surprising to know that the daily earnings of the Beedi workers are Rs. 3 or Rs. 4 not for six or eight-hour work, but for more than eight hours. Therefore, there need not be any hesitation or delay on the part of the hon. Minister in bringing forward an amendment either on his own, or with improvement necessary in the Bill moved by the hon. Member Shri Ajit Saha, so that we can save these people from avoidable sufferings.

Invariably whatever may be the minimum wages fixed for the Beedi workers, the practice is that they are paid on piece rate basis. The owner, his petty contractor or his munsis gives certain material to the Beedi workers and they carry it to their houses and bring back the finished Beedis. The average efficiency of a worker can be gauged and on that basis a proper piece rate fixed so that it is not less than the minimum wages. If that is done, the efficiency would not be reduced and at the same time their interests would be secured. I do not know whether there can be a provision made in the law for fixing a proper rate on quantum of work to be done. If it is possible, either the minimum piece rate, or minimum wages should be enforced. But our experience shows that in spite of the Contract Labour Abolition Act and the Minimum Wages Act, whatever be the rules thereon, when it comes to the question of implementation, some loopholes are there in every Act and it is being taken advantage of by the concerned people. The result is that the real beneficiary, who is supposed to get the benefit, is not getting the same. Either of these two, that is, either minimum piece rate or minimum wages, should be ensured for the beedi workers.

It has already been explained by many hon. Members that Beedi workers are exposed to health hazards. The people engaged in the Beedi industry are suffering from T.B. The highest forum of this country should take care of these people and save them from this health hazard, otherwise their lives become more miserable. Not only they are getting meagre earnings,

but their meagre earnings are further getting reduced in terms of purchasing power, and some of it is going in getting their diseases cured. Constantly, they are suffering from ill-health. That needs to be taken care of.

At least to put an end to this from becoming perpetual, their children must be given extra care and extra privileges in the matter of education. Education is the only instrument that can bring a change particularly to the poor. Whatever be the grievances of Beedi workers, whether they are getting correct wages or good remuneration of less wages, at least their satisfaction would be that their next generation would be saved of these ills. If necessary, by giving proper identification to the Beedi workers, their children must be given all this privilege in the matter of education. It has been mentioned by many hon. Members earlier also.

We are all one and we have no hesitation in supporting, irrespective of the party affiliations, when it comes to the question of serving the poor, particularly the neglected sector in the country. We extend our full support to such measures

We request the hon. Minister to come forward with a suitable amendment in the next session itself, so that 50 lakh Beedi workers can feel confident that once their plight has been brought to the notice of the highest forum of the country, the Members have not kept quiet or it has not fallen on the deaf ears of the Minister. So Sir, I am sure that I need not tell much about it. I request you to see that people in this sector who are living below the poverty line, not just below, but much below, are soon given all the benefits that are due to them.

[Translation]

PROF. NARAIN CHAND PARASHAR (Hamirpur) : Mr. Chairman, Sir, I welcome the Private Member Bill introduced by Shri Ajit Kumar Saha because he has drawn the attention of the House to a burning topic. Many a time speeches have been made in

this House on this problem and important information, in reply thereto, has been submitted before the House. According to the information given to us in reply to Question No. 434 on 15 April 1985, number of workers engaged in 'bidi' industry is 30 lakhs 77 thousand and out of this, the maximum number—about 5 lakh—is in Madhya Pradesh, followed by Uttar Pradesh where this number is about 4.5 lakhs.

It is a matter of regret that their working conditions are not satisfactory. In 1978-79, a survey was conducted about the working conditions of the bidi workers and it was found that out of every 100 families, 1975 families that is about 20 families are suffering from one or the other disease. From this you can guess as to how serious this problem is. Among the workers, there are handicapped persons as well as women who observe *pardah*. In this way this bidi industry helps in providing employment to very backward and weaker sections of the society.

According to an estimate, 130 crore bidis are manufactured every day in India and from this not only the Central Government earns excise duty worth Rs. 25 crores, but the State Governments also get Rs. 5 crores. Almost equal income is earned on the sale of tobacco. The number of workers in this industry is next only to the number of workers engaged in agriculture and in the handloom sector but the desired attention is not being paid to them. It is, therefore, necessary that the Government should pay attention to the suggestions made in this Bill and should take steps which may result in not only good work but better health for them also.

I am one with Shri K. S. Rao on the point that something should be spent on the workers, almost all of whom get a very meagre amount of Rs. 5 per 1000 bidis and even then total earning comes to Rs. 200 crores. They come below the poverty line and it is, therefore, necessary that some special scheme is formulated for them and the way the Government takes care of the other weaker sections of the society under the 20-Point Programme, this section too

should be covered under the programme. They should also be provided facilities under this Programme. Bidi is quite popular in the world today. According to an information, 800 packets of bidis are smoked every day in Japan and there is great demand for it in the Japanese market. India is, of course, earning from it but we should pay attention to the workers also. Neither is there any arrangement to supply medicines to them nor any hospitals are there for them. As an hon. Member had said, they should be covered under the ESI scheme. Why is it so that the workers, if organised, can jolt the entire nation and if they are unorganised, no one bothers about them? They have no trade unions and are not organised. Therefore, they cannot put pressure to the desired extent. In such a situation, it is necessary that the House should pay attention towards them and the Government too should pay immediate attention to them. Not only should they be covered under the 20-Point Programme and special provisions made for them, but a fresh survey should also be conducted, as the 1978-79 survey has become 9 to 10 years old, to know about their living conditions. It is the duty of the Government to remove the difficulties that they are facing.

Socio-economic organisations should also pay attention towards them and extend a helping hand. I am grateful to Shri Saha because he was done a good turn to them by drawing the attention of the House towards this important matter. I would like that the spirit of the Bill be respected and if the hon. Minister is not agreeable to pass this Bill in its present form, he should immediately bring before the House a Bill in a better form so that these workers come to know that Parliament and the Government care for them.

With these words, I support the spirit behind this Bill and thank you.

SHRI BALKAVI BAIRAGI (Mandsaur):
Mr. Chairman, Sir, there is a feeling of labourers' welfare behind the Bill introduced by Shri Ajit Kumar Saha. In this

[Shri Balkavi Bairagi]

House whole-hearted respect has been shown to this spirit and nothing against it has been said from any quarter. So far as manufacturing and consumption of bidi is concerned, as Prof. Parasar had been saying just now, if we make a comprehensive survey, I am sure we will find that at least 1/5th of our population consumes bidi. Around 20 to 25 per cent people smoke bidis and the Government realises revenue also from it. But what is the condition of the workers i.e. the people who are engaged in its manufacture. As Shri Keyur Bhushan and also Shrimati Basavarajeswari had stated, even a serpent does not make its habitat in a tobacco field whereas these people toil day and night in these very fields, Bidis are manufactured in some parts of Jawara, Neemuch and Mandsaur in my constituency. When I go there to meet those labourers, I really feel sorry to see them toiling the whole day. When I ask them when can I meet them, the labourers some time say "Any time convenient to you, you may come any time at night." When I ask them now can they keep awake, they reply with a heavy heart as to when do they sleep to think of getting awakened. They are all the time in the environment of tobacco. They keep on coughing whole night. There is no protection or guarantee for their health. The whole night is spent working and they fall victim to diseases. Many of the hon. Members have expressed concern over T.B. I want to go further. They fall victim to even cancer; the entire labour class has become its victim. For them whatever you do will be inadequate be it an expression of your concern or making any provision for them.

I want to submit some points. I hope the hon. Minister will consider them. Whatever law you enact, kindly include these points in it. First, further you keep the children from its manufacture the better it will be and it will be an obligation on this generation. There are two reasons for it. One is that this situation is known to all the hon. Members of the House and secondly. Mr. Chairman, Sir, through you I want to tell the Labour Minister that they

use the children as guinea pigs; they ask them to smoke the bidis and tell about its effect. Because of such experiments on children, they become prone to such diseases right from childhood. Therefore, you should take steps which may help in saving the children from these diseases.

The Madhya Pradesh Government gets welfare revenue up to Rs 4 crores from the bidi industry, out of which certain amount is spent on their welfare but even then between Rs. one to two crores is left unspent with the Madhya Pradesh Government every year. We shall, of course, ask the State Government but to you also we want to submit that you have figures about the incidence of these diseases with you. Therefore, hospitals should be provided in those areas for the treatment of those particular diseases where such patients and children of tender age are struggling for life. They should be given scholarships also. Our friend is sitting here whose constituency is Jabalpur, which is the largest bidi manufacturing centre of the country. The constituency of Shri Ajay Mushran, the biggest bidi manufacture of the country is Jabalpur. The entire business is carried out through aeroplanes. But if the hon. Minister gets a survey conducted, he will find that there is not a single family of bidi labourers in the country which is not in debt. Even if all the members of the family work as bidi workers, they cannot free themselves from the debt because the bidi manufacturers give some advance to them which they realise alongwith interest. That interest never ends. Generation after generation vanishes in rolling bidis even then they are unable to pay the interest in full.

Just now an hon. Member was saying that bidis are rejected but even these bidis are sold, though the labourers do not get full wages for them. You go and visit the bidi factories and see the situation prevailing there 150 crore bidis are manufactured daily in our country and the factories do not have the capacity to store them. Then there do they keep them? They store them in the workers houses who are known as contractors' workers. They are not called

factory owners' workers. Therefore, no law of yours benefits them because in between comes the contractor. If you order a survey, we will feel obliged. A bidi worker is not aware of the brand of bidi he is making. He is not aware for whom he is making the bidis. He does not know as to which brand will be affixed on the bidis he is rolling. He does not know why he is making bidi. He knows only this much that he is making it for the contractor and that too for paying the interest. There is no chance of paying the principal. His life is spent in paying the interest only. Kindly make a provision in the law that the bidi workers will get rent for storing the bidis. At least the workers should get this amount. The workers should get that money which the manufacturer would have spent on storing the bidis in godowns. Besides, he should get the full wages. The workers should be protected and if possible, should be issued identity cards. If it is possible, keep the women and children away from this industry. If you accompany me, I will show you the condition of the women workers. The women bidi workers get afflicted with diseases right from the period of pregnancy with the result that they give birth to unhealthy children. This is a humanitarian problem. It is related not only with the law but with human values as well. This Bill has been brought with good intention and there is much scope in it. The Governments which work for labour welfare and public welfare, keep themselves abreast with the problems of the people and if the need is felt amendments are made in the law from time to time. You have not taken care of the bidi workers. It will not be proper if protection is given to those who just affix the label and not to the workers. You will have to choose between the label and the labour.

I would like to suggest that the issue of brand names of the bidis should be looked into afresh. Sometimes it creates ridiculous situation. We have come across Shivaji brand bidis. If the bidis carry the brand names of the great national heroes of the country, what will be the fate of the

country. There are number of such names. The bidi manufacturers have made the situation ridiculous. They adopt different brand names for the bidis just to popularise them. They make Ganesh brand bidis. Now the manufacturers of Ganesh brand bidis will have grouse against me that I have made complaint against them in the Lok Sabha. I would urge that the labourers, Lord Ganesh and Shivaji should be saved from these people. They make bidis in the brand names of deities and great people of the country which is not proper. In Rajasthan, Chetak brand bidis are manufactured I do not know how many other brand names are used in manufacturing bidis. Therefore, I would like to say that the issue of labels may be reviewed afresh and the brand names should be strictly screened at the time of registration. At least they should not disgrace the great people of the country by using their names on the label. I fully respect the spirit behind the Bill and this Bill should motivate you to bring a better Bill. Every fifth person in the country smokes bidis. We three are sitting here. I do not smoke bidis...*(Interruptions)*... He is chewing tobacco and its small is coming to me. No one smokes in my family but many people chew tobacco. There is a close relationship between bidis and the voters. The hon. Labour Minister must bear in mind that three things cannot be stopped in our country. One is post card which cannot be discontinued in the country. We all know that if the Government discontinue Post Cards in the country, it will lose half of its votes. Post Card cannot be discontinued in the country. The second thing which cannot be discontinued is bidi and the third thing—please do not ask me to name it. In this way these two to three things cannot be discontinued in the country. But what we want is that we should at least do something for those workers who are engaged in manufacturing items which fetch good revenue. We must ensure that they remain safe as well as healthy and go on doing their work. We should provide them all kinds of facilities.

With these words, I would like to make a request that a comprehensive and better

[Shri Balkavi Bairagi]

Bill may brought forward so that the entire House gets credit for it from the people. The Government should give special attention towards those workers who manufacture bidis for the bidi smokers by leading a miserable life. I convey my thanks to you for giving me time to speak and convey my gratitude to the Member who brought this Bill.

17.29 hrs.

STATEMENT RE : GOVERNMENTS
DECISIONS ON THE REPORT OF THE
MEDICAL EDUCATION REVIEW
COMMITTEE

[English]

THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRIMATI MOHSINA KIDWAI) : Sir, I place on the Table, the Report of the Medical Education Review Committee and also a Statement indicating the decisions of the Government on the recommendations of the Committee. The terms of reference of the Committee were as follows :—

[Placed in Library See No. LT 2609/86]

- (i) to review the current admission procedures (including entrance tests) and domiciliary restrictions for admissions to under-graduate and post-graduate courses and to make suitable recommendations separately, in regard thereto;
- (ii) to suggest measures aimed at bringing about overall improvement in the under-graduate and post-graduate medical education, paying due attention to;
 - (a) institutional goals;
 - (b) content, relevance and quality of teaching and training and learning settings; and

(c) evaluation systems and standards.

(iii) to recommend the optimum duration of under-graduates and post-graduate courses of study separately;

(iv) to examine the existing Internship programme and to recommend its future pattern;

(v) to review the working of the Residency Scheme along with the Housemanship Programme and to make recommendations regarding a uniform pattern of post-graduate training;

(vi) to examine the current requirement of Thesis or Dissertation as an essential part of post-graduate medical education and to make suitable recommendations in regard thereto; and

(vii) to examine the feasibility of a period of service in the rural areas for medical graduates and post-graduates.

The committee was also asked to evolve realistic projections of medical manpower requirements.

The recommendations of the Committee were examined at great length by the Ministry. The developments which took place in the field of medical education subsequent to the receipt of the Report, have also been taken into consideration. I am also placing on the Table a Statement indicating briefly the recommendations of the Committee and the decisions of the Government on the recommendations. Most of the recommendations have been accepted. Some of the recommendations which are accepted would require to be implemented by various agencies such as the medical colleges, State Governments, Medical Council of India, other autonomous organisations involved in the field of medical education and the Central Government. In these cases action will be initiated in consultation

with the concerned bodies for the early implementation of the recommendations involving them. Certain recommendations are already under implementation and these would be scrutinised and reviewed to ensure adequate and full implementation. There are recommendations involving amendments to the Indian Medical Council Act, 1956. Action is under way in this regard. The far-reaching recommendations of the Committee relate to the establishment of Medical and Health Universities and setting up a Medical and Health Education Commission. The Central Government have accepted these recommendations in principle. However, the structure of these organisations, modalities of their operation, status and various other matters relating to their establishment and functioning would require to be examined before bringing them into existence. These would receive, however, immediate attention of the Ministry.

17.34 hrs.

HALF AN HOUR DISCUSSION

[Translation]

Technology Mission for Drinking Water

SHRI VIRDHI CHANDER JAIN (Barmer) : Mr. Chairman, Sir, first of all I would like to convey my thanks to the hon. Minister that he has launched Management of Technology Mission For Drinking Water. Although they had launched the project on the 10th of March, yet the Project report which should have been presented on 31st of March, has not yet been presented to date. First of all I would like that the project report be presented so that some initiative may be taken in the matter.

Secondly, the problem of drinking water has not eased to-date in the country. Even after 38 to 39 years of independence we have not been able to solve this problem. This is a challenge for us.

There are desert areas in the country where one has to trudge 8 to 10 kilometres

to fetch drinking water and one member of of the family is totally engaged for this chore. Because of the drinking water problem and the present situation, drinking water is being supplied to one thousand villages of the desert areas through tankers. Arrangement of drinking water is being made in 1050 villages. These are areas where the rainfall is hardly 5 or 6 inches and sometimes there is no rainfall at all. Similarly, in many villages of Rajasthan, no drinking water is available and in the desert areas it is not available at all. Water is supplied to these villages through pipelines upto 70 to 75 kilometers by installing tubewells. The cost of installing a tubewell comes to Rs. 2.5 lakhs. Your department has sanctioned several schemes under which each scheme costs Rs. 15 crores and covers 24 villages. In the Shigdari Panchayat Samiti there is a scheme from Mithura to Shigdari and the another one from Jogsar to Nausar in Barmer. The officers made a visit to the site and sanctioned the schemes of tubewells, each costing Rs. 1.5 crores. In this way the per capita cost works out to be quite substantial. An expenditure of Rs. 5 to 10 lakhs is incurred on water supply per village. This is the situation. We have to solve not only this problem but those of the country as well. The Central Government had provided full assistance to the Government of Rajasthan in the Sixth Five Year Plan. I convey my thanks to you for this. A sum of Rs. 64 crores was earmarked under the minimum needs programme. But we were provided Rs. 124 crores under A.R.P. which enabled us to implement our programmes. But the present situation is that by the end of the 6th Five Year Plan we have to ensure water supply in 10 thousand villages. There are 3700 such villages, the rest are hamlets in the group of 250 houses each. In this way water supply is to be made in 10 thousand villages.

Taking into consideration the acute problem in Rajasthan, that State was given the maximum assistance in the country in the Sixth Five Year Plan. From 1980 to 1984, Rajasthan received Rs. 76.57 crores and if the bonus amount of Rs. 7.50 crores is added the total amount comes to Rs. 84.7 crores which is the maximum vis-a-vis other States. Uttar Pradesh, West Bengal Bihar received Rs. 72.39 crores, Rs. 34.50

[Shri Virldhi Chander Jain]

crores, Rs. 29.97 crores respectively. In this way Rajasthan was given top priority as the problem is acute there.

Now the question is that a total sum of Rs. 3554.47 crores has been earmarked for drinking water supply in the Seventh Five Year Plan. Out of it Rs. 2253 crores have been earmarked under the minimum needs programme and Rs. 1201.22 crores under the A.R.P. The allocation made in the Seventh Five Year Plan is far less as compared to the allocations made earlier. In 1983-84, a sum of Rs. 41.42 crores was allocated under A.R.P. in the Sixth Five Year Plan, in 1984-85 it was Rs. 39.13 crores, in 1985-86 it was Rs. 27.32 crores and 1986-87 the allocation is Rs. 21.22 crores. You can say that when Rs. 2253 crores have been earmarked under the M.N.P., how can Rs. 1201 crores more be provided. Ours is a desert area and 55 per cent area in Rajasthan is covered by desert. At least 11 districts are in the desert area and the problem is very acute there and as a result the expenditure there is relatively more. A number of villages will have to be linked with the Indira Gandhi Canal. If these villages are not linked with the Indira Gandhi Canal, no permanent solution of the problem can be found. This is the situation. The problem of drinking water can only be solved through Indira Gandhi Canal because tubewells have been successful in a very limited area. In most of the areas, tubewells have not been successful. It is not possible to ensure water supply in all the villages. Therefore, with more expenditure, the water being supplied to Barmer, Churu and Jaisalmer district from Indira Gandhi Canal will have to be supplied to these villages. If we expect Rajasthan to give a matching amount under Minimum Needs Programme, the problem of drinking water in Rajasthan cannot be solved for 30 years because its capacity is limited. The plan outlay of Maharashtra amounts to Rs. 10,500 crores. The plan outlay of Gujarat is Rs. 6,000 crores and the Rajasthan's plan outlay is Rs. 3,000 crores. Rajasthan cannot allocate more amount than this. This State has allocated Rs. 110 crores for rural sector, Rs. 105 crores for urban sector and

Rs. 5 crores for training. They cannot provide more than Rs. 220 crores. They have to construct the canal for irrigation. Even six per cent area in Jaisalmer is not covered by power supply. It is necessary to make electricity available because the plan cannot be executed without electricity. We shall have to discard diesel sets. In the modern times the Technology Mission will have to discard the diesel sets. Electrification is needed to do away with them. If there is provision in the plan, the electrification is necessary for the purpose of drinking water supply also. The Technology Mission will also have to think whether water can be made available in these areas at a very low cost by harnessing solar energy and the wind energy. This is a challenge before them. If necessary, we must import the machinery for this purpose.

If need be, we must acquire technical knowhow. We shall have to see how can these schemes prove beneficial. The tubewells in our State are installed at a depth of 500 ft to 600 ft. The life of tubewells installed by the Exploratory Tubewell organisation, is as much as twenty to twenty five years. But the life of tubewells installed by Rajasthan Government is only two to two and a half years and in some cases only six months. You should find out its reason. A great loss occurs in this manner. The Technology Mission should examine it fully that how the construction was not carried out properly and how proper material was not used. If a tubewell is installed at a cost of Rs. 2.5 lakhs and if it does not last even for two years, it cannot be called useful in any way. It is essential that it should be enquired into thoroughly.

The Mission will enquire into it. I am giving you information on the basis of the situation prevailing in Barmer district. We are providing funds under A.R.P. Therefore, I am requesting you to become liberal. The allocation of Rs. 1201.22 crores may be increased to Rs. 2500 crores. If this is not done, we will not be able to provide drinking water in all the villages in the Seventh Five Year Plan. If this situation continued in the ten thousands villages in Rajasthan, least five thousand five hundred villages would remain problem villages at

the end of the Seventh Five Year Plan. Therefore, it is essential that this amount be enhanced. Taking into consideration the peculiar situation of the desert areas, special funds should be allocated so that we may be able to provide drinking water to those villages. We are not getting electricity. The irrigation schemes are under execution in Rajasthan for the last 25 years but even then the canal has not reached our area. If the arrangement of drinking water is not made in our area, what explanation will we give to the people. The work on the scheme of providing water in our area was started just after independence. Therefore, it is necessary that it should be given top priority over irrigation and power. The Planning Commission should be requested to solve the drinking water problem in the Seventh Five Year Plan. We should keep this in mind while undertaking the work.

Special consideration should be given to Rajasthan, particularly to desert areas, while formulating the norms. Norms cannot be fixed on the basis of the population or per capita basis. We shall have to consider different aspects e.g. the peculiar features of the area and its geographical location. Besides, according to the programme of the International Drinking Water Supply and Sanitary Decade, water should be made available to all the villages by March, 1991. In a reply to a Starred question No. 826 asked in 1986, it was stated that water will be made available in 85 per cent of rural areas and even then 15 per cent of the villages will be left by the end of the Seventh Five Year Plan. We do not want that these 15 per cent villages should be left out. What are you going to do in this respect. What kind of research is going on to convert the saline water in the desert areas into potable water. May I know whether the water will become potable or not and whether it will be beneficial or not. Information may kindly be given in this respect.

Will the rigs, which are being imported, be manufactured in the country itself so that we may not have to import them and the cost may also be less? It has said that hand pumps have not been successful in the desert areas because there the water

is found at a depth of 300 ft. to 500 ft. These hand pumps can be operated only where the depth of water is 125 ft. If you think hand pumps will be successful there, you are mistaken. Therefore, tubewell is the only way out of the problem. But even tube well be functional at the most for 15 to 20 years due to its continuous use. What will happen after it. Therefore, the Indra Gandhi Canal is the only solution to the problem. With these words, I hope the hon. Minister will reply to the points raised by us in the Half-an-Hour discussion.

THE MINISTER OF AGRICULTURE (S. BUTA SINGH): I am grateful to Shri Viridhi Chander Jain for he has raised today a matter of national importance during the Half-an-Hour discussion in the House. There is no doubt that our Government and the Hon. Prime Minister have committed from the very beginning to provide clean drinking water to the people of the country and we are taking steps in this direction. We have mounted a Special Technology Mission so as to supply clean drinking water in every village where it is a small or a big one. The hon. Member has referred to that Mission also and thrown light on the problems of Rajasthan in particular. Shri Viridhi Chander Jain is a very active and an able parliamentarian and he pursues any question raised by him till it is solved. I recollect when I was in the works and Housing Ministry that he made great efforts for the desert areas under D.P.A.P. It is only due to his efforts that special allocation was made for the development of the desert areas. Similarly, he has raised the issue of drinking water problem of Rajasthan in the House. Although Shri Mool Chand Daga and myself represent Rajasthan, it has been our effort to solve the drinking water problem of the desert areas of Rajasthan. The problem is not that water is not available there but the underground water, which is available there is not suitable for drinking purposes and therefore, the problem has become very acute. When we had taken up this problem on national level, we had made efforts to provide water to all the problem villages during the Sixth Five Year Plan and we are continuing the efforts even now. At that time 2.31 lakh problem villages were identified. During the Sixth Five Year

[S. Buta Singh]

Plan drinking water was made available to 1.92 lakh identified villages with the help of Centre as well as the State Government and in this way 0.39 lakh problem villages were not covered at the end of the Plan which have been included in the Seventh Five Year Plan.

17.51 hrs

[SHRI ZAINUL BASHER *in the Chair*]

When the Seventh Five Year Plan was started, the Planning Commission had envisaged that all the village in the country would be provided drinking water facility. An assessment was made in this respect. We will have to give cent per cent coverage on the basis of the assessment and the assessment was made on the basis of the following 4 points.

[English]

- (1) All hamlets and habitations,
- (2) Supply of water at 70 litres per capital daily availability. This will also take care of the water requirements of the Cattle Population in the Scarcity affected areas;
- (3) Special Source for Scheduled Castes and Scheduled Tribes; and
- (4) Augmentation of existing sources so as to compensate for the population growth.

[Translation]

And it was estimated that if we had to provide water to the cent per cent villages, we would need about Rs. 7,700 crores. When the issue of resources availability during the Seventh Plan was raised, we got Rs. 3454.47 crores in all. Now you can see that we got less than half the requirement. Dagaji has correctly worked it out to be 45 per cent. Therefore, with the 45 per cent allocations we shall have to achieve the same targets.

[English]

We have coverage of 100% villages towards the end of Seventh Five Year Plan. Then there was a question as to how we are going to attempt this. We consulted almost every institution and every expert Body which is available in the country to make it possible that within these resources, we are able to achieve the results which we had fixed for ourselves in beginning of the Seventh Five Year Plan.

[Translation]

It was, therefore, decided to appoint a Technology Mission. There are two methods of making water available. The first is to exploit the underground water by means of tubewells and the second is to supply water through pipelines in the areas where there is scarcity of water. The pipeline water system is very expensive and even if we pool all our resources for the purpose, still it would be very difficult to undertake it.

As has been pointed out by the hon. Member, tubewells have not been successful in several areas because of a number of reasons i.e. persistent drought conditions, fall in the level of subsoil water table and sometimes tubewell water turns brackish after one year. Here, one or the other problem always arises. Therefore, the Technology Mission mounted by us has suggested five points. The water available in our country should be treated in five ways so that the water, which is not potable at present, may be made potable at low cost by using low cost technology. An effort has been made to augment the resources available with us by utilising the resources available under programmes like NREP, RLEGP, IRDP under the Ministry of Rural Development and with this end in view important thrust areas have been put up before the Mission and efforts have been made to treat them in the following manner.

[English]

- (i) Development of traditional sources such as streams, springs, nalas, open, dug wells etc. and developing the traditional water collection structures through use of appro-

private technology and material and making water from these sources potable through suitable treatment.

- (ii) Application of low cost Science and Technology methods to tackle the problem of salinity and brackishness as well as contamination of water with fluorides, iron and pathogenic organism.
- (iii) Augmenting the existing water resources through micro-level economical planning involving afforestation, soil and moisture conservation, water management etc. and developing water balance studies for conjunctive use of water resources so as to prevent indiscriminate and wasteful use of water.
- (iv) Developing health education so as to create awareness and motivate individuals and communities to take adequate preventive and promotive measures against diseases caused by unsafe water and poor sanitation. Reorienting and re-structuring the delivery system.
- (v) Training of personnel and developing co-ordination and intergation among different agencies for achieving the objective.

[Translation]

There are the five thrust areas and a Technology Mission has been mounted for their implementation. The Ministry of Rural Development is also involved directly in this project. The Mission Director would be of the rank of Special Secretary or Additional Secretary and he will be assisted by a Standing Committee under the chairmanship of the Secretary of the Department of Rural Development.

[English]

There will be a Standing Committee at national level under the chairmanship of

Secretary, Department of Rural Development and with representatives from CSIR, Planning Commission, Department of Science and Technology Minister of Water Resources, Ministry of Health and Family Welfare, CART, Secretaries of State where projects will be taken up under the Mission. The Standing Committee will review the project work and performance periodically and provide overall guidance for the Mission.

Now this is the system. This system which we are going to establish at the Centre will be followed in the State also and from the State downward right to the District level and we will have a Project Director as well as a Committee to assist the Director.

[Translation]

In this manner, we have organised the Mission extensively in the whole country.

Sir, the hon. Member had said that I had said that the Mission would be launched by 31st March. But I do not remember having said anything like this and I have checked it up. However, I can say that the Mission has almost reached the stage of launching, because the final projects etc. have been discussed with all the State Governments and Ministries including the Ministry of Finance and also the Ministries which are headed by the Prime Minister himself. A concrete project has materialised after extensive deliberations and we believe that it would be presented for discussion on the 6th of this month after which it would be finalised.

[English]

18.00 hrs.

This Mission is already there. It is not something new.

[Translation]

An effort is being made to associate the Mission with the existing schemes so that the water which is already available with us but is of no use could be made use of by appli-

[Shri S. Buta Singh]

cation of technology, The resources already available with us will be further augmented by utilising the resources available with the Ministry of Rural Development and efforts should be made to ensure that the Mission turns out to be a success. Further, we believe that by the end of this plan due to the success of the Mission, water would be provided to all including those 4 or 5 categories where it is essential to provide water to the cattle as well.

I do not intend to go into any further discussions but as the hon. Member had said regarding our attitude towards Rajasthan, I would only like to say that our affection and dedication to the cause of Rajasthan is no less than theirs. We cannot claim much for he is a senior leader but I would say that we are seized of the problems of Rajasthan and moreover; if the norms are taken into account then Rajasthan's share in the allocation of funds is not less in comparison to other larger States with more population. They are complaining only because their M.N.P. allocation is being reduced and consequently I.R.P. allocation being matching, is also getting reduced. This is the cause of the resentment. I am implying that there ought to be some norms for the distribution of the resources received collectively from the Planning Commission. Whatever norms may be adopted, primary importance has been granted to population.

[English]

50 per cent of the funds available are meant for the total population of the State.

[Translation]

After this 20 per cent of the funds are earmarked for the problem areas, 20 per cent for poverty, and 10 per cent have been earmarked for the spillover problem villages from the Sixth Plan. Therefore, on the basis of this formula and also on the basis of its total population, the share of Rajasthan is greatly reduced; still greater attention is paid to it as it is a difficult area.

Again, it was mentioned that the allocation for Rajasthan in the Sixth Plan was more than in the Seventh Plan; this is not true. The available figures would prove that equal assistance has been given during both the Plans. The only difference is that earlier allocations were matched with MNP and now the same is done through the A.P.A. If the allocations from all sources like NNP, ARWSP and APA are taken into account as a whole then the amount would be quite substantial.

I want to tell the hon. Member that he should not have any apprehension that the problem of drinking water supply in Rajasthan shall be disregarded due to the shortage of funds.

You have specially mentioned the desert areas. I agree with you. If you want we can earmark allocation for the desert areas:

[English]

Certain percentage of the allocated amount should be spent for desert first. Top priority should be given to desert areas because the population of the desert areas are suffering. Not only they are suffering but also they are put to hardship. The water source being far away from the village, they have to fetch the water from far off places. The sub-soil water is not available immediately. Therefore, I am prepared to consider the special consideration for the desert areas so far as ARP allocation is concerned. There I can go with the member. I can also suggest to the State Governments to increase the percentage to the Rajasthan areas. I hope the hon. Member will be happy if I make this commitment here. I do not want to enter into controversy. In case the hon. Member has certain points to discuss, he can sit with me and sort them out.

[Translation]

SHRI PRATAP BHANU SHARMA (Vidisha): Mr. Chairman: Sir, first, I would like to congratulate the hon. Minister for giving primacy to drinking water problem and for making clean drinking water available.

lable to all the problem vitlages. More praiseworthy is the fact that the decision of the Government regarding setting up of a Technology Mission will have far reaching effects. We would certainly be able to solve our drinking water problem in the rural areas by developing appropriate technology and on that basis our plans would also be modified. However, the hon. Minisier's reply to this regard gives rise to two issues. The first is that the goal of the Technology Mission is to replace the capital intensive rural drinking water scheme with low cost appropriate technology and secondly to develop low cost water treatment facilities for providing clean drinking water and also to make clean driking water available in the rural areas.

I would like to put questions on these two points. Do the Scientific establishments that you have mentioned like the CSIR and the Council for the Advancement of the Technology are under the Ministry of Rural Development and have they developed appropriate technology on these subjects, in our country? The geographical situation in our country varies from one region to another. So the drinking water supply project in Rajasthan would be different from that of Madhya Pradesh, and it would be quite different in Maharashtra and Gujarat. At certain places drinking water can be provided throughout the year by under ground water itself and at other places water is available only at a depth of 400 to 500 ft. Again, at some places river water is the source for supply of drinking water and at other places water has to be made available by drilling tubewells. So, I want to enquire from the hon. Minister that the Technology Mission has of course been established at the Central level but has there been any development of appropriate technology in our country which is proposed to be implemented through the Technology Mission? Has any work been done or any new technology developed by CART or under the scheme of Water Management for safe drinking water resources so that low cost but good quality water supply projects could be get up in the rural areas. These projects should also function effectively because it has been our experience during the Sixth Five Year Plan that the water supply projects taken up under the W.F.

or NNICEF were incorrectly designed. At times, the pumping stations would throw water with such a force that the pipes would burst. Somewhere the water would not reach the head or the top and people drew water by boring holes into the pipes. Will the appropriate technology, which we are developing or propose to develop, remove these shortcomings? In the Seventh Five Year Plan we are setting up a Standing Committee under the Technology Mission, which would have one senior scientist from each Scientific Organisation and efficient representatives from Department of Rural Department but how are these to be implemented? How would the Technology Transfer take place? The Minister's reply has not yet clarified these issues.

My first two questions relate to the Technology Mission. Thirdly, Rs. 3,500 crores have been earmaked for rural water supply schemes during the Seventh Five Year Plan. It is a laudable step because 39,000 villages, which are a spillover from the Sixth Plan, are still problem villages. Moreover, fresh water sources have to be created for those areas which are affected by drought or where water table has fallen. In view of his situation will the water projects be redesigned with new technology in villages with more than thousand population? Has the Centre taken any initiative in this direction? Again, as regards the centrally sponsored schemes which are given to the States in the form of MNP, my question is whether these are being granted on the basis of some new format or some new design? I would like the hon. Minister to reply to my three questions.

[English]

SHRI SOMNATH RATH (Aska): At the outset I congratulate the Hon. Minister for the scheme envisaged. There are problematic villages and there are also water scarcity villages. The Hon. Minister has said that the tube wells only work for one or two years, then the water strata goes down. I want to know from the Hon. Minister, under these conditions whether for the villages which are situated near the banks of rivers, instead of tube wells water can be supplied through pipes. Because the tube wells go out of order often and also does not praside secure water supply.

[Shri Somnath Rath]

Previously, some villages which are situated on the banks of rivers are supplied water through pipe lines. Will that be taken into consideration? Further, in Orissa the coastal areas we get only the saline water. Orissa is invaded either by drought or by flood every year and also is inhabited by 38% of Adivasis and Harijans besides backward people. Will the Minister give special attention to Orissa and provide more funds?

The hon Minister of State has also announced in the other House that the money allotted for the drinking water is diverted to other areas. Will the Hon. Minister take specific interest in this matter and instruct the State Government to utilise the money for the same purpose?

18.12 hrs.

DRAFT NATIONAL POLICY ON
EDUCATIONAL 1986.

[English]

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND HOME AFFAIRS (SRI P. V. NARASIMHA RAO): Sir, I beg to lay on the Table a copy of the Draft National Policy on Education 1986 (Hindi and English versions).

[Placed in Lidrary. See No. Lt-2608/86].

HALF-AN-HOUR DISCUSSION--CONTD.

[Translation]

Technological Mission for Drinking
Water

SHRI MOOL CHAND DAGA (Pali): Mr. Chairman, Sir, as per your directive, I would straight away put the questions.

How is it that the Technology Mission is being set up after a period of 38 years of independence; why did you keep silent all these years.

18.14 hrs.

[SHRI SOMNATH RATH in the Chair]

Ever since the First Five Year Plan was launched it has been said that all our development works would be completed under the five Year Plans. Assurances have been given many times in this regard. You have said that all such works will be completed by 1999. Could it be true in view of the fact that the drinking water problem has not been solved in the past 38 years in spite of assurances given in this regard; and why has the Technology Mission been set up after 38 years? I hope you are not misleading the people. The people living in Delhi and other areas get 100 litres of water per head, but what is the per capita availability in the rural areas? Kindly tell us the average quantum of water being supplied in those areas. Thirdly, why was it decided to grant certain allocations for the urban areas during the recent State Conference? The towns and cities have their own municipalities and corporations and should, therefore implement their schemes themselves. Funds to the tune of crores of rupees are allocated for the urban areas because they are very vocal but funds are denied to the rural areas because they are not so vocal and cannot project their demands. Why should only the urban people get more water and more allocations? Kindly tell us how much of water do the people living in the rural areas get per head? You should stop providing for the urban areas. Shri Ghafoor has already sanctioned Rs. 66 crores to them. I do not understand what you are saying. You are very experienced and an expert in giving answers. You should be assigned the task of giving all the replies. I bow to your acumen in this respect. However, I could not understand your reply... (Interruptions) Mr. Bhagat has also joined hands. Whatever, was lacking till now, has been made good. Now there are three stalwarts—Brahma, Vishnu and Mahesh.

In reply to one of my questions, it was stated that by making use of low cost technology, alternative but effective methods would be found to tackle the problem of capital intensive rural drinking

water supply project. You are reducing our allocation by 45 per cent. Will you be able to accomplish this task with 45 per cent less of resources. It is marvellous. (*Interruptions*). You have to make use of technology. You keep aside the Project Report and do something for the affected people. I would say two or three more things. Will the hon. Minister please tell us about my constituency and that of Shri Virdhi Chander Jain.

S. BUTA SINGH : Why are you excluding my constituency ?

SHRI MOOL CHAND DAGA : That is separate. I would say that the Government has committed a mistake in closing the step wells. If those step wells had not been closed, the people could have drawn water with buckets. Next, when Shri Bhishma Narain Singh took over, he said that hand pumps should be installed every where. So much of money was wasted on each handpump and, besides, most of them went out of order. In the district of Pali, in Rajasthan, which is my constituency, 172 handpumps are out of order. So, the arrangement must be made for this.

Shri Buta Singh Ji, Shri Rath is in the Chair and people as rich as you, are sitting here. In summer, people set up pias for providing water to the passers-by and in our area 172 hand pumps are out of order and rig machines are also not available to put those into order. I would also like to say that the hill, Adivasi and other such areas where the well are sunk in rocky terrain, combined machines are not available to tackle the problem. Will you make such machines available, so that rocks could be broken and during this summer will you ensure that the people are provided with potable water, and the brackish water which is their original source is only used for the purposes of bathing and washing as it is harmful for drinking purposes. Will you also devite a method to treat brackishness to make it potable ?

I also want to say that there was no Consultative Committee for this purpose. Kindly set up a Committee so that we can

meet the high officials who give you their reports. Let us also judge their abilities and if possible, imbiles some of their qualities. I think that they are misleading you. Therefore, you must arrange for a meeting.

With this, I would conclude.

[English]

SHRI CHINTAMANI JENA (Balasore): Mr. Chairman, Sir, I am very grateful to you that you have kindly given me the opportunity to participate in this very important subject which involves the life and death of the human being and also especially in this International decade of water supply and sanitation from 1981-1991.

Sir, in this decade the united National General Assembly of which India is a participant and also in all other international organisation, they have decided that in this decade, that is, from 1981-1991, the people of the developing countries should be provided with cent per cent drinking water and sanitation facilities. But due to constraint of resources, we have targeted to achieve by 1990, 90% in urban areas for supply of drinking water and 85% in the rural areas. In this context, may I know from the hon. Minister whether his Ministry and the State Government who are engaged in working out schemes for the supply of drinking water to the people, the manpower engaged in this scheme, are going to fulfil this minium need, that is supply of drinking water ?

Sir, Prof. K. J. Nath, who is the professor of All India Institute of Hygiene and Public Health, Calcutta, has opined that among the engineers, technicians engaged in the work, only about 20% are trained in Environmental Science and Public Health Engineering and the rest are not trained. Of course, it is a good thing ihat the Government is taking step in regard to some of those engineers to get trained in Environmental Science and also Public Health Engineering deputing them for P.G. Course where such subject is tanght. But the backlog is increasing day by day. May I know from the hon. Minister what is the

[Shri Chintamani Jena]

programme of the Government to train all these technicians and others? My friend Mr. Jain, has raised some points about the desert areas and the same difficulty is faced in saline belt also. For the saline belt, the World Bank assistance has covered the Saurashtra region, but the work has not yet been taken up. May I know from the hon. Minister whether the Government will consider separate programme either through the world Bank assistance or some such type of assistance from mforeign countries to provide drinking water to the people in the saline belt where sweet water is not at all available even at 2000 ft. below and even if water is available it becomes saline after some months or a few years? In this context, may I know what is the Government's thinking? Sir, in Orissa State, the major portion of the area is coastal belt. So, drinking water in the saline belt is very acute. I would therefore like to know from the hon. Minister what measures the Government is going to take to provide drinking water to the people living in the saline belt.

THE MINISTER OF AGRICULTURE (S. BUTA SINGH) : Sir, Shri Bhanu Pratap Sharma has raised some basic issues and I am happy that he gave me an opportunity to further elaborate some of the aspects of the mission. Now, it is not that this is the only thing that in the thesis only studies have been made. But areas have been identified, agencies have been fixed, solutions have been found. Just as I mentioned in my reply to Shri Vridhi Chander Jain, we have already adopted the strategies and the strategy for the mission is going to be multi-disciplinary.

It will be an integrated approach for adoption to identify the project areas in the States. For this the strategy proposed to be developed is that the difficult areas with regard to water supply situation in the States and the Union Territories should constitute the basic geographical location of the project for the Mission's main activities through hydrogeological extension and areas of ecological studies. The second thrust in the selection of difficult

areas would be factors like rarity of water sources like arid, semi-arid and hilly regions, as also contamination of water sources by excess chemicals and pathogenic micro-organisms etc. Therefore, special efforts will have to be made in the selection of difficult areas,

I would also highlight as to what are the institutions which have helped us in finding out a solution for some of the problem areas so far as quality of water is concerned. We have already with the cooperation of the following institutions been able to evolve technologies for overcoming the problems of salinity. Technologies have been developed by various institutions within the country like Bhabha Atomic Research Centre, popularly known BARC, Bombay, Defence Research Laboratory, DRL, Jodhpur, Central Salt and Marine Chemicals Research Institute (CSMCRI), Bhavnagar etc. Different technologies that have been developed are reverse osmosis, electro-dialysis, and multi-stage flash evaporation process, which can bring down salinity within tolerable limits. These are very well tested techniques and these are the techniques not to be applied for the first time. These well known reputable agencies have been working in this field. The Technology Mission would attempt at providing drinking water in identified projects areas through a multi-disciplinary approach.

Some of the hon. Members mentioned about the special problems, just as Orissa has — you also, Sir, very kindly mentioned that — the problem of brackishness of the water. As I mentioned, we have already identified through these well known institutions the special thrust areas and these institutions have evolved special technology.

The problem of brackishness and salinity is normally prevalent in coastal area, areas with well developed irrigation system and coral islands. Attempt has already been made to tackle such problems through the process of reverse osmosis, multi stage flash evaporation process of electro-dialysis, solar desalination and radial borings. Seven desalination plants have been set up on a pilot basis by CSMCRI, Bhavnagar, BARC, Bombay and

DRL, Jodhpur and the working of these pilot plants is being evaluated, by NEERI, Nagpur to ascertain the cost effectiveness of the different methodologies used.

I have already mentioned some of the names of the institutions which have identified the various problems which are the with regard to the water content, and the technologies to they have developed are iron removal plant package, Nalconda technique, reverse osmosis and electro-dialysis, multi stage flash evaporation process, water filter candle, charcoal water filter, pot chlorination for wells, chlorine tablets and ampules for disinfection, ferrocement water storage tanks, water analysis facilities test kits for measuring residual chlorine, portable physical chemical and biological analysis kit etc. Various Institutions have worked and we are launching this mission after a thorough study and very careful identification of various problem areas.

[Translation]

Dagaji has staked that we are expert in misleading how can I compete with him.

(Interruptions)

[English]

He also wanted to know, how we would fulfil the Mission within the money available at our disposal. There is no doubt that the money available is far less than what has been estimated.

It is only 45 per cent of the money that is normally required. As I said, it is required under ideal conditions with ideal methods. You could have taken piped water from Jodhpur to Jaisalmer. But that would have cost 7000 crores of rupees. Now we are trying to develop new technologies with the help of our institutions and Pali water which is not fit for drinking will become fit for drinking and the cost would be only one tenth. The same water will be treated by these reputable national institutions which are well known for their research work and they will make the water available. So, we are trying to reduce the installation cost of these technologies.

Shri Vridhi Chand Jain has asked about the maintenance of the tubewells. No doubt, the State Government's job is to maintain the tubewells. Through voluntary organisations also, we have provided for the maintenance of the water works. These voluntary organisations will be helping the rural drinking water supply schemes.

Shri Dagaji wanted to know about the rigs. Rajasthan Government was allocated funds for procuring rigs. Unfortunately, the order by the State Government has not so far been placed. Only now we received a letter for technical clearance from the DGTE and it will be given a priority basis. But the rigs, as you know, have to be purchased by the State Government. We sanction the money. They were to place orders not only for rigs but also for 100 tankers, which are sanctioned as a special consideration to Rajasthan, under the direction of the hon. Prime Minister, although he does not encourage the transportation cost on water supply. He wants that the local sources should be made available and he wants that we should concentrate and utilise the resources at our disposal to create localised sources. But looking at the difficult conditions in Gujarat and Rajasthan, he was kind enough to allow us to utilise the money for transportation of water. Therefore tankers were sanctioned both to Gujarat as well as Rajasthan. I am sure the State Government will make them available within a short time so that people's hardship is mitigated.

You also wanted to know about the drinking water projects in Orissa. Your suggestion will be taken care of and we will see how best we can help the Orissa Government in making rural water supply schemes more successful. With these words, I hope that the hon. members will agree with me that what is possible is being done. We hope that with the coming into being of this mission, the position will improve. There will not only be one mission. There will be four sub-missions. One sub-mission will be given one task each and all the major aspects of the water supply schemes in the villages will be well taken care of.

Shri Dagaji was very unhappy over the allocations to the urban areas. Although it

[Shri S. Buta Singh]

is not my subject, we cannot neglect the population in the urban areas and the requirements of the urbanities are different from the requirements of the ruralites.

SHRI MOOL CHAND DAGA : They have one hundred gallons whereas in the villages we have very little of it. Why should there be such a discrimination ?

S BUTA SINGH : I will answer the question. Kindly take your seat. Sir, the requirements of water in a rural area are different from the requirements of water in the urban areas. I will not cite any instance except Shri Daga himself. May I ask him one question? When he is in the village how much water does he use, and how much water does he use when he is in Delhi ?

SHRI MOOL CHAND DAGA : I use less water here.

S. BUTA SINGH : Therefore, it is obvious. In the villages, the requirements are different. When you have to live in a village, that life-style is different and if you have to live here in Delhi, the life-style is again different. You may not like to have two baths in a day in the village but here in Delhi you would like to have another bath, when you go from here. So, you waste precious water in Delhi and that water could have been used for better pur-

poses by the villagers. At the moment, the per capita rate is 90 litres in urban areas and 40 litres in the rural areas. But under this mission, rural areas also will get more water and the per capita availability will be 70 litres per head per day. Therefore, our effort will be to make as much water available as possible.

There is also a suggestion from Dagaji that brackish and saline water can be used untreated for washing cloths and also for taking bath. But I want to assure him that we want to treat that water. We have the technology in the country. But the only question is that technology has so far not been applied in rural areas. We would like to apply that technology, and see that within the resources available at our disposal, water is made available to the rural population—as clean, as good water as we are having in Delhi or other metropolitan cities; or even better.

Thank you, Sir.

MR. CHAIRMAN : The House now stands adjourned till Monday, the 5th May, 1986.

18.36 hrs.

*The Lok Sabha then adjourned till
Eleven of the Clock on Monday,
May 5, 1986/Vaisakha 15,
1908 (Saka)*