

LOKSABHA DEBATES
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DECEMBER, 29, 1993

EIGHTH SESSION



TENTH LOK SABHA

LOK SABHA SECRETARIAT

NEW DELHI

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LOK SABHA DEBATES

LOK SABHA

Wednesday, December 29, 1993/Pausa
8, 1915 (Saka)
०, १३१० (Vand)

The Lok Sabha met at Eleven of the clock

[MR. SPEAKER in the Chair]

WRITTEN ANSWERS TO QUESTIONS

[English]

Outstanding Dues of EPF and ESI

*321. SHRI SHANTARAM
POTDUKHE: Will the Minister of LABOUR
be Pleased to State:

(a) whether huge amount of employ-
ees Provident fund and Employees State
Insurance are out standing against the
industrial units both in public and private
sector:

(b) if so, the details thereof; and

(c) the action taken or proposed to be
taken by the government to realise the
above dues and to bring to book the de-
faulting industriyal units?

THE MINISTER OF STATE OF THE
MINISTRY OF LABOUR (SHRI P.A
SANGMA: (a) to (c). As on 31.3.93, total

EPF and ESI dues outstanding were
Rs.267.40 cores and Rs.178.56 cores re-
spectively. Of these, Rs 60.43 crores (EPF
dues) and Rs.32.91 crores (ESI dues) per-
tain to public sector.EPF Organisation and
ESI corporation, both are already talking
necessary legal and penal action for recov-
ery of the dues outstanding against the
defaulting establishments.

[Translation]

Sick Industrial Units

*322. SHRI HARIKEWAL PRASAD:
Will the MINISTER OF FINANCE be pleased
to state :

(a) the quantum of assistance pro-
vided by the Industrial reconstruction Bank
of India to the sick industrial unite in the
country during 1992-93, State-wise and

(b) the details of the industries thereof,
State-wise?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE AND MINISTER
OF STATE IN THE MINISTRY OF
PARLIMENTRY AFFAIRS(DR. ABRAR
AHMAD):

(a) and (b): Tdhe quantum of loan
assistance provided by the Industrial Re-
construction Bank of India(IRBI) to sick
units during 1992-93 (State- wise and In-
dustry-wise is as under

STATEMENT

STATE-WISE POSITION

(Rs./Crores)

	Sanctions		Disbursement	
	No. of Units	Amount	No. of Units	Amount
Andhra Pradesh	1	0.30	3	0.93
Bihar			4	2.30
Gujrat	4	1.45	4	1.20
Haryana	1	0.25	1	0.90
Himachal Pradesh			1	0.53
Kerala			1	0.25
Karnataka	3	1.42	5	0.93
Maharashtra	3	11.26	3	3.79
Punjab			1	0.54

	Sanctions		Disbursement	
	No. of Units	Amount	No. of Units	Amount
Rajashtan			2	0.11
Tamilnadu	4	3.39	5	1.94
Uttar Pradesh	1	0.26	7	3.34
West Bengal	2	8.44	9	12.23
TOTAL	19	26.77	46	28.33

(Rs./Crores)

	Sanctions		Disbursement	
	No. of Units	Amount	No. of Units	Amount
Food			5	2.62
Textiles	5	9.12	12	0.95
Jute			5	0.45
Paper	2	0.34	3	1.72
Chemical	1	0.35	2	0.67
Metal Products	4	2.01	8	2.97
Machinery			4	2.01
Transport	3	1.88	1	0.60
Other Industries	4	13.07	12	16.34
Total	19	26.77	46	29.33

[English]

Development of Spices

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

(a) whether the Spices Board has formulated any schemes to encourage spices processing, packing and oleoresin units in the country;

(b) if so, the details thereof;

(c) whether any assistance is being provided to such small industrial units;

(d) if so, the details thereof;

(e) whether any multinational companies are marketing these products in the country;

(f) whether the Government have received any joint-venture proposals from multinationals in the sector;

(g) if so, the details thereof; and

(h) the likely impact of such joint venture on the export and production of spices?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b). Yes, Sir. The Spices Board has various schemes to promote high quality processing and packaging of spices and spice products and thereby to step up exports from this very important sector. These are schemes of Brand Promotion, 'Logo Promotion', 'Spice House Certificate', market missions, broad and participation in trade fairs etc.

(c) and (d). The benefits of these are

available to all units big or small, which are engaged in producing, processing and exporting spices and spice products.

(e) to (g). Foreign direct investment is permitted in the case of food processing industries to the extent of 51% on automatic basis subject to dividend balancing over a 7-Year period. Further, majority foreign equity holding upto 51% by foreign investors is allowed by RBI for export houses, trading houses and star trading houses.

(h) The setting up of such joint ventures is expected to step up investment, upgrade/modernise technology, and create a stable and long-term market for Indian spices and spice products.

Chelliah Committee

*324. SHRI S.M. LALJAN BASHA:
SHRI RAMCHANDRA
VEERAPPA:

Will the Minister of FINANCE be pleased to state:

(a) the number of recommendations of the Chelliah Committee which have been implemented by the Government;

(b) the status of those recommendations which have not been implemented so far;

(c) whether lower excise rates are being considered to enhance total excise duty collection in any given year; and

(d) if so, the details of the proposals being considered in this regard?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI M.V.

CHANDRASHEKHARA MURTHY): (a) and (b). A statement indicating the position is enclosed .

(c) and (d). Relate to Budget exercise and will be known when it is presented.

STATEMENT

Recommendations relating to Indirect Taxes

The recommendations on the customs and excise side have not been given in any serially numbered form. The Committee have given recommendations for reform of tax structure, and these are to be gradually implemented in a phased manner by 1997-98. However, the recommendations on customs duty relating to reduction in the peak rate, merger of auxiliary duty with basic duty and withdrawal of CVD exemptions on some items have been implemented. On excise side, recommendations regarding gradual reduction in the duty rates for specified items and replacement of specific rates of duty by ad valorem rates in respect of some items have been implemented. The recommendation about withdrawal of notional credit has also been implemented.

The entire reform process has to be completed in phases over the next few years. Those recommendations which have not been implemented so far are under discussion and consideration.

Recommendations relating to Direct Taxes

Recommendations that have been implemented include the following:-

- A. Interim Report
 - i) Reduction in the rates of personal taxation (para 12.2)
 - ii) Aggregation of minor's income in the hands of a parent (para 12.3)
 - iii) Rationalization of the assessment procedure relating to firms (though the scheme recommended by the TRC has not been adopted) (para 12.25)
 - iv) Rationalization of the scheme of tax relating to capital gains (para 12.20)
 - v) Introduction of a presumptive taxation scheme for small traders and professional (para 12.27)
 - vi) Restricting the taxation of wealth to non-productive assets (para 12.30 to 12.32)
 - vii) Revising the limits of allowable business expenses (para. 12.21)
 - viii) Allowing a deduction of 15th of the annual value of property for repairs and collection of rent (para 12.23)

B. Final Reports Part I

- i) Raising the exemption limit under the Gift-tax Act. to Rs. 30,000/- (para 10.21)
- ii) Legislating for setting up an Authority for Advance Ruling in the case of non-residents (para 10.13)
- iii) Rationalization of the rules relating to conversion of foreign exchange (para 10.17)
- iv) Under the Action Plan drawn up for 1993-94, target fixing is to be done from below instead of being imposed from above. This will help in tackling problems referred to in para 10.39 (b) of the TRC's final report
- v) Directions have been issued to conduct searches only if there is information strongly indicative of substantial concealment. Follow-up action, including assessment, is being expedited. The assessments are to be completed before the end of the financial year following the year of search. (para 10.76)
- vi) Implementation of the Direct Taxes Code has been postponed. (para 10.81)
- vii) Efforts have been stopped up to send more officers on deputation (para 10.131)

Recommendations relating to Indirect Taxes

Recommendations relating to Direct Taxes

- viii) Retention of the general rate of depreciation on plant and machinery at 25% (para 10.8)
- ix) Retention of the existing scheme of levying additional income-tax [S. 143 (iA)] along with the existing policy of first completing every case under summary assessment scheme and thereafter initiating scrutiny assessment proceedings, if necessary (para 10.59).

The reform process has to be completed over the next few years. Recommendations which have not been implemented so far are under consideration.

Product Mix

*325. SHRI ANKUSHRAO RAOSAHEB TOPE: Will the Minister of TEXTILES be pleased to state:

(a) the claims and counter claims made by handloom and powerloom sectors on product mix;

(b) whether the Government have examined the same; and

(c) if so, the action proposed to be taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) There are at present twenty-two items reserved for exclusive production in the handloom sector notified under the Handloom (Reservation of Articles for Production) Act, 1985. While the handloom sector has asked for increasing the scope of reservation, the powerloom sector has asked for reduction of the number of items reserved.

(b) and (c). An Advisory Committee has been reconstituted under the Act hav-

ing representation from both handloom and powerloom sectors. This Committee is empowered to recommend the articles or class of articles that may be reserved for exclusive production in the handloom sector.

Loans/Advances by Banks

326. SHRI AMAR ROY PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the position of loans/advances extended by the private sector banks in the country has improved more than that of the public sector banks;

(b) if so, the details thereof during the last two years; and

(c) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAHIM AHMED): (a) to (c). Expansion in credit of banks in the private sector as well as in the public sector during the years 1991-92, 1992-93 and current year is given below:

Rs. in Crores)	Out standing on 22-3-91	Variation in 1991-92	Out standing on 20-3-92	Variation in 1992-93	Out standing on 19.3.93	Variation in 1993-94 (as on-1270 12-11-93)
Private Sector Banks	14274	(+)3199	17473	(+) 4324	21797	(+) 633
Public Sector Banks	102027	(+) 6092	108119	(+)22066	130185	(+) 3108

The subdued growth in the banks credit in both the sectors this year is attributable to the perceptible slow down in the expansion of non-food credit during the current financial year. so far , on account of the following factors:

- (i) Banks have been exercising caution with regard to lending in view of stricter provisioning norms and the introduction of a capital to risk-assets ratio.
- (ii) Banks have undertaken a larger amount of write-offs in March, 1993.
- (iii) A number of large borrowers have increased their recourse to commercial Paper.
- (iv) A number of companies having raised large amounts from the capital market in 1992-93 are flushed with funds and have reduced their borrowings from banks.
- (v) Some of the large public sector units, particularly in trading activity, have reduced their borrowings from banks.

Air Service to North Eastern Region

*327. SHRI LAETA UMBREY:
SHRI KABINDRA
PURKAYASTHA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether it was decided to correct important and less accessible towns in the North-Easter region through helicopter services to be operated by the Pawan Hans Limited;

(b) if so, whether the helicopter services have been introduced;

(c) if not, the reason therefor;

(d) whether the crew constraint of the Indian Airlines and fleet position of the Vayudoot have improved;

(e) if so, whether the services of the Indian Airlines and the Vayudoot in the North East have been increased; and

(f) if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI AZAD): (a) Yes, Sir.

(b) No, Sir.

(c) The North Eastern Council has advised that the modalities for disbursement of subsidy to Pawan Hans Limited for the operations are yet to be finalised.

(d) to (f). It has not been possible to increase operations in the North East owing to commercial reasons. In addition Vayudoot is faced with severe capacity constraints.

Textile Mills in Orissa

*328. SHRI SHIVAJI PATNAIK: Will the Minister of TEXTILES be pleased to state:

(a) the total number of textile mills in Orissa;

(b) the number of mills out of them which are running into losses;

(c) whether there is any proposal to

sell the loss-making mills to private sector;

(d) if so, the details thereof; and

(e) the steps being taken by the Government for their revival and modernisation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) 18 textile mills, including one mill of NTC, are located in Orissa.

(b) The mill under NTC has been incurring losses. The profitability position of the other mills is not maintained.

(c) No specific proposal is under consideration of the Government to privatise the loss-making mill of NTC in Orissa.

(d) Does not arise.

(e) The Turn Around Strategy for NTC which involves selective modernisation, financial and managerial restructuring and rationalisation of surplus work force under the Voluntary Retirement Scheme, envisages an investment of Rs. 4.95 crores for the modernisation and revival of the NTC mill in Orissa.

[Translation]

Agricultural Loans

*329. SHRI HALRAJ PASSI:
 PROF. PREM DHUMAL:

Will the Minister of FINANCE be

pleased to state:

(a) the amount of agricultural loans provided by commercial banks, regional rural banks and cooperatives during each of the last two years, State-wise; and

(b) the steps taken or proposed to be taken by the Government to increase the amount of agricultural loans as so meet the requirements of the agriculturists?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The latest available State-wise amount of Agricultural Loans provided by Commercial Banks during the Year ending June 1991 and June 1992, by Regional Rural Banks during the year 1991-92 and 1992-93, by Primary Agricultural Cooperative Societies (PACs) during the Year 1990-91 and 1991-92, and by Land Development Banks (LDBs) during the year 1991-92 and 1992-93 is given in Statement-I, II, III (A) and III(B) respectively.

(b) In terms of Reserve Bank of India (RBIs) guidelines, all Indian banks, including public sector banks, are required to extend finance to agriculture (including allied activities) to the extent of 18% of their total credit. Government, Reserve Bank of India and National Bank for Agriculture and Rural Development regularly monitor the flow of short as well as long term credit, so that the banking system meets the requirements of the agriculturists.

STATEMENT-I

State-Wise Amount of Agricultural Loans Provided By Commercial Banks During the Year Ending June 1991 and June 1992.

(Amount Rs. 1 Lakhs)

Sl.No.	Name of States/UTs	Year Ending	Year Ending
		June 1991	June 1992
1.	Haryana	23857	23096
2.	Himachal Pradesh	1836	1664
3.	Jammu and Kashmir	848	890
4.	Punjab	28953	28065
5.	Rajasthan	16049	16897
6.	Chandigarh	2118	1875
7.	Delhi	982	919
8.	Assam	1546	1371
9.	Manipur	92	92
10.	Meghalaya	194	76

(Amount Rs. in Lakhs)

Sl.No.	Name of States/Uts	Year Ending June-1991	Year Ending June-1992
11.	Nagaland	288	102
12.	Tripura	154	175
13.	Arunachal Pradesh	27	75
14.	Mizoram	12	18
15.	Sikkim	41	144
16.	Bihar	13158	16419
17.	Orissa	11490	17596
18.	West Bengal	15162	14775
19.	Andaman and Nikobar	33	30
20.	Madhya Pradesh	36291	23094
21.	Uttar Pradesh	48703	45327
22.	Gujrat	24733	27063
23.	Maharashtra	42866	36960

Amount Rs. in Lakhs

Sl.No.	Name of States/Uts	Year Ending	Year Ending
24.	Daman and Diu	7	7
25.	Goa	768	725
26.	Dadra and Nagar Haveli	38	26
27.	Andhra Pradesh	73710	78443
28.	Karnataka	31319	34661
29.	Kerala	35272	40551
30.	Tamil Nadu	78459	86247
31.	Pondicherry	1235	1266
32.	Lakshadweep	11	9
	All India	489354	498658

STATEMENT-II

State-Wise Amount Of Agricultural Loans Provided By Regional Rural Banks (RRBs) During the Year 1991-92 And 1992-93.

(Amount Rs. in Lakhs)

Sl.No.	Name of the States Union Territories	1991-92	1992-93
1.	Haryana	1269	1490
2.	Himachal Pradesh	558	107
3.	Jammu and Kashmir	26	55
4.	Punjab	2049	1888
5.	Rajasthan	1791	1680
6.	Chandigarh	-	-
7.	Delhi	-	-
8.	Assam	216	410
9.	Manipur	4	neg.
10.	Meghalaya	51	52

Sl.No.	Name of the States Union Territories	1991-92	1992-93
11.	Nagaland	0.49	102
12.	Tripura	5	11
13.	Arunachal Pradesh	96	96
14.	Mizoram	34	51
15.	Sikkim	-	-
16.	Bihar	2162	1888
17.	Orissa	2471	1070
18.	West Bengal	1626	1454
19.	Andaman and Nikobar	-	-
20.	Madhya Pradesh	2655	1652
21.	Uttar Pradesh	10388	9601
22.	Gujrat	2327	2447
23.	Maharashtra	1188	1103

Sl.No.	Name of the States Union Territories	1991-92	1992-93
24.	Daman and Diu	.	.
25.	Goa	.	.
26.	Dadra and Nagar Haveli	.	.
27.	Andhra Pradesh	14072	15629
28.	Karnataka	7020	8786
29.	Kerala	7325	7030
30.	Tamil Nadu	2279	2832
31.	Pondicherry	.	.
32.	Lakshadweep	.	.
	All India	59631	60283

STATEMENT-III(A)

State-Wise Amount of Agricultural Loans Provided By Primary Agricultural Societies (PACs) During the Year 1990-91 And 1991-92.

* Amount (Rs. in lakhs)

SL No.	Name of State/Us.	1990-91	1991-92
1.	Andhra Pradesh	55011	37183
2.	Assam	701	475
3.	Bihar	3647	7425
4.	Goa	92	141
5.	Gujarat	43698	17949
6.	Haryana	23285	36792
7.	Himanchal Pradesh	1385	193
8.	Jammu and Kashmir		
9.	Karnataka	22024	3543
10.	Kerala	71352	8497

Amount (Rs. in lakhs)

SL No.	Name of State/Us.	1990-91	1991-92
11.	Madhya Pradesh	17377	57492
12.	Maharashtra	77500	35750
13.	Manipur		
14.	Meghalaya	136	171
15.	Nagaland	77	501
16.	Orisa	3287	2623
17.	Punjab	34566	62068
18.	Rajasthan		22296
19.	Sikkim	2	
20.	Tamil Nadu	57405	111779
21.	Tripura	338	787
22.	Uttar Pradesh	44704	37970
23.	West Bengal	10201	5772

SL No.	Name of State/Us.	1990-91	1991-92
24.	Andaman And Nicobar Island	-	197
25.	Arunachal Pradesh	12	131
26.	Chandigarh	-	-
27.	Dadra Nagar Haveli	10	-
28.	Daman & Diu	14	-
29.	Delhi	-	61
30.	Lakshadweep	27	-
31.	Mizoram	4	-
32.	Pondicherry	463	269
	Total	467885	450085

STATEMENT-II(B)

State-Wise Aount of Agricultural Loans Provided By Land Development Banks (LDBs) During the Year 1991-92 And 1992-93.

Sl.No.	Name of State/Uts.	1991-92	1992-93
1.	Andhra Pradesh	13598	22445
2.	Assam	116	56
3.	Bihar	168	765
4.	Gujarat	7033	8045
5.	Harayana	5642	7399
6.	Himachal Pradesh	366	306
7.	Jammu And Kashmir	465	306
8.	Karnataka	9721	12057
9.	Kerla	6623	6947
10.	Madhya Pradesh	5121	5817

Amount (Rs. in lakhs)

Sl.No.	Name of State/Uts	1991-92	1992-93
11.	Maharashtra	13216	12914
12.	Orissa	626	1745
13.	Pondichary	76	82
14.	Punjab	8222	7839
15.	Rajasthan	4722	6178
16.	TamilNadu	4132	6410
17.	Tripura	72	62
18.	UttarPradesh	18095	19895
19.	WestBengal	2152	1711
20.	Manipur		27
	Total	100186	121006

Wheat and Edible Oils.

*330. SHRI BRIJ BHUSHAN
SHARAN SINGH:
SHRI SATYA DEO SIHGH:

Will the Minister of COMMERCE
be pleased to state:

(a) whether of Government have de-
cided to give permission for exporting good
quality of wheat like durum and edible oils
during the current Five Year Plan;

(b) whether the Government have also
fixed any ceiling and the minimum export
price for such items;

(c) if so, the details thereof, item-wise
and year-wise;

(d) whether the Government have re-
ceived any investment plan from the for-
eign investors and NRIs in this regard;

(e) if so, the details thereof; and

(f) the action taken by the Government
thereon?

THE MINISTER OF COMMERCE
(SHRI PRANAB MUKHERJEE): (a) to (c).
Export of superior varieties of wheat is now
allowed, subject to a Minimum Export price
(MEP) of US \$ 160 per MT FOB and within
a ceiling of 3 lakh MTs during 1993-94.
Export of edible oils (except groundnut oil),
in consumer packs of upto 5 Kgs is freely
allowed.

(d) to (f). Foreign direct investment is
permitted in the case of food processing
industries to the extent of 51% on auto-
matic basis subject to dividend balancing
over a 7-year period. Further, majority foreign
equity holding up to 51% by foreign inves-
tors is allowed by the Reserve Bank of India
for export houses, trading houses and star
houses.

Approval has been accorded to three
parties to establish Export Oriented Units
with NRIs collaboration as detailed below:-

s. No.	Name of the party	Item of manufacture	Amount (Rs. lakhs)	Equity
1.	Madhya Pradesh Glychem India Ltd.	Soyabean solvent Extract oil & Soyo deoiled cake	100	9%
2.	Richi Corporation	-do-	152	11.52%
3.	National Steel Inds. Ltd.	-do-	325	10%

Approval has also been accorded to M/s. Continental Grain Company to establish a wholly owned subsidiary in India for trading and export of agricultural commodities with foreign equity participation amounting to US \$ 1 to 2 million.

[English]

Unviable Branches Of Public Sector Banks

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

(a) whether the Government have decided to close down the unviable loss-making branches of the public sector banks;

(b) if so, the number and details of the branches identified so far for closure:

(c) whether the bank employees have decided to give a nation-wide strike call to protest against such closure of bank branches;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). Reserve Bank of India (RBI) have reported that bank branches which have been chronically incurring losses and are unlikely to improve their financial position are to be converted by the banks concerned either into 'recovery' branches or closed down. The number of such branches is 102. Bank-wise details of such branches are given below:-

STATEMENT

No Of Branches In Urban/Metropolitan Areas

Sl. No. Name of Bank

1.	Andhra Bank	3
2.	Bank of Baroda	4
3.	Bank of India 1	2
4.	Central Bank of India	10
5.	Dena Bank	1
6.	Indian Overseas Bank	11
7.	Punjab and Sind Bank	5
8.	Syndicate Bank	11
9.	United Bank Of India	25
10.	UCO Bank	20
		102

(c) Neither Government nor the Indian Banks' Association have received any such notice.

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

NTC Units

*332. SHRI SATYAGOPAL MISRA :
SHRI SANAT KUMAR
MANDAL :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government and the National Textile Corporation have considered the report of the expert committee to revive and modernise the ailing Textile units of NTC ;

(b) if so, whether the modernisation, amalgamation and closure plan envisaging winding up of NTC units and rendering thousands of workers jobless has been approved ;

(c) whether any representations have been received by the Government opposing the unilateral acceptance of the report of the expert committee by the Government ; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) : (a) to (d) . Four Textile Research Associations namely AT IRA, SITRA, BTRA AND NITRA have, on the directions of the Ministry of Textiles prepared fresh modernisation plans for the revival of NTC and submitted them to the Sub-Committee of the Special committee

on NTC. The Sup-Committee has not yet submitted its report to the Special Committee.

[Translation]

Capital Formation

*333. SHRI CHHEDI PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the steps taken to mobilise capital formation have proved fruitful ;

(b) if so, the achievements made in this regard ;

(c) if not, the reasons therefor ; and

(d) the measures being taken by the Government to mobilise more capital formation in future ?

THE MINISTER OF STATE IN THE MINISTRY FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (d) . As per the latest available figures the rate of Gross Fixed Capital Formation (GFCF) as measured by its ratio to Gross Domestic Product (GDP) at current market prices was 22.3 percent in 1991-92. The rate of GFCF was higher in 1991-92 compared with 21.7 percent and 21.6 percent for the years 1987-88 and 1988-89 respectively, when the economy showed fairly good growth performance. It also compares with a higher rate of 23.1 percent in GFCF for 1990-91. Similar trends are reflected in the rate of Gross Capital Formation (GCF) measured by its ratio to GDP at current market prices . It was 25.5 percent in 1991-92 compared with 26.3 percent in 1990-91. It is noteworthy that much of the decline in the rate of

GCF is attributed to liquidation of inventories/stocks in the economy. Stocks as a percentage of GDP at current market prices fell from 3.4 percent in 1990-91 to 1.7 percent in 1991-92. This points to the efficiency in the use of working capital and inventories and will have a favourable impact on capital output ratio and growth prospects.

For promoting capital formation it is imperative to improve the parameters which have a bearing on capital formation. These include rate of growth in the economy, level of fiscal deficit, tax policies, inflation, efficiency of the banking system, effectiveness of the capital markets and confidence in the economy. The various economic reform measures undertaken so far are expected to promote favourable investment climate and provide strong impetus to the process of capital formation in the economy.

[English]

Export of Jute

*334. SHRI HANNAN MOLLAH : Will the Minister of TEXTILES be pleased to state :

(a) whether the export market of Indian jute products has been showing signs of growth during the last three years ;

(b) if so, the countries in which such market growth has been witnessed ;

(c) the steps taken/ proposed to be taken to exploit these markets ;

(d) whether scarcity of raw jute has been creating serious difficulty for the exporters of Indian jute products ; and

(e) if so, the steps taken by the Government to provide them raw jute in adequate quantity ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMI) : (a) and (b). The export of jute goods during the last three years was as follows:

Year	Rs.crores
1990-91	298.37
1991-92	388.03
1992-93	358.10

Market growth has taken place in UK, other EEC countries, USA, Japan, Australia, New Zealand, Argentina, Saudi Arabia, etc.

(c) Govt. have taken a number of measures to increase exports of jute goods including, interalia ,

- (i) Participation in international fairs, organising buyers '-sellers,' meets, commissioning of market studies etc.
- (ii) External Market Assistance scheme.
- (iii) Loss sharing on participation in global tenders.
- (iv) Market Promotion project under UNDP assisted National Jute Development Programme.

(d) to (e). The estimated crop during 1993-94 is expected to be lower than the previous year. However, keeping in view the carry over stock and the policy allowing

free import of raw jute, the availability of raw jute is not likely to create any serious difficulty.

ITDC Hotels

*335. SHRI G.DEVARAJA NAIK : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) the amount of foreign exchange earned during the current year so far by different hotels under the India Tourism Development Corporation ;

(b) whether these hotels are not getting direct business from the tourists of the Commonwealth of Independent States and they are being offered heavy cuts on tariff through different travel agencies ; and

(c) if so, the details thereof ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) ITDC hotels have earned Rs. 692.22 lakhs in foreign exchange during the current financial year, upto October, 1993.

(b) and (c) . Since tourist traffic from CIS countries generally comes through Indian Travel agents/tour operators, ITDC has to offer special rates and discounts to the travel agents depending upon various factors like volume of business, prevailing season etc.

Golf Tourism

*336. DR. KRUPASINDHU BHOI : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether there is a vast scope for

the promotion of Golf Tourism in the country ;

(b) whether some Golf Circuits have been identified for that purpose ;

(c) if so, whether Bhubaneshwar has been identified as one of the circuits to promote Golf Tourism ;

(d) if so, the details thereof ; and

(e) if not, the names of the Golf Circuits identified so far ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) Yes, Sir

(b) Yes Sir.

(c) Not at present

(d) Does not arise

(e) The Circuits are given in a statement is enclosed.

STATEMENT

CIRCUIT-I

— Bangalore (K.G.A Course)

— Mysore

— Ooty

— Kodaikanal

— Hyderabad

— Madras

— Coorg

— Trivandram

CIRCUIT-II

— Bombay (Presidency Golf Club)

— Pune

— Goa

CIRCUIT-III

— Delhi

— Agra

— Jaipur

— Gwalior

— Varanasi

— Chandigarh

— Noida

CIRCUIT-IV

— Calcutta (Royal Calcutta Golf Club)

— Port Blair

— Kalimpong

— Shillong

[*Translation*]

ITDC Discount for IA Passengers

*337. SHRIMATI KRISHNENDRA
KAUR (DEEPA) :
SHRI RAJENDRA AGNIHOTRY :

Will the Minister of CIVIL AVIATION
AND TOURISM be pleased to state :

(a) whether the India Tourism Development Corporation (ITDC) has recently introduced a scheme of offering discount in their hotels to the passengers travelling by the Indian Airlines flights;

(b) if so, the details of the scheme including the objectives thereof, rate of discount and conditions on which the discount would be admissible;

(c) whether the scheme will boost the room occupancy of ITDC and the passenger traffic of the Indian Airlines ; and

(d) if so, the extent thereof indicating the expected increase in the earnings of ITDC hotels and IA during the remaining period of the current year ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (d). With effect from 1.12.93. ITDC in collaboration with Indian Airlines has introduced a scheme to offer 15% discount on published tariff of its hotels to the passengers travelling by Indian Airlines

The salient features of the scheme are as follows :

- All incoming passengers holding Indian Airlines tickets/Boarding Pass of the night of the same day shall be entitled to 15% discount on Room Rent only at ITDC hotels. 'J' class passengers will be extended VIP countries such as fruit basket, flower, soft drinks in their rooms.
- The booking can be made in advance either directory withhotels or through Central Reservation Service Ashok Network. However on arrival at the hotel, Indian Airlines ticket/boarding

pass will have to be presented.

- Check-in/Check-out time 12 noon will be flexible by 6 hours, subject to availability of accommodation.
- The scheme is operative for all ITDC Hotels except Ashok Yatri Niwas, New Delhi.

The scheme will be mutually beneficial to ITDC and Indian Airlines. It aims at getting more clientele which will in turn improve room occupancy of ITDC hotels and increase business of Indian Airlines. It is pre-mature to indicate the business that would accrue to ITDC hotels and Indian Airlines under the scheme.

[English]

Tourism Action Plan

*338. SHRI R. SURENDER REDDY
SHRI BOLLA BULLI RAMAIAH

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether his Ministry has mooted any 'Tourism Action Plan' for the aviation, hotel and travel industries ;

(b) if so, the broad details of the plan including the expenditure involved ; and

(c) the time by which the plan is likely to be operative?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) to (c) . The Department of Tourism has prepared a tentative action plan for attracting five million foreign tourists. The plan envisaged investments to the tune of about Rs. 39,100 crores by different

Departments of Government of India, State Governments and the private sector. It has, however, not yet been examined by the concerned agencies in detail and approved by the Government.

[Translation]

Air Services by Foreign Airlines

*339. SHRI CHHITUBHAI GAMIT :
DR. (SHRIMATI) K.S.
SOUNDARAM :

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether several foreign airlines have applied for more destinations and entry points in the country and have also requested for increasing the frequencies on existing routes :

(b) if so, the details of such requests received during 1992 and 1993 so far :

(c) the decision taken by the Government thereon ; and

(d) the air routes allotted or proposed to be allotted to these airlines ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD) : (a) to (d). During the years 1992 and 1993, requests have been received from 34 countries/Administration for operating to new destinations/increasing the frequency on existing routes as indicated in Statement I. The additional rights given to foreign airlines after bilateral negotiations during the years 1992 and 1993 are indicated in Statement II. The additional rights relating to frequency and capacity are on reciprocal basis and are also available to our national carriers on the relevant sec-

tors.

STATEMENT - I

List of Countries/Administration from whom requests have been received for new/additional rights.

- | | |
|--|--|
| 1. Azerbaijan | 16. Maldives. |
| 2. Bangladesh. | 17. Malta. |
| 3. Belgium | 18. Mauritius. |
| 4. Belarus. | 19. Netherlands. |
| 5. Brunei | 20. Romania. |
| 6. Buigaria. | 21. Saudi Arabia. |
| 7. Burma. | 22. Singapore. |
| 8. Ethiopia. | 23. South Africa |
| 9. Finland | 24. Syria. |
| 10. Germany. | 25. Scandinavia (Sweden, Denmark and Norway) |
| 11. Gulf States (Bahrein, Oman, Qater and UAE) | 26. Sri Lanka. |
| 12. Hong Kong Administration. | 27. Tajikistan. |
| 13. Israel. | 28. Thailand. |
| 14. Kazakhstan. | 29. Turkmenistan. |
| 15. Kyrgyzstan | 30. U.K. |
| | 31. Uzbekistan. |
| | 32. Ukraine. |
| | 33. Yemen. |
| | 34. Zambia. |

STATEMENT-I

List of Countries/Administration From Whom Requests Have Been Received For New/Additional Rights.

Sl.No	COUNTRIES	18.	Mauritius.
1.	Azerbaijan.		
2.	Bangladesh.		
3.	Belgium.		
4.	Belarus.		
5.	Brunei.		
6.	Bulgaria.		
7.	Burma.		
8.	Ethiopia.		
9.	Finland.		
10.	Germany.		
11.	Gulf States(Bahrain, Oman, Qatar and UAE).		
12.	Hong Kong Administration.		
13.	Israel.		
14.	Kazakhstan.		
15.	Kyrgyzstan.		
16.	Maldives.		
17.	Malta.		

Sl.No	COUNTRIES
19.	Netherlands.
20.	Romania.
21.	Saudi Arabia.
22.	Singapore.
23.	South Africa
24.	Syria.
25.	Scandinavia(Sweden, Denmark and Norway.)
26.	Shri Lanka.
27.	Tajikistan.
28.	Thailand.
29.	Turkmenistan.
30.	U.K.
31.	Uzbekistan.
32.	Ukraine.
33.	Yemen.
34.	Zambia.

Minimum Wages

*340. SHRI SIMON MARANDI : Will the Minister of LABOUR be pleased to state :

(a) whether the Government have fixed the minimum wages for unrecognised labourers of industrial sector ;

(b) if so, the details thereof, State-wise

(c) the dates on which the rates of minimum wages were revised last ;

(d) whether there is any proposal to revise the rates for such labourers keeping in view the rise in prices ; and

(e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P. A. SANGMA): (a) to (e) The Minum Wages Act, 1948 provides for fixation, revision of mini-

imum rate of wages in employments in which the labour is vulnerable to exploitation, being not-well organised and having no effective bargaining power. The Central Government as well as the State Governments are the "appropriate Government" for the implementation and enforcement of the Act in the scheduled employments falling in their respective jurisdiction. A Statement indicating the number of scheduled employments, the range of minimum wages and the date of last revision in the central and state spheres is given below.

Based on the recommendations of the Indian Labour Conference held in 1995, a component of special allowance linked to Consumer Price Indices has been provided as a part of minimum wages for the scheduled employments in the central sphere. The special allowance is revised periodically, based on the movement in the Consumer price Indices.

STATEMENT

STATE-WISE DETAILS OF MINIMUM WAGES

	Central/State Government/ Union Territory	No. of Employments For which minimum Wages have been fixed/ revised.	Range of Minimum Wages per day (in Rs.)		Date of last revision
			Minimum	Maximum	
(1)	(2)	(3)	(4)	(5)	
1.	Central Government	40	19.82	37.37	12.8.92
II.	State				
1.	Andhra Pradesh	54	11.00	40.00	28.4.93
2.	Arunachal Pradesh	8	18.00	21.00	01.11.90
3.	Assam	37	15.35	32.80	18.03.91
4.	Bihar	74	16.50	26.24	*26.11.91
5.	Goa	16	15.00	22.00	05.02.92

Central/State Government/ Union Territory	No. of Employment For which minimum Wages have been fixed/ revised.	Range of Minimum Wages per day (in Rs.)		Date of last revision
		Minimum	Maximum	
(1)	(2)	(3)	(4)	(5)
6. Gujarat	45	15.00	39.05	31.03.93
7. Haryana	47	36.77	40.77	31.07.90
8. Himachal Pradesh	20	22.00	22.00	01.04.92
9. Jammu and Kashmir	33	15.00	15.00	24.03.89
10. Kamataka	37	16.00	32.53	22.07.92
11. Kerala	41	19.50	75.40	31.03.92
12. Madhya Pradesh	34	28.17	33.92	01.03.93
13. Maharashtra	52	11.00	64.00	07.07.93
14. Manipur	38	23.70	30.20	01.12.88

Central/State Government/ Union Territory	No. of Employment For which minimum Wages have been fixed/ revised.	Range of Minimum Wages per day (in Rs.)		Date of last revision
(1)	(2)	Minimum	Maximum	(5)
15. Meghalaya	20	9.00	25.00	01.06.90
16. Mizoram	51	28.00	35.00	11.11.87
17. Nagaland	37	25.00	25.00	06.07.92
18. Orissa	79	25.00	25.00	01.07.90
19. Punjab	60	41.51	41.51	01.09.93
20. Rajasthan	40	11.00	22.00	02.07.90
21. Sikkim	-	-	-	01.01.91
22. Tamil Nadu	60	7.00	49.20	21.10.93

Sl. No.	Central/State Government/ Union Territory	No. of Employment For which minimum Wages have been fixed/ revised	Range of Minimum Wages per day (in Rs.)		Date of last revision
			Minimum	Maximum	
(1)	(2)	(3)	(4)	(5)	
23	Tripura	71	1.80	21.00	01.10.92
24.	Uttar Pradesh	67	18.00	42.00	27.01.92
25.	West Bengal	36	6.76	45.00	24.06.92
III	UNION TERRITORIES				
26.	A. and N. Islands	10	27.00	32.00	13.08.92
27.	Chandigarh	40	38.81	40.13	22.02.90
28.	Dadar And Nagar Havelli	43	19.95	36.00	15.12.92
29.	Daman And Diu	11	22.00	22.00	19.03.93

	Central/State Government/ Union Territory	No. of Employment For which minimum Wages have been fixed/ revised.	Range of Minimum Wages per day (in Rs.)		Date of last revision
			Minimum	Maximum	
	(1)	(2)	(3)	(4)	(5)
30.	Delhi	29	41.45	41.45	24.04.89
31	Lakshadweep	4	30.00	30.00	01.01.93
32.	Pondicherry	2	8.00	15.00	31.01.90

@ Excludes employments where wages were fixed on piece-rated basis.

[English]

Anti-dumping Charge By USA

3537. SHRI S.B. SIDNAL:

SHRI SANAT KUMAR MANDAL :

Will the Minister of COMMERCE be pleased to state :

(a) whether the U.S. administration has charged India with injuring its domestic steel industry by dumping stainless steel wire rods in the U.S. market at unfair prices ;

(b) if so, the rationale behind this and its impact on India's exports to U.S. of these products ;

(c) whether the Government have made any investigation into this anti-dumping charge made by U.S. ;

(d) if so, the outcome thereof and which are Indian companies involved ;

(e) the extent to which the imposition of anti-dumping duties on these products will affect the India's exports ; and

(f) the steps being taken to set matters right ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) : (a) to (f). Anti-dumping action is taken against the pricing policies of the exporters and is not directed against the Government. Such an action is to be carried out in accordance with the multilaterally agreed disciplines on the subject.

On 30th December, 1992 the US domestic stainless steel wire rods industry filed with the US authority an anti-dumping petition concerning dumping of stainless steel wire rods originating from Brazil, France and India. On 19th January, 1993 the US initiated an anti-dumping investigation in the case. On 16th February, 1993 the US International Trade Commission made an affirmative determination that there is a reasonable indication that an industry in the US is materially injured by reasons of imports of stainless steel wire rods from India, Brazil and France. The US department of Commerce provided opportunity to the concerned exporters to make available required information for making a determination in the case. On 28th July, 1993 the US Department of Commerce made a preliminary determination in the anti-dumping investigation estimating a dumping margin of 48.80% in respect of imports from India. On 12th October, 1993 the US Department of Commerce made a final determination confirming the dumping margin estimated in the preliminary determination. The US anti-dumping determination has named three Indian companies. These are Mukund Ltd., Sunstar Metals Ltd., and Grand Foundary Ltd. Anti-dumping duty is applicable on exports of stainless steel wire rods to USA by all categories of exporters from India including the three companies identified in the determination. Imposition of anti-dumping duty on an export product affects the competitiveness of the product vis-a-vis domestic suppliers.

[Translation]

Bank Dacoities in Bihar

3538. SHRI PREMCHAND RAM: Will the Minister of FINANCE be pleased to state:

(a) whether employment or, financial assistance has been provided to the dependents of the employees of the public sector banks who were killed/injured in bank dacoities in Bihar during the last three years: and

(b) if so, the details thereof, bank-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) information is being collected and will be laid on the Table of the House.

[English]

Settlement of Claims by Oriental Insurance Company

3539. SHRI V. SREENIVASA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether representations regarding withholding of cases of claims of settlement and refund of overseas medi-claim policies by the Corporate headquarter of the Oriental insurance Company Limited have been received by the Government in the recent past;

(b) if so, the details thereof; and

(c) the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) (a) to (c):- Yes, Sir. A representation was received in the Ministry

of Finance in August, 1992 from one Shri O.P. Chawla of New delhi in respect of his claim under overseas Medi Claim Policy issued by the 'oriental Insurance Company Limited'. The General Insurance Corporation of India(GIC) reported that they followed up the matter with the Mercury insurance Services Pvt. Ltd., U.K., who have been appointed by 'oriental' as Claim Settling Agents. The claim settling agency furnished a list of hospitals where he could be treated and requested the insured to submit the bills of treatment which he has not done so far. The insured had now approached the Oriental to refund the premium paid by him which was not possible since the policy had run its term. This position was brought to his notice by the 'Oriental'.

Car Rental Companies

3540. SHRI VIJAY NAVAL PATIL:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether a few international car rental companies are operating in the country;

(b) if so, the particulars thereof alongwith the terms and conditions for operating these cars; and

(c) the extent to which these companies are allowed to repatriate profits earned by them from these operations?

THE MINISTER OF CIVIL AVIATION AND TOURISM: (SHRI GHULAM NABI AZAD) (a) to (c). The Government approved the foreign collaboration agreements of following Indian Companies for operating Rent-A-Car scheme in the country:

1. M/s Transport Corporation of India Ltd. with M/s Hertz International Ltd. USA.
2. M/s Sapna Tours Travels & leasing Pvt. Ltd. with M/s Budget Rent-a-Car Inc., USA.
3. M/s Vins overseas India Pvt. Ltd. with M/s. Europcar International, France.

The terms of foreign collaboration include a lumpsum payment for technical know-how, payment of royalty and commission to the foreign collaborator on the foreign bookings secured. No repatriation of profit is involved.

OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(DR. ABRAR AHMED) (a) : Under the Group Insurance Scheme of the Integrated Rural Development Programme(IRDP), all beneficiaries are insured for Rs. 6000/- and Rs. 3000/- in the case of accidental death and natural death respectively. Government has decided that in respect of death of IRDP beneficiaries occurring on or after 1st januaary, 1994, the nominee of the beneficiary will receive Rs. 5000/- in case of natural death and Rs. 10,000/- in case of accidental death.

(b) and (c): The number of claims sent and settled by Life Insurance Corporation from Maharssshtra during 1990-91,1991-92, 1992-93 and 1993-94 (till October, 1993) are given below:

Settlement of Death Claims

3541. SHRI RAM NAIK:

Will the Minister of FINANCE be pleased to state:

(a) whether the accidental deat, and the natural death of a person who has secured loan under the I R D P (Integrated Rural Development Programme) is insured for Rs. 6000/- and Rs. 3000/- respectively:

(b) if so, the number of such claims received by Life Insurance Corporation from Maharashtra during 1990-91,1991-92, 1992-93 and 1993-94: so far;

(c) the number of Claims settled: and

(d) the steps taken/proposed to be taken to expedited the pending claims?

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER

<i>Year</i>	<i>Claims sent to LIC</i>	<i>Claims settled by LIC</i>
1990-91	482	378
1991-92	1049	721
1992-93	2516	1741
1993-94	3087	2192

(d) : The procedure for settlement of claims are laid down under the Scheme which is implemented through the District Rural Development Agencies/ Zilla parishads. The Block Development Officer will prepare the claim papers, execute th dischrage receipt and forward them to the concerned LIC Office within a week from the date of receipt of application from the nominee or legal heirs and the LIC will settle the claims within a fortnight of receipt of claim papers including death certificates.

External Debt Liability of Andhra Pradesh

3542. SHRI J CHOKKA RAO: Will the Minister of FINANCE be pleased to state:

(a) the external debt obtained by the Government of Andhra Pradesh as at the end of financial year 1992-93 together with the debt obtained during the current year;

(b) the liability of the State towards the payment of interest and principle during the coming three years; and

(c) the manner in which it is likely to be repaid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI ABRAR AHMED) (a) to (c) External debt is not contracted by individual States and Government of India is the borrower in respect of all external assistance/ loans, the proceeds of which are passed onto state Governments in Rupees, as Additional Central Assistance, on standard terms and conditions governing release of ACA. The liability towards repayment of external loans rests with Government of India and these are repaid according to the terms of such loan agreements.

Board of Governors of NIFT

3543. DR. LAXMINAFYAN PANDEYA: Will the Minister of TEXTILES be pleased to state :

(a) the authorised strength and present composition of the Board of governors of the National Institute of Fashion Technology; and

(b) the time by which the vacancies are likely to be filled up?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY) (a) and (b) : The authorised strength of the Board of Governors of the National Institute of Fashion Technology is eighteen. The tenure of the Board constituted last, has expired in July, 1993. Reconstitution of the Board is to take place shortly.

Development of Polo Grounds to Attract Tourists

3544. SHRI VILAS MUTTEMWAR : Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether the Government have any proposal to develop polo grounds to attract tourists:

(b) if so, the details thereof: and

(c) the names of the locations identified for the purpose particularly in Maharashtra ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) No Sir.

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

Smuggling of Ivory Items

3545. SHRI MULLAPPALLY RAM CHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have discovered any outlets for ivory items within the country or for smuggling out during 1992 and 1993:

(b) if so, the details thereof; and

(c) the action taken to prevent recurrence of such smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) and (b). trade in Ivory and Ivory articles of all kinds are totally banned by the wild Life (Protection) Act, 1992. Details of attempted out-smuggling of Ivory items during 1992 and 1993 are given below :

1992	1993
1. Wooden statute with ivory nails (85 Kgs.)	1. Ivory chess set (32 Pcs.)
2. One ivory carving (150 gms.)	2. Ivory tosk (2 Nos)
3. Artistic item made of ivory (50 gms)	3. Ivory chess set(32pcs
4. Knife hoandla made of ivory (one piece) (Figures are provisional)	

(c) The Customs authorities remain vigilant against smuggling activities including smuggling of Ivory items. Close coordination is being maintained among all central and state governments agencies concerned with prevention and detection of smuggling.

Export of Tobacco and Cigarettes

3546. SHRI R.DHANUSKODI ATHITHAN : Will the Minister of COMMERCE be pleased to state:

(a) whether the export of tobacco and cigarettes has not increased as targetted during the last two years;

(b) if so, the reasons therefor;

(c) whether the Tobacco industry has sought any changes in the incentives now being provided to exporters;

(d) if so, the details thereof ; and

(e) the action taken by the Government in this regard ?

THE MINISTER OF STATE IN THE
MINISTRY OF CIVIL
SUPPLIES, CONSUMER AFFAIRS AND
PUBLIC DISTRIBUTION AND THE MINIS-

TER OF STATE IN THE MINISTRY OF
COMMERCE (SHRI KAMALUDDIN
AHMED): (a) Export target and
performance for tobacco and cigarettes
are given below:-

	1991-92		1992-93			
	Qty.	Value	Target	Actual Exports	Target	Actual Exports
Unmanufactured	79000	325.18		71792	80000	81294
				342.69	445.30	434.41
Cigarettes	Nil	Nil		1753	21000	2644
				16.11	24.31	39.71

Qty : Tons

Value : Rs. crores

(b) In 1991-92 export of tobacco marginally fell short of quantity target as exporters could not execute some orders on hand due to inadequate availability of tobacco in the market. In 1992-93 the marginal shortfall in value terms for tobacco exports was due to late opening of Letters of Credit in respect of 7003 tons of tobacco contracted with Russia during 1992-93.

(c) and (d). Some of the suggestions made by the tobacco industry include:-

1. Inclusion of tobacco in the list of items eligible for export to Russia under debt repayment mechanism on long term basis.
2. Waiver of requirement of ECGC cover on shipment to Russia under debt repayment .
3. Waiver of ECGC cover for stock and sales through own warehousing in CIS countries.
4. Allowing exports to CIS countries on 356 days credit.
5. Allowing import of packing materials for tobacco exports at nominal import duties.
6. Allowing free transfer of packing material among exporters.
7. Counting export obligation on import of packing material from the date of import and granting number of extensions in the fulfilment of export obligation.

(e) These suggestions have been taken up with the concerned agencies for

appropriate action.

[Translation]

Tourism Development in Kapilvastu

3547. SHRI RAMPAL SINGH: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the government of Uttar Pradesh has sent any scheme to the Union Government for the development of tourism at Kapilvastu, a Buddhist place of pilgrimage in Siddarth Nagar district;

(b) if so, the details thereof; and

(c) the time by which this scheme is likely to be approved ?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a). No Sir.

(b) and (c) Does not arise.

[English]

SC/ST Vacancies in Directorate General of Employment and Trainings

3548. SHRI LALIT ORAON. Will the Minister of LABOUR be pleased to state:

(a) whether a large number of posts of Assistant Employment Officers and Sub-Regional Employment Officers are lying vacant in the coaching-cum guidance centres for SC/ST in the Directorate General of Employment and Training;

(b) if so, the details about , Center-

wise, number of posts lying vacant, since and when and the reasons therefor;

(c) the efforts made to fill up these posts during the last two years; and

(d) the time by which these posts are likely to be filled up?

THE MINISTER OF STATE OF THE
MINISTRY OF LABOUR (SHRI P.A.
SANGMA): (a) Yes, Sir.

(b) to (d). The details of centre-wise position of vacancies, period from which such posts are vacant along with reasons therefore and the efforts made to fill-up these posts during the last two years are given in the statements I & II given below for Sub-Regional Employment Officers and Assistant Employment Officers respectively.

The recruitment process has been initiated to fill up the vacant posts.

STATEMENT-1

Details of the locations of Coaching-cum-Guidance Centre for SC/ST (CGC) where the post of Sub-Regional Employment Officer (SREO) is lying vacant indicating dates from which the vacancy arose as also reason therefor:

Sl. No.	Location of the CGC	Date on which the vacancy arose	Reasons for vacancy	Action taken for filling up the vacancies.
(1)	(2)	(3)	(4)	(5)
1.	Banaglore	11.03.93	Death of the Officer.	
2.	Calcutta	16.03.93	Transfer of the officer to CGC Guwahati.	
3.	Hyderabad	29.04.93	Transfer of the officer to CGC Trivandrum.	
4.	Imphal	11.11.90	The Officer Proceeded on deputation to Central Staff Training and Research Institute, Calcutta.	The Vacancies of SREOs could not be filled for want of adequate response against the advertisement/circular issued. Therefore, amendment in the Recruitment Rules was effected.

Sl. No.	Location of the CGC	Date on which the vacancy arose	Reasons for vacancy	Action taken for filling up the vacancies.
(1)	(2)	(3)	(4)	(5)
5.	Kanpur	12.11.93	The Officer was repatriated on completion of his deputation.	These vacancies have been re-advertised/re-circulated.
6.	Madras	29.01.93	The Officer was repatriated on completion of his deputation.	
7.	Mandi	06.10.93	The Officer was repatriated on completion of his deputation.	
8.	Ranchi	12.08.92	Death of the Officer.	
9.	Rourkela	18.06.91	The Officer resigned. Another Officer when transferred obtained stay of the Central Administrative Tribunal.	
10.	Jowai	01.01.91	The officer (on deputation) was repatriated to his parent department.	
11.	Jammu	01.03.92	CGC at Jammu is not functional for	

STATEMENT-II

Details of the locations of Coaching-cum-Guidance Centres (CGC) where the post of Assistant Employment Officer (AEO) is lying vacant indicating dates from which the vacancy arose as also reason therefor:

Sl. No.	Location of the CGC	Date on which the vacancy arose	Reasons for vacancy	Action taken for filling up the vacancies.
1	2	3	4	5
1.	Jabalpur	31.08.92	Transfer of Officer.	
2.	Kanpur	24.07.91	Resignation of Officer.	The post of AEO have been lying vacant due to non availability of suitable candidates against the advertisement/ circular issued in this regard. These vacancies have been re-advertised/ re-circulated.
3.	Ranchi	10.03.92	Promotion of Officer	
4.	Surat	24.02.92	Promotion of Officer.	
5.	Trivendrum	02.03.92	Promotion of Officer.	
6.	Bangalore	01.03.89	Please see col. 5.	
7.	Imphal	01.03.90	Please see col. 5.	
8.	Nagpur	01.03.90	Please see col. 5.	

Sick Tea Gardens of Assam

3549. SHRI DWARKA NATH DAS : Will the Minister of COMMERCE be pleased to state:

(a) whether there are several sick tea gardens in Assam particularly in border district of Karimganj;

(b) if so, whether the Government propose to revitalise those sick tea gardens; and

(c) if so, the steps taken or proposed to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) to (c). The problems faced by sick and weak tea gardens have been engaging the attention of the Government. In the past, Tea Board had undertaken an exercise to identify such sick and weak tea gardens and also to find out reasons for their sickness. Discussions have been held by the Tea Board with representatives of commercial banks and the concerned tea gardens to find out ways and means for revival of these gardens by evolving a comprehensive rehabilitation package.

Guidelines for Public Sector Undertakings on Wage Negotiations

3550. PROF. SAVITRI LAKSHMANAN: Will the Minister of LABOUR be pleased to state:

(a) whether the Government have issued guidelines to the Public Sector Undertakings regarding wage negotiations;

(b) whether the guidelines provide that the new wage settlements should be

consistent with the generation of resources and profits by the individual units; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA) (a). Yes, Sir.

(b) and (c). Under the guidelines issued by Department of Public Enterprises on 12.4.1993, the Managements are free to negotiate the wage structure keeping in view, and consistent with, the generation of resources profits by the individual enterprises/units. The Government will not provide any budgetary support for the wage increases and respective managements will have to find the requisite resources from within their own internal generation. For certain PSEs which are monopolies or having an administrative price structure, it must be ensured that increase in wages after negotiations do not result in an automatic increase in administered prices of their goods and services. It has also been decided that the period of wages settlements shall be for 5 years and the revision shall be subject to the condition that there shall be no increase in labour cost per unit of output.

Customer Services Banks

3551. SHRI PRITHVIRAJ D. CHAVAN: Will the Minister in FINANCE be pleased to state:

(a) whether the recommendations of the Committee constituted in September, 1990 on Customer Service in Banks have been accepted and implemented by each public sector bank;

(b) if so, the details thereof; and

(c) if not, the steps taken to ensure

the implementation of the above recommendations?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE AND THE MINISTER OF STATE OF THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). The Committee on Customer Service in Banks in its report submitted to Reserve Bank of India (RBI) in Dec. 91 made 97 recommendations. RBI issued necessary instructions in January, 1992 advising banks to implement 66 recommendations which did not require any further processing and to initiate suitable action on 9 recommendations which required examination by banks including consultation with employees' organisations. RBI has subsequently issued instructions for implementation of 12 recommendations. Banks have started implementing the accepted recommendations.

**Arrears of Provident Fund
Contributions**

3552. SHRI SYED SHAHABUDDIN:

Will the Minister of LABOUR be pleased to state:

(a) the total arrears of provident fund contributions State-wise, as on March 31, 1993;

(b) the number of industrial units involved, State-wise;

(c) the number of public sector units included in (b) above; and

(d) the steps taken for the collection of the arrears?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P. A. SANGMA)

(a) to (c) : A statement showing the required information is enclosed.

(d) The EPF organisation is already taking necessary legal and penal action against the defaulting establishments to recover the outstanding dues.

STATEMENT

AREAS OF PROVIDENT FUNDS AND CONTRIBUTION

REGION	PUBLIC SECTOR		PRIVATE SECTOR	
	No. of defaulting estts	Amount of default (Rs. in crores)	No. of defaulting estts	Amount of default (Rs. in crores)
Andhra Pradesh	3	3.77	790	6.11
Bihar	14	1.20	1106	6.27
Delhi	37	0.10	238	3.72
Gujarat	8	0.26	577	4.11
Haryana	7	0.01	320	7.10
Karnataka	21	0.08	309	3.62
Kerala	21	0.58	124	2.98
Madhya Pradesh	26	2.68	636	16.25
Maharashtra	22	4.03	865	19.93
N.E. Region	22	0.56	255	1.16

REGION	PUBLIC SECTOR		PRIVATE SECTOR	
	No. of defaulting estts	Amount of default (Rs. in crores)	No. of defaulting estts (Rs. in crores)	Amount of default (Rs. in crores)
Orissa	24	0.73	444	3.99
Punjab	4	0.30	1077	6.57
Rajasthan	4	0.01	416	2.65
TamilNadu	31	0.72	1265	7.63
Uttar Pradesh	46	5.74	965	13.47
West Bengal	43	39.61	1180	101.42

Financial Support to Exim Bank*[Translation]*

3553. PROF. M. KAMSON: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have reduced its financial support to Exim Bank of India;

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

(c) whether the long term funding by the Reserve Bank of India to the above bank has also been stopped;

(d) if so, the details thereof and its impact on the growth of exports; and

(e) the remedial measures proposed to be taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (e). The question of increased contribution to the share capital of Export-Import Bank of India (Exim bank) by the Government is under consideration.

The Reserve Bank of India (RBI) informed Exim Bank in May, 1992 that no further allocations would be made out of its National Industrial Credit (Long-Term Operations) Fund to them. Exim Bank would, therefore, increasingly need to raise funds by way of commercial borrowings, such as fixed deposits, certificates of deposits and bonds to meet its requirements.

Development of Civil Aviation in Rajasthan

3554. PROF. RASA SINGH RAWAT: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state the target fixed for the development and construction in the field of civil aviation in Rajasthan during the Eighth Five Year Plan and the amount earmarked for the purpose?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): National Airports Authority have allocated Rs. 24.28 crores during the Eighth Five Year Plan for the development of airports in Rajasthan.

*[English]***Aid India Consortium Loan**

3555. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have been decided to forego a part of the last disbursing loan which was pledged to it in the Aid India Consortium meeting at Paris last year; and

(b) if so the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) No, Sir.

(b) Does not arise.

**Claim of Insurance Money on
Fake Theft**

3556. SHRI RAJNATH SONKAR SHASTRI: Will the Minister of FINANCE be pleased to state :

(a) whether insurance money has been claimed by arranging fake thefts in Delhi as reported in 'Indian Express' dated April 21, 1992;

(b) if so, the details thereof;

(c) the action taken against the persons found reasonable therefor; and

(d) the steps proposed to be taken by the Government to check such cases?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). Sometimes fake insurance claims are made by some insureds. However, before settlement of such claims, the insurance company satisfies itself about the genuineness of such claims.

A claim for Rs. 23,56,448/- was lodged with the United India Insurance Co. Ltd. on a Burglary policy issued to M/s Kanishka Cables & Wires Pvt. Ltd. NOIDA, with Allahabad Bank, Parliament Street, New Delhi as Mortgagees. The policy was for a period of one year from 11.2.1992 to 10.2.1993 and covered stock, raw material and other goods lying at the insured's factory and godown at NOIDA. A burglary was reported to have been noticed on 19.4.1992 by the watchman who informed the management of the Company about the theft. The Mortgagee lodged a claim with the

insurance Company on the basis of which a surveyor was appointed. The surveyor was not provided with the copy of the FIR and other relevant documents by the insured. Further efforts made by the Company to investigate the claim by appointing an Investigator also did not yield any result due to non-cooperation from the insured. As the loss has not been substantiated by the insured/mortgagee, the 'United India' has repudiated the claim.

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

**Tourism Promotion in Arunachal
Pradesh**

3557. DR. SUDHIR RAY:

SHRI RAM PRASAD SINGH:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether the Government are developing Arunachal Pradesh for tourists attraction as alternative to Kashmir;

(b) if so, the amount of assistance provided for developing infrastructure in this regard in Arunachal Pradesh;

(c) whether there is any action plan of the Government in this regard; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (d). The development of tourism is primarily the responsibility of the concerned State Government. However, the Central Department of Tourism ex-

tends financial assistance for projects received from State Governments and dependent upon their merit, inter-se priority

and availability of funds. During 1992-93, Rs. 48.27 lakhs were sanctioned to the State of Arunachal Pradesh as per the enclosed Statement.

STATEMENT

PROJECTS/SCHEMES PRIORITISED DURING 1992-93

S.No.	Name Of The Project	Amount Sanctioned	Amount Released
ARUNACHAL PRADESH			
1.	Tourist Lodge at Ziro	7.98	4.00
2.	Tourist Lodge at Debon	7.98	4.00
3.	Tourist Lodge at Pangning	7.98	4.00
4.	Tourist Lodge at Daprijo	7.98	4.00
5.	Tented Accommodation	9.35	5.00
6.	Publicity support	7.00	7.00
Total		48.27	28.00

Committee to Review IRDP

3558. SHRI GEORGE FERNANDES:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have appointed a 16-member expert committee to review the Integrated Rural Development Programme;

(b) if so, the details thereof including its composition and terms of reference; and

(c) the time by which it is likely to submit its report?

THE MINISTER OF STATE OF THE

MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). Reserve Bank of India (RBI) has recently appointed a High Power Expert Committee under the Chairmanship of Shri D.R. Mehta, Deputy Governor to review the progress of Integrated Rural Development Programme (IRDP) and recommend suitable measures for its improvement. The details of other members and the terms of reference of the Committee are given in the enclosed Statement.

(c) The Committee is expected to submit its report by the end of February, 1994.

STATEMENT

ie Composition of the High Power Expert Committee, appointed by Reserve Bank of India to look into IRDP is as under;

1	2	3
1.	Shri D. R. Mehta, Deputy Governor, RBI	Chairman
2.	Shri B. N. Yugandhar, Special Secretary, Ministry of Rural Development	Member
3.	Shri R. V. Gupta, Additional Secretary, Ministry of Finance	Member
4.	Shri P. Kotlaiah, Chairman, National Bank of Agriculture and Rural Development.	Member
5.	Shri Rashid Jilani, Chairman and Managing Director, Indian Overseas Bank.	Member
6.	Shri T. K. K. Bhagavat, Chairman and Managing Director, Punjab National Bank.	Member
7.	Dr. Ram K. Vepa, Retired IAS	Member
8.	Shri K. R. Bhatti, Secretary (Rural Development), Government of Uttar Pradesh.	Member
9.	Shri S. N. Ghosh, Secretary (Rural Development), Government of West Bengal.	Member

1	2	3
10. Dr. T. C. A. Srinivasa Ramanujam, Director General National Institute of Rural Development.		Member
11. Ms. Nirmala Deshpande, President, Harjan Seva Sangh.		
12. Sri A. K. Basu, Society of Rural Industrialisation.		Member
13. Shri Aloysius P. Fernandez, Executive Director, Mysore Resettlement and Development Agency.		Member
14. Shri J. M. Chona, Economic Adviser, RBI		Member-Secretary
The Committee has co-opted Dr. V. S. Vyas, Director, Institute of Development Studies and Dr. Yashveer Singh, Chairman, Khadi & Village Industries Commission as Members.		
<i>The terms of reference of the Committee are as follows.</i>		
(i)	To review the present procedure for identification or benification and suggest changes to ensure proper under identification; IRDP.	
(ii)	To review the existing system of sponsoring of loan application;	
(iii)	To examine the adequacy of forward and backward linkages, the role of government agencies in ensuring the availability of these linkages to beneficiaries at the proper time and in adequate measures.	

1

2

3

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- (iv) To examine procedures for sanction of loan by banks and suggest improvements to ensure at the proper timely and adequate credit being made available.
- (v) To examine cause for poor recovery and suggest measure for improvement in recovery; and
- (vi) To examine procedure for disbursement of subsidy under IRDP i.e. switch over from the front-end subsidy to back-end subsidy.
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[Translation]

Trade with Iran

3559. SHRI PRABHU DAYAL KATHERIA: Will the Minister of COMMERCE be pleased to state:

(a) whether Iran has offered a proposal to provide trade facility to India;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI KAMALAUDDIN AHMED): (a) to (c). Iran has offered to provide transit facilities to India for its trade with the Central Asian Republics. Cooperation between India and Iran could make a positive contribution in the economic development of that region and will make a significant contribution to regional cooperation.

Safety of Labourers in Mines

3560. SHRI DEVI BUX SINGH: Will the Minister of LABOUR be pleased to state :

(a) the number of labourers killed after getting entrapped in the various mines during each of the last three years; and

(b) the measures taken by the Government for the safety of labourers and for providing assistance to the families of such victims?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (P.A. SANGMA):

(a) The number of labours killed after getting entrapped in the various mines during the years 1990, 1991 and 1992 was 48, 26 and 3 respectively.

(b) Provisions for safety persons employed in the mines are contained in the Mines Act, 1952 and the rules and the regulations framed thereunder. These provisions are required to be complied with by the mine managements. The officers of the Directorate General of Mines Safety inspect the mines from time to time in order to check compliance of the statutory provisions by the mine managements and take appropriate action under the Mines Act, 1952 against the persons responsible for violating the provisions of the Act.

Payment of the compensation by the management to next of kin of the deceased is regulated under the Workmen's Compensation Act, 1923 which is administered by the respective State Governments/Union Territory Administrations. Information in this regard is not maintained by the Ministry of Labour.

[English]

Agricultural Export Policy

3561. SHRIMATI PRATIBHA DEVISINGH PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have any proposal to change the agricultural export policy;

(b) if so, the details thereof; and

(c) if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) No, Sir.

- (b) Question does not arise.
 (c) The policy is working satisfactorily.

Agricultural Labourers

3562. SHRI N. DENNIS: Will the Minister of LABOUR be pleased to state :

- (a) whether the All India Agricultural Workers Union have demanded for revision of minimum wages for agricultural labourers;
 (b) if so, the details thereof; and
 (c) the steps taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A.SANGMA): (a) to (c). Government is not aware of any such demand made by the All India Agricultural workers' union on revision of Minimum Wages for Agricultural labour. However, it may be mentioned that the Central Government have revised the minimum wages for agricultural labour in the central sphere on the 12.8.1992.

Industrial Exhibitions

3563. DR. VASANT NIWRUTTI PAWAR: Will the Minister of COMMERCE be pleased to state:

- (a) whether the Government propose to participate in various industrial exhibitions abroad during the current financial year;

(b) if so, the countries chosen for such participation; and

(c) the quantum of business expected from such exhibitions?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) Government approved participation by the India Trade Promotion Organisation and other Export Promotion Councils and Commodity Boards in various fairs/exhibitions abroad. During the financial year 1993-94, ITPO will be participating in 47 such fairs. Export Promotion Councils and Commodity Boards will participate in 76 fairs/exhibitions abroad.

(b) The countries for such participation cover all parts of the globe. Examples of such countries are Japan, France U.K., Saudi Arabia, Iran, Singapore, South Korea, Kenya, Hungary, USA, Tunisia, Panama, etc.

(c) No projection has been made of the quantum of business expected from such exhibitions.

Skilled Manpower in Various Trades

3564. SHRI HARISH NARAYAN PRABHU ZANTYE: Will the Minister of LABOUR be pleased to state:

(a) whether there is a shortage of skilled manpower in the trade of masons and carpenters in rural and urban areas;

(b) whether the Government have carried out any survey regarding the present availability of manpower in various trades

against the demand for them;

(c) if so, the detail thereof; along with the extent of shortages for trained and skilled manpower as at present and the projection for the next 10 years;

(d) the estimated number of skilled manpower being trained at present trade-wise and State-wise; and

(e) the proposals for expansion of the existing facilities during the Eighth Plan along with the provision of funds earmarked?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) As per the information available from the Employment Exchanges, as on 31st March, 1989 no vacancy was reported to be unfilled in these categories on account of non-availability of suitable applicants.

(b) No Sir.

(c) Does not arise.

(d) and (e). The Craftsmen training is provided in the Industrial Training Institutes which are established by the State Government or private organisations. The details regarding number of persons being trained trade-wise and State-wise as also the proposals for expansion etc. are not maintained by the Ministry of Labour.

[Translation]

Beedi Industries

3565. SHRI BRAHMANAND MANDAL: Will the Minister of LABOUR be pleased to state:

(a) the number of Beedi workers in the country, State-wise; and

(b) the details of the Capital investment made by private industrialists and co-operative societies of Beedi workers?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) A statement showing the number of Beedi Workers, State-wise is given below.

(b) No such statistics is maintained by the Government.

STATEMENT

	State	Number of Beedi Workers
1.	Karnataka	3,55,244
2.	Kerala	1,21,331
3.	Uttar Pradesh	4,50,000
4.	Rajasthan	2,79,000*
5.	Gujarat	2,03,000*
6.	Orissa	1,60,000
7.	West Bengal	4,50,000
8.	Tripura	0,05,000
9.	Assam	0,07,725
10.	Andhra Pradesh	6,00,000
11.	Tamil Nadu	6,00,000
12.	Madhya Pradesh	6,00,000
13.	Maharashtra	2,50,000

14. Bihar	3,91,500
Total	44,72,800

*The number of beedi workers in Rajasthan and Gujarat is under dispute.

[English]

**Externally Aided Projects in
Gujarat**

3566. SHRU RATILAL VARMA: Will the Minister of Finance be pleased to state:

(a) the details of externally aided projects presently under implementation in Gujarat; and

(b) the details of progress made in completion of those projects?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI ABRAR AHMED): (a) to (b). The details of externally aided on going projects and utilisation of loan amount are given in the statement below.

STATEMENT

EXTERNALLY AIDED ONGOING PROJECTS IN GUJARAT

(In million)

S.No.	Name of the Project	Donor Agency	Loan % Credit Amount	Utilisation upto 31.10.93
1.	Gujarat Medium Irrigation-II	IDA	\$203,880	\$163,156
2.	National Water Management	IDA	127,270	76,931
3.	I.W.D.(Plains)	IDA	58	7.20
4.	NARP-II	IDA	78.93	53.92
5.	Gujarat Urban Development	IDA	64,864	43,067
6.	Gujarat Rural Roads	IDA	\$137,920	60,406
7.	National Highway	IBRD	306	11.00
8.	Integrated Family Welfare	UK	2.6	
9.	Gujarat Water Supply (Lathi Liliya)	Nether Lands	Df19,900	Df17,994
10.	Gujarat Water Supply (Santhapur-II)	Nether- Lands	Df14,210	Df10,400

Safdarjung Airport

3567. DR. K.D. JESWANI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government propose to close down the Safdarjung Airport in Delhi;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRIGHULAM NABI AZAD): (a) to (c). On security consideration, Ministry of Home Affairs have proposed closure of flying activities at Safdarjung Airport. No final decision has, however, been taken so far on this proposal.

[Translation]

Increase in Smuggling Activities

3568. SHRI VILASRAO NAGNATHRAO GUNDEWAR: Will the Minister of FINANCE be pleased to state:

(a) whether there has been an increase in smuggling activities in various border states of the country;

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

(c) the number of such cases came to the notice of Government during the last year and the current year so far, State-wise;

(d) the details of goods seized therein;

(e) the action taken against the persons found responsible therefor; and

(f) the steps taken by the Government to check these activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V.

CHANDRASHEKARA MURTHY):(a)to(f). Information is being collected and will be laid on the Table of the House.

[English]

Nationalised Bank in Orissa

3569. SHRI ARJUN CHARAN SETHI: Will the Minister of FINANCE be pleased to state:

(a) the total number of branches of nationalised banks opened in Orissa during the last three years;

(b) whether a number of posts reserved for Scheduled Castes and Scheduled Tribes in Class III and IV categories are lying vacant in these banks;

(c) if so, the details thereof; and the reasons therefor; and

(d) steps taken to fill up the above vacancies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABBAR AHMED): (a) The information is being collected and to the extent available will be laid on the Table of the House.

(b) and (c). As per available information the All India backlog (Backlog in respect of Orissa State is not readily available) as on 1.4.1993 in the categories of clerical, sub-staff and sweepers for the posts reserved for Scheduled Castes (SCs)/Scheduled Tribes (STs) in Public Sector Banks was as under:-

<i>Cadres</i>	<i>SCs</i>	<i>STs</i>
Clerical	738	588
Sub-Staff	287	494
Sweepers	26	114

The backlog is because of non-availability of suitable candidates belonging

to SCs/STs, and for non-availability of vacancies in the cases where backlog exists.

(d) The steps taken by the Government to fill up the reserved vacancies for SCs and STs in Public Sector Bank have been as under:

- (1) Special recruitment drives have been carried out during the years 1989, 1990 and 1992 and a substantial backlog has been cleared. During the current year viz. 1993-94, a special recruitment drive for SCs and STs is being carried out to clear the backlog to the extent of available vacancies;
- (2) The recruitment and representation position of the SCs and STs in the Public Sector Bank is being reviewed through a comprehensive performance by the Boards of Directors of each of the Public Sector Banks every year and the position is being reported to the Government;
- (3) The banks have been advised of a revised format of the indent to be placed by them on the Banking Service Recruitment Boards Employments Exchanges to ensure that the total backlog is taken into account at the time of indenting for fresh recruitment;
- (4) Pre-recruitment training is being imparted by all banks to the candidates appearing for the BSRB examination;

- (5) Centers are being established for examination nearest to the areas of concentration of the ST population; and
- (6) Banks have been advised to hold training workshops for the personnel working in their SC/ST Cells to make them fully aware of the need for implementation of the reservation policy.

Small Scale Units

3570. SHRI GABHAJI MANGAJI THAKORE: Will the Minister of FINANCE be pleased to state:

(a) the number of small scale industrial units declared sick in Gujarat during each of the last three years;

(b) the number of small scale industries which have been made economically viable during the above period; and

(c) the details of the schemes prepared by the Government to check the industrial sickness in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The Reserve Bank of India (RBI) have reported that the basis of half yearly data as on 31st March, 1992 received by them from the scheduled commercial banks, the total number of Non-SSI sick/weak and SSI sick units with bank credit outstanding from them in Gujarat is as under:

<i>No of Units</i>	<i>(Rs. / Crores)</i>	
<i>No of Units</i>	<i>Amount Outstanding</i>	
Non-SSI Sick	155	651.01
Non-SSI Weak	56	195.06
SSI-Sick	6581	227.01

The banks have been advised to carry out availability study of sick/weak units and to undertake revival of those units which

are found to be viable as per RBI guidelines. The viability position of sick/weak industries in Gujarat is as under:

	<i>Sick SSI</i>	<i>Non-SSI</i>	<i>Non-SSI</i>
	<i>Units</i>	<i>Sick Units</i>	<i>Weak Units</i>
Potentially viable	447	58	23
Non-viable	5881	85	26
Viability yet to be decided	253	12	7
of viable those put under nursing	228	39	15

(c) Detailed guidelines have been issued by RBI regarding formulation and implementation of rehabilitation packages in respect of sick and weak units considered potentially viable.

Rehabilitation packages provide for funding of existing dues of banks and financial institutions with extend period of repayment there of in a phased manner, interest concessions, grant of fresh term loans, as also fresh working capital facilities. As regards Non-SSI sick industrial companies including public sector undertakings, the Board for Industrial and Financial Reconstruction (BIFR) set up under the sick Industrial Companies (Special Provisions) Act, 1985 is adequately empowered to take necessary action for the determination of preventive, ameliorative, remedial and other measures. RBI is also monitoring closely the performance of bank in extending credit to sick and weak units in relation to the guidelines issued by it to commercial banks.

[Translation]

Janata Cloth

3571. SHRI BIRSINGH MAHATO:
Will the Minister of TEXTILES be pleased to state:

(a) the number of the cloth manufacturing mills in West Bengal which are in

working condition;

(b) whether these mills are manufacturing Janata Dhoties; and

(c) if so, the target fixed for manufacturing cheap cloth during 1992-93?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILE (SHRI G. VENKAT SWAMY): (a) as on March 31, 1993 there were 11 textile mills working in West Bengal.

(b) These mills do not produce Janata cloth. Six of these mills under the National Textile Corporation are producing Controlled cloth.

(c) The target fixed for NTC (WBABO) Ltd., for production of Controlled cloth during 1992-93 was 112.15 lakh square metres.

[English]

Tourism in Gujrat

3572. DR. AMRIT LAL KALIDAS PATEL:
SHRI DILEEP BHAI SANGHANI:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government of Gujarat has submitted any proposals for

promotion of tourism in the State for approval and assistance of the Union Government during 1993-94;

(b) if so, the details thereof;

(c) The proposals which have been approved and assistance provided;

(d) the time by which the remaining

proposals are likely to be approved?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b)to(d). Two proposals have been received from the Government of Gujarat for Central assistance during 1993-94, details of which are placed below:

(Rs. in lakhs).

S.No.	Name of the Project/Scheme	Amount Sanctioned	Amount Released
1.	Construction of Tourist Complex at Nalsarovar	19.68	10.00
2.	Floodlighting of Somnath Temple	17.46	8.00

Jute Corporation of India

[Translation]

Rewards to Black Money Informers

3573. SHRI SUBRATA MUKHERJEE: Will the Minister of TEXTILES be pleased to state:

3574. SHRI LAL BABU RAI: Will the Minister of FINANCE be pleased to state:

(a) whether the Jute Corporation of India is not getting financial assistance according to its need and demand; and

(a) whether the persons giving information to the Government about the black money are rewarded;

(b) if so, the reasons therefor?

(b) if so, the details there of including the rules if any and the criteria laid down in this regard;

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a)and(b). The Government reimburses Jute Corporation of India for its Losses incurred in the price-support operations. during the year 1992-93, a sum of Rs.32 crores was released to Jute Corporation of India for the said purpose. During the current year a sum of Rs.24 crores has already been provided to Jute Corporation of India.

(c) the total amount rewarded to such persons during each of the last three years;

(d) whether due to discrimination in rewarding such informers, the scheme has become ineffective; and

(e) if so, the remedial steps proposed to be make the scheme effective!

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) and (b) Yes Sir, a person who furnishes specific information, documents or evidence of undisclosed income, wealth, fifth, estate gift eligible for reward if the information furnished by him leads to additional gain to revenue. The government has, from time to time, issued Guidelines which regulate the grant of reward to informants.

(c) Separate figures of reward to informants alone are not being maintained. The total amount of reward paid by the Income-tax Department to informants and Government servants in the last three financial years is as under:

Financial Year	Amount (Rs. in thousands)
1990-91	89,73
1991-92	113,40
1992-93	93,04

(d) There has been no discrimination in the grant of rewards to informants.

(e) In view of (d), does not arise.

Indian Airlines.

3575. SHRI DATTATRAYA BANDARU:
DR. LAXMINARAYAN PANDAYA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) Whether the Indian Airlines has suffered heavy losses during the first six months of the current financial year; and

(b) if so, the reasons therefor!

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) During the first six months of the current financial year Indian Airlines has suffered an estimated loss of Rs. 169 crores.

(b) The main reasons for losses are :-

- (i) Loss of market share due to emergence of Air Taxi operators on a substantial scale.
- (ii) Increased cost of operations, not fully compensated by fare increase.
- (iii) Consonant of flight crew.

[English]

Employers Subscription of Jute Mills in West Bengal

3576. SHRI PIUS TIRKEY: Will the Minister of LABOUR be pleased to state:

(a) Whether a large number of jute mills of West Bengal are not depositing the employers subscriptions for the provident fund of the employees;

(b) if so, the details of such mills and the total amount of such dues for each of the last three years; and

(c) the action taken/proposed to be taken by the Government to realise the due amount from these employers?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) and (b). The number of defaulting establishments and the total amount of P.F. default during the last three years is as given below:-

Year	No. of defaulting establishments	Amount of default (Rs. in crores)
1990-91	33	82.39
1991-92	32	82.22
1992-93	34	83.98

(c) The Employees Provident Fund organisation is already taking necessary penal and legal action against the defaulting establishments for recovery of the Employees Fund dues.

[Translation]

Production of Coriander

3577. DR. RAMESH CHAND TOMAR:
SHRIMATI BHAVNA CHIKHALLA:

Will the Minister of COMMERCE be pleased to state:

(a) the total quantity of coriander produced in the country during 1991-92 and 1992-93, State-wise;

(b) the total quantity of coriander exported and the foreign exchange earned therefrom during each of the last three years, country-wise; and

(c) the steps taken by the Government to increase the production of coriander?

THE MINISTER OF STATE IN THE
MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN

THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) As per the latest available estimates, the production of coriander for the year 1991-92 state-wise, is given below:-

States	Production(000'tonnes)
Andhra Pradesh	15.4
Bihar	1.5
Haryana	0.2
Madhya Pradesh	29.4
Karnakaka	3.2
Orissa	9.4
Rajasthan	71.7
Tamil Nadu	13.6
Uttar Pradesh	3.6
All India	147.9

(b) A statement is attached.

(c) Ministry of Agriculture is implementing a central sector Integrated Programme for the development of spices, which includes programmes, for the development of coriander also. The programmes taken up for development of minor(seed) spices including coriander include, production of foundation seeds, distribution of minikits and demonstration-cum-seed multiplication plots.

STATEMENT

EXPORT OF CORIANDER TO MAJOR DESTINATION

Major Country	(Qty. in MT Value in Rs. Lakhs.)					
	1990-91		1991-92(P)		1992-93(E)	
	Qty	Value	Qty.	Value	Qty.	Value
Singapore	1737.81	193.89	1553.92	214.91	2601.34	414.78
U.A.E.	159.90	18.20	1036.53	131.24	2942.45	385.06
Malaysia	855.57	89.03	1242.43	170.71	2173.63	330.05
Sri Lanka	30.00	2.15	3464.15	365.02	2697.82	316.64
U.K.	294.61	34.03	347.42	50.39	669.98	126.04
Indonesia	0.00	0.00	72.00	10.30	719.00	119.70
U.S.A.	86.60	17.87	106.59	29.11	173.19	48.98
Saudi Arabia	7.03	1.12	265.86	36.41	273.31	42.79
Jordan	1.00	0.10	0.00	0.00	178.00	24.22
Kuwait	33.70	4.07	43.84	8.55	100.00	17.32

(Qty. in MT Value in Rs. Lakhs.)

Major Country	1990-91		1991-92(P)		1992-93(E)	
	Qty	Value	Qty.	Value	Qty.	Value
Canada	30.65	5.83	154.07	29.43	58.16	16.66
Bahrain	71.01	11.11	77.82	15.18	55.94	13.56
Oman	74.97	11.58	106.63	21.00	68.74	13.36
Nepal	8.55	0.60	121.81	9.38	86.49	7.49
Japan	12.64	2.13	0.00	0.00	0.00	0.00
Total:	3488.10	405.45	9228.38	1190.39	13550.15	1991.48

*[English]***Re-opening of Jute Mills**

3578. SHRI JITENDRA NATH DAS: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government have any proposal to open the closed jute mills in the country;

(b) if so, the details there of; and

(c) the steps, if any, taken by the Government in this regard

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKET SWAMY): (a) to (c). Government have been receiving communications from time to time for the opening of the closed jute mills. However, the re-opening of a closed jute mill is a matter being dealt with the concerned State Governments.

However, Government have taken several measures for the revival of the jute industry such as creation of jute Modernisation Fund, establishment of Special jute Development Fund and setting up of the board for Industrial and Financial Reconstruction for drawing up of a rehabilitation package.

Employment Generation under new Economic Policy

3579. SHRI NIRMAL KANTI CHATTERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether the new economic reforms have been undertaken and intended to accelerate the growth of employment; and

(b) if so, the details of the achievements in this regard in public, private (large scale) and small scale sectors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The economic reforms constitute a continuous process. They are intended to put our economy on a higher growth path by making it more efficient, competitive and internationally integrated. This is expected to lead to higher growth in employment. As the economic reforms were initiated in the middle of 1991 and will take several years, their full impact on income and employment growth is yet to be realised.

The average annual growth rate of overall employment in 1991-92 is estimated at 0.83 per cent which increased to 1.69 per cent in 1992-93 with the upturn in the growth of the economy. The provisional figures of employment in organised public and private sectors are as under:

	<i>(Numbers in Lakh)</i>	
<i>Sector</i>	<i>1991</i>	<i>1992</i>
Public	189.65	190.54
Private	78.58	78.02
Total	268.19	268.56
	<i>1991-92</i>	<i>1992-93</i>
Small Scale Sector (in both Registered Plus unregistered units).	129.80	134.06
<i>* Provisional</i>		

*[Translation]***Fake Insurance Claims**

3580. SHRI SWAMI SURESHANAND: Will the Minister of FINANCE be pleased to state:

(a) whether some cases of settlement of fake claims by the employees of the life Insurance Corporation of India have come to the notice of the Government during the last two years;

(b) if so, the details thereof;

(c) the amount involved in each such case; and

(d) the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d). The information is being collected and will be laid on the Table of the House.

[English]

Pensionary Benefits in LIC

3581. SHRIMATI CHANDRA PRABHA URS: Will the Minister of FINANCE be pleased to state:

(a) the total number of employees including officers working in the Life Insurance Corporation of India throughout the country;

(b) whether LIC employees have requested for extending pensionary benefits to them;

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

(d) if not, the reasons therefor and the time/by which a final decision is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) The number as on 31.3.1993 was

1,14,927.

(b) Yes, Sir.

(c) No, Sir.

(d) The LIC have reported that the matter is under discussion which various Employees, Associations.

Export of Sugar

3582. SHRI HARISINH CHAVDA: Will the Minister of COMMERCE be pleased to state:

(a) whether sugar is being exported to various countries;

(b) if so, the quantum of sugar exported alongwith the rate per quintal at which it was exported, country wise; and

(c) the target fixed for the current year and the rate at which it is proposed to be sold?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). The Indian Sugar & General Industry Export Import Corporation Ltd. (ISGIEIC), the agency nominated for the export of sugar under the provisions of Sugar Export Promotion Act, 1993, has intimated that during the current financial year, upto 30th November, 1993, a total quantity of 2,68,092 tonnes of sugar valued at Rs.235. Rs.235.27 crores was exported. The average unit value realisation on the export during the current financial year works out at Rs.878 per quintal. The countries to which ISGIEIC exported sugar during the current year being Sri Lanka, Czech/Slovakia Republics, Iraq, Yemen, Bangladesh, Egypt, Dubai, France, Kenya, Angola and Somalia.

As the production of sugar during

sugar year 1993-94 is expected to be lower, the Ministry of Food has not agreed to release any quota of sugar for commercial export, except to cater to the preferential quota sugar export to the USA and the EEC. The rates at which preferential quota sugar will be exported to USA and EEC will depend on the prices to be fixed by these countries, which are substantially higher than the prevailing prices.

**Applications for Minor Works
Received by Commissioners
of Railway safety**

3583. DR. KARTIKESWAR PATRA; Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the number of applications for new minor works received in respect of each Zonal Railways during the last year and first

six months of the current year by the Commissioners of Railways Safety and number out of them, sanctioned so far;

(b) the details of works undertaken/ accomplished during the above period by the Commissioners of Railway Safety with regard to Periodic inspections, independent inspections, inspections and authorisations for new lines, double lines and electrifications; and

(c) the steps taken or proposed to be taken by the government/Commission of Railway Safety to set up station level committees to prevent obstructions by cattle movement which are causing late running of trains and also to prevent sabotages?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a), (b) and (c) A Statement in attached.

STATEMENT

(a) Zonal Railway	No. of applications for New Minor Works Received from Zonal Railways.	
	During the Year 1992-93	April 93 to Sept. 93.
Northern	485	168
North Eastern	332	118
Northeast Frontier	72	44
Eastern	185	97
South Eastern	163	93
Western	291	235
Central	197	121
Southern	485	234
South Central	459	235
Metro	Nil	1
Total	2669	1346

All the applications have been sanctioned by the Commissioners.

(b)	During the Year 92-93(kms)	April 93 to Sept. 93(kms)
(i)	316.82	Nil
(ii)	10,726.47	6365.478
(iii)	Inspection and Authorisation	
	New lines	242.881
	Double lines	160,952
	Electrification	190,992

(c) The security of Railway track and train against sabotage is the responsibility of the respective State Governments. However, Railways assist in track patrolling by deploying gangmen, inspection of coaches in washing line/yearad and wherever possible, deploy sniffer dogs to locate explosives at platforms, in trains etc. Travelling public is also advised, through public address system, not to touch suspicious objects.

[Translation]

Scientific Reorganisation of Labourers by IDBI

3584. SHRI RAJESH KUMAR:
SHRI MUMTAZ ANSARI:

Will the Minister of FINANCE be pleased to state :

(a) whether any scheme for the scientific reorganisation of labourers has been evolved by the Industrial Development Bank of India;

(b) if so, the details thereof;

(c) the steps being taken by the Industrial Development Bank of India in this regard:

(d) whether application from the State Financial corporations have also been received by IDBI in this regard: and

(e) if so, the details there of!

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(DR. ABRAR AHMED): (a) No, Sir.

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

(d) No, Sir.

(e) Does not arise.

[English]

Vigilance Cases in DGS&D

3585. SHRI SOMJIBHAI DAMOR: Will the Minister of COMMERCE be pleased to state:

(a) the number of officers against whom vigilance cases are pending in DGS&D at present;

(b) the number of officers with their designations against whom complaints have been received, the number of complaints investigated and the number of cases still under investigation during each of the last three years;

(c) whether such officers were shifted to some other postings the pendency of investigations: and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) 13 officers.

(b) The relevant information is furnished in the statement below.

(c) and (d). Mere receipt of a complaint and commencement of investigation does not necessarily warrant or entail shifting of officers. Depending upon the facts contained in the complaints and those obtained during investigations, necessary corrective action, which also includes transfer, is taken wherever it is warranted.

STATEMENTS

YEAR COMPLAINTS RECEIVED COMPLAINTS INVESTIGATED COMPLAINTS PENDING

1991	Director	3	Director	2	Director	1
	Deputy Director	9	Deputy Director	4	Deputy Director	5
	Assistant Director	4	Assistant Director	1	Assistant Director	3
	Inspecting	1	Inspecting Officer	1	Officer	
1992	Director General	1	Director General	1	Addl. Director Genl.	1
	Addl. Director Genl	1	Director	6	Dy. Director General	1
	Dy. Director General	1	Deputy Director	6	Director	1
	Director	8	Assistant Director	3	Deputy Director	3
	Deputy Director	8	Asst. Insping Officer	3	Assistant Director	2
	Assistant Director Officer	5	Section Officer	1	Asst. Insping Officer	2
	Assistant Insp Officer	5				
Section Officer	1					

YEAR	COMPLAINTS RECEIVED	COMPLAINTS INVESTIGATED	COMPLAINTS PENDING
1993	Director	Director	3
	Deputy Director	Deputy Director	4
	Assistant Director	Assistant Director	4
	Asst. Inspecting Officers	Asst. Inspecting Officer	1
	Section Officer	Section Officer	1
		Assistant Inspecting Officer	2

Handloom Sector

[Translation]

3586. SHRI THAYIL JOHN ANJALOSE: Will the Minister of TEXTILES be pleased to state :

(a) the allocation made by the Union Government for the development of Handloom Sector during 1992-93 and 1993-94 in Kerala ;

(b) whether the Union Government have received any request from the Government of Kerala for increasing the allocation of funds;

(c) if so, details thereof; and

(d) the action taken by the Government thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENJAT SWAMY): (a) Release of funds to the State Governments for the development of Handloom Sector are made on the basis of specific proposals received from them under various schemes implemented by the Government of India. State wise allocations are however not made. Funds released by the Union Government during 1992-93 and 1993-94 (upto NOV'94) to the state Government of Kerala for the development of Handloom Sector were:

(Rs. in lakhs)

Year	Plan	Non-plan	Total
1992-93	151.70	890.292	41.998
1993-94 (upto Nov'93)		776.53	776.53

(b) to (d). Proposals from the state Governments are entertained under specific ongoing schemes and action is taken to release necessary funds after examination of such proposals.

Central Board of Workers Education

3587. SHRI RAM PRASAD SINGH : SHRI MANJAY LAL :

Will the Minister of LABOUR be pleased to state :

(a) the date on which the Central Board of Workers Education was constituted and the main objectives thereof;

(b) the number of branches of the said Board, State-wise;

(c) the expenditure incurred and income earned from various Branches of the Board state-wise during each of the last two years; and

(d) the number of workers trained by the Board during this period and the nature of training imparted to them, state-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) The Central Board for Workers Education was constituted on 16.9.1958. The main objectives of the Board are as under :

- (1) To strengthen among all sections of the working class including rural workers, a sense of patriotism, national integrity, unity, amity, communal harmony, secularism and pride in being an Indian ;
- (2) To equip all sections of workers including rural workers, for their intelligent participation in social and economic development of the nation in accordance with its declared objectives;
- (3) To develop among workers a greater understanding of the problems of their social and economic environment, their responsibilities towards family members, and their right and

their obligations as citizens, as workers in industry, as members and officials of their Trade Unions;

- (4) To develop leadership from among the rank and file of workers themselves ;
- (5) To develop strong, united and more responsible trade unions through more enlightened members and better trained officials ;
- (6) To strengthen democratic processes and traditions in the Trade Union Movement;

(7) To enable trade unions themselves to take over ultimately the functions of Workers Educations.

(b) The Headquarters of the Board is at Nagpur. A national level apex institute namely, Indian Institute of Workers Education has been set up at Bombay. Four Zonal Directorates are functioning from Bombay, Calcutta, Delhi and Madras. A statement indicating number of regional centres functioning in each state is given below.

(c) and (d) . The information is being collected and will be laid on the Table of the House.

STATEMENT

Sl.No.	State/Union Territory	No. Of Regional Center
1.	Andhra Pradesh	3
2.	Assam	2
3.	Bihar	4
4.	Gujrat	3
5.	Goa	1
6.	Haryana	1
7.	Himachal Pradesh	1
8.	Jammu and Kashmir	1
9.	Karnataka	3
10.	Kerala	2
11.	Madhya Pradesh	4
12.	Maharashtra	4

SSI No.	State/Union Territory	No. Of Regional Center
13.	Manipur	1
14.	Orissa	2
15.	Punjab	1
16.	Rajsthan	2
17.	Tamil Nadu	3
18.	Uttar Pradesh	5
19.	West Bengal	4
20.	Delhi	1

[English]

MFN Status to Israel

3588. SHRI CHITTA BASU : Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under consideration of the Government for bestowing MFN status to Israel; and

(b) if so, the details thereof and rationale for bestowing such status?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b). Trade with Israel has been normalised subject to prevailing regulations about interaction generally with foreign countries. India and Israel are contracting parties to the General Agreement on Trade and Trade (GATT). Contracting Parties to the GATT have the obligation to accord MFN status to each other.

[Translation]

Loan to Uttar Pradesh Government

3589. DR. G.L. KANAUIA: Will the Minister of FINANCE be pleased to state:

(a) the amount of loan assistance sanctioned by the Union Government to the Uttar Pradesh Government during each of the last three years;

(b) the details of the construction works programmes started/implemented with this assistance during this period; and

(c) the names of the places where these construction works programmes are being started/implemented during 1993-94?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) The

amount of loan assistance provided to the Government of Uttar Pradesh during each of the last three years under normal Central assistance, additional General assistance for externally aided projects and the Hill Areas Development Programmes are as under:-

Year	(Rs. in crores)
1990-91	902.58
1991-92	1340.43
1992-93	1343.47

(b) and (c). Assistance to States for financing their Annual Plan outlays and other Area Programmes are provided as Block Loan and Block Grants and are not related to any particular works programmes.

Right Issue Scheme of UTI

3590. SHRI VISHWANATH SHASTRI: Will the Minister of FINANCE be pleased to state:

(a) whether there has been any commercial irregularity in the Unit 64 Right Issue Scheme of Unit Trust of India;

(b) if so, the details thereof;

(c) whether any restriction has been imposed on the facility given to Unit holders for transfer of their right to any other persons and

(d) if so, the extent of loss directly suffered by the Unit holders as a result of it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The Unit Trust of India has reported that there has been no commercial irregularity in respect of the rights offered made under the Unit Scheme 1964.

(b) Does not arise.

(c) The facility of renunciation of rights in favour of a third party has not been offered to unit holders, as units issued under the Unit Scheme 1964 are not comparable

with the shares issued by companies under the Companies Act, 1956.

(d) A Unit holder under the Unit Scheme 1964 does not enjoy legal or contractual rights to transfer his rights entitlement to a third person. Therefore, unit holders cannot be said to have suffered losses.

[English]

Merger of Cooprvative Banks

3591. SHRI KASHIRAM RANA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have formulated a new policy for the national cooperative banking sector;

(b) if so, the salient feature thereof:

(c) whether the Government propose to merge cooperative banks with the nationalised banks;

(d) if so, whether the state Governments have been consulted in this regard; and

(e) if not, the reasons, therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) No. Sir.

(b) Does not arise.

(c) Government have no such pro-

posal to merge co-operative banks with the nationalised banks.

(d) and (e). Do not arise, in view of (c) above.

[Translation]

Tourism Promotion in Bihar

3592. SHRI PENDRA NATH VERMA:
SHRI RAMASHIRAY PRASAD
SINGH:
SHRI BHOGENDRA JHA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Union Government have received some proposals from the Government of Bihar during 1992-93 and 1993-94 so far for financial assistance for tourism promotion in the State;

(b) if so, the details thereof including the names of the places and the amount of financial assistance sought for each place; and

(c) the present status of each of these proposals?

THE MINISTER OF CIVIL AVIATION AND TOURISM (GHULAM NABI AZAD): (a) Yes Sir

(b) and (c): A statement giving details of projects Sanctioned during 1992-93 is given below. No complete proposal has been received from the State Government for extending financial assistance during 1993-94.

STATEMENT

1992-93

(Rs. in lakhs)

S.No.	Name of Scheme	Amount Sanctioned	Amount Released
1.	Tourist Reception Center at Bhodhgaya	20.55	10.00
2.	Yatrika at Gaya	15.92	8.00
3.	Public conveniences at five places viz., Mohania, Sasaram Sultanj, Deghar and Basukinath	12.86	6.50
4.	Purchase of trekking Equipment	2.48	0.53
5.	Chhota Nagar Adivasi Mela	2.60	1.30
	Total	54.41	26.33

Lockouts in Swadeshi Cotton Mills

3593. SHRIMATI SAROJ DUBEY: Will the minister of TEXTILES be pleased to state:

(a) the number of Swadeshi Cotton mills which faced lockout in the country during the last two years and the statewide details thereof:

(b) whether the Government had issued any instruction to follow "No work No-pay" rule during the lockout period :and

(c) if so, the details thereof:

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRIG. VEVKAT SWAMY) : (a) None of the Swadeshi Cotton Mills under NTC have been bcked out during the last two years.

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

[English]

Restructuring of NABARD

3594. DR. ASIM BALA; Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank for Agriculture and Rural Development (NABARD) is proposed to be handed over to any foreign bank :

(b) if so, the details thereof :

(c) whether the Reserve Bank of

India also propose to restructure NABARD and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) No. Sir .

(b) does not arise.

(c) and (d). Reserve Bank of India has reported that it does not have any proposal to restructure National Bank for Agriculture and Rural Development (NABARD).

Replacement of Badla System

3595. SHRI SHANKERSINGH VAGHELA: SHRI ATAL BIHARI VAJPAYEE :

Will the Minister of FINANCE be please to state:

(a) whether the Securities and Exchange Board of India has taken initiatives to replace the badla system in stock exchange transactions by creating a futures and options system:

(b) if so, the details thereof:

(c) the relative advantages of the futures and options system over the badla system; and

(d) the reaction of the investors/public on the above proposals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) and (b). The Securities and Exchange Board of India (SEBI) are the view that carry forward /badla transactions on stock exchange should be disallowed and need to be replaced by a market where transactions are conducted strictly on delivery basis and also by a separate market for trading in Futures and options. With a view to introduce the required reforms in trading practices, SEBI organised an International seminar on Futures and options on 16th and 17th September 1993.

(c) The two systems are not compatible. However definite options and Futures trading has the following distinctive features:

- (1) Options and Futures Contracts have a distinctive time frame for expiry.
- (2) The premium on options is definite at the time the contract is entered and not at a subsequent date.
- (3) options or Futures trading will be separate from cash trading unlike Badla where the two are mixed.
- (4) option and Futures are instruments for hedging.
- (5) Settlement of Options and Futures trades will be conducted through a clearing corporation to ensure performance of contract even if the counterparty fails to meet its obligations.

(d) Though the investors/public have not directly conveyed their opinion as regards the introduction of trading in Futures and options, participants in the International Seminar on futures and options organised by the Securities and Exchange Board of India on 16-17 of September, 1993 were generally in favour of it.

Amount Released to States Under ARDRS

3596. SHRI RAMCHANDRA
GHANGARE
SHRI MAHESH KANODIA:
SHRI ANNA JOSHI :

Will the Minister of FINANCE be pleased to state:

(a) whether the National Bank For Agriculture and Rural Development has received final claims under Agricul tural and Rural Debt Relief Scheme 1990 from State Co-operative Banks, State and Development Banks and Regional Rural Banks in the country during the current financial year.

(b) if so, the amount released thereof . States -wise; .and

(c) the amount released or proposed to be released to each State under under the above scheme?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE AND MINISTER
OF STATE IN THE MINISTRY OF PARLIA-
MENTARY AFFAIRS (DR. ABRAR
AHMED): (a) and (b) . The final claims
under Agricultral and Rural Debt Relif
(ARDR) Scheme ,1990 from the State co-
operative Bankes (SCBs), State Land De-
velopment Banks (SLDBs) and Regional
Rural Banks (RRBS) are yet to be received
by the National Bank for Agriculture and
Rural Development (NABARD).

(c) The details of the amount sanc-
tioned to coopenatie Banks and RRBs in
each State under the ARDR SHEME are
given in the Statement enclosed.

STATEMENT

(Rs. in crores)

Amount sanctioned

Amount sanctioned	
Cooperative Banks	Regional Rural Banks

Total

Grant

Loan

Si.No.

State

1.	Gujarat	147	147	294	6
2.	Karnataka	56	56	112	60
3.	Madhya Pradesh	114	114	228	32
4.	West Bengal	57	57	114	51
5.	Orissa	78	60	138	50
6.	Andaman and Nicobar	0.08	-	0.08	-
7.	Punjab	53	53	106	0.90
8.	Haryana	55	55	110	15
9.	Himachal Pradesh	13	10	23	2
10.	Assam	8	8	16	8

(in Crores)

Amount sanctioned

S. No.	State	Amount sanctioned		
		Grant	Cooperative Banks Loan	Regional/Rural Banks
11.	Meghalaya	3	3	6
12.	Tripura	2	2	4
13.	Manipur	1	1	2
14.	Mizoram	-	-	-
15.	Nagaland	1	1	2
16.	Arunchal Pradesh	0.50	0.50	1
17.	Andhra Pradesh	149	149	298
18.	Rajasthan	136	136	272
19.	Uttar Pradesh	271	271	542
20.	Tamil Nadu	118	133	251

(Rs. in crores)

Sl.No.	State	Amount sanctioned			
		Grant	Loan	Cooperative Banks	Regional/Rural Banks
					Total
21.	Pondicherry	1	-	-	1
22.	Bihar	137	137	-	274
23.	Maharashtra	206	206	-	412
24.	Goa	0.63	0.57	-	1.20
25.	Jammu and Kashmir	14	.14	-	28
26.	Kerala	34	34	-	68
27.	Delhi	0.10	-	-	0.10
28.	Chandigarh	0.15	0.13	-	0.28
	Total	1655.46	1648.20	-	3303.66
					582.82

Post Issue Governance Capital Market

3597. SHRI SHRAVANKUMAR PATEL : Will the Minister of FINANCE be pleased to state:

(a) whether the Punjab, Haryana and Delhi Chamber of Commerce in the industry has mooted a mechanism to be introduced in the capital market to enforce post issue-governance to ensure long term health of the capital market;

(b) if so, the details thereof; and

(c) the reaction of the Government thereon?

The MINISTER OF STATE THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The PHD Chamber of Commerce and Industry has made a suggestion to the Securities and Exchange Board of India (SEB) that promoters who fail to fulfil their commitments with regard to implementation of projects for reasons other than those arising from "force majeure" conditions should be debarred from raising any further funds till they have implemented the project;

(c) The responsibility for following implementation of projects is left to institutions which have lent monies to the project as well as institutions which have appraised the project for public issue. It is, therefore, not proposed that SEBI or the Government should take on this responsibility.

[Translation]

EPF Subscribers in Goa

3598. SHRI DILEEP HAB SANGHANI: Will the Minister of LABOUR be pleased to state:

(a) the number of employees contributing to the Employees Provident Fund scheme in Diu as on March 31, 1992 and their total annual contribution.

(b) the manner in which the amount so collected is utilised for productive purposes with optimum returns to the members; and

(c) the details of the structural changes/reforms envisaged under this scheme to make it more beneficial to the employees?

(b) to (c). The accumulations in the Employees Provident Fund are invested as per the pattern prescribed by Govt. of India from time to time. The provisions of the Employees Provident Fund Scheme are periodically reviewed and the Scheme is amended as and when considered necessary. In order to provide prompt service to the subscribers, computerisation programme has been launched in the EPF Organisation.

Encroachment on N.A.A. Land in Bombay

3599. SHRI DHARAMANNA MONDAYYA SADUL : SHRI GOVINDARO NIKAM:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the large area of land belonging to the national Airports Authority in Bombay has been encroached;

(b) if so, the details thereof;

(c) whether the safety of air traffic is endangered as a result thereof; and

(d) if so, the action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). About 12,000 square meters of National Airports Authority's land is under encroachment at Juhu airport. Number of juggies is about 3,000.

(c) Yes, Sir.

(d) Efforts are continuing consultation with the State Government of Maharashtra

for rehabilitation of the slum dwellers at other locations, However, due to non-availability of alternate facilities, encroachment removal and rehabilitation have not been feasible so far.

[English]

Imports of Vioscse Yarn

3600 SHRI RAMASHRAY PRASAD SINGH : Will the Minister of TEXTILES be pleased to state

(a) Whether the Government have any proposal to start imoort of viscose yern from Australia and New Zealand: and

(b) if so, the details herefor?

THE MINISTER OF STATE FOR TEXTILES (SHRI G. VENKAT SWAMY): (a)and (b). Under the current Export -Import policy, the import of Viscose yarn is allowed freely including form Australia and New Zealand.

Short Term Foreign Debt

3601. PROF UMMAREDDY VENKATESWARLU: Will the Minister of FINANCE be pleased to state :

(a) the amount of short -term foreign debt as on October 31.1993 inclding debt upto two years duration :

(b) wheter the Government have embarked on a programme to reduce short -term foerign debt: :and

(c) if so . the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIA-

MENTARY AFFAIRS (DR. ABRAH ARMED): (a) The amount of short -term foreign debt as on 30/9/18093 (provisional), is as follows :

<i>(US Million)</i>	
1. NRI And FC(BAndC)Deposits	2467
2. Others (Upto one year)	2445
Total	4912

Short term debt is defined as debt upto one years maturity as recommended of India . which in turn , abopted the internationally accepted definition Government and the Reserve Bank of india do not compile aggregate estimates of with a maturity of between 1 and 2 years.

(b)and(c). Yes. Sir: As result .short term debt has been reduced over the last three years as follows:

<i>(uss million)</i>	
31st March 1991	8539
31st March 1992	7073
31st March 1993	6246

Minimum support price for Various kinds of Tobacco

3602. SHRI SOBHANADREESWARA RAO VADDE:Will the Minister of COMMECRCE be pleased to state:

(a) the area in which country's tobacco used for cigars, beedies, sniff chewing has been grown during each of the last three years; state-wise;

(b) the average price realised for each

of these varieties of tobacco during the above period;

(c) whether the farmers who grow these varieties of tobacco are requesting the Union Government to include these tobaccos under the purview of Tobacco Board and fix minimum support prices for them also; and

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

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) State-wise area in which tobacco used for cigar, beedies, snuff, chewing ect. (Non-Verginia types) were grown during the last three year.

(areas in thousand hectares)

State	1989-90	1990-91	1991-92
Andhra Pradesh	72.8	68.1	69.5
Assam	2.9	2.6	2.2
Bihar	15.5	15.3	15.2
Gujarat	112.6	109.6	85.3
Haryana	0.1	0.2	Negligible
Himachal Pradesh	0.10	10.1	0.1
Jammu & Kashmir	0.1	Negligible	Negligible
Karnataka	32.4	27.1	33.1
Kerala	0.4	0.3	0.3
Madhya Pradesh	1.21	1.1	1.0
Maharashtra	9.2	10.1	9.7
Meghalaya	0.7	0.7	0.7

(areas in thousand hectares)

State	1989-90	1990-91	1991-92
Mizoram	0.9	0.8	1.0
Orissa	15.2	15.0	15.1
Rajasthan	3.6	2.9	1.9
Tamil Nadu	7.3	10.4	5.8
Tripura	0.7	0.7	0.7
Uttar Pradesh	15.8	15.0	15.1
West Bengal	11.7	11.7	13.2
Total	303.2	219.7	269.9

(b) Authentic data on average prices realised for these varieties is not available.

(c) and (d) The question of bringing Non-FCV tobacco also under the Tobacco Board has been considered by Govt. and it has been decided that the amendments to the Tobacco Board Act may be so made that the Tobacco Board initially comes only to provide marketing support to this sector in identified areas.

Loan by Financial Institutions

3603. SHRIMATI SHEELA GAUTAM: Will the Minister of FINANCE be pleased to state :

(a) the amount of financial assistance sanctioned by the financial institutions to the industrial units located in backward areas of the country during the last three years; and

(b) the amount actually disbursed to these units during the above period?

THE MINISTER OF STATE THE MINISTRY OF FINANCE AND MINISTER OF THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR.ABRAR AHMED): (a) and (b). The Industrial Development Bank of India IDBI has reported that the assistance sanctioned and disbursed to the units in backward areas by Financial Institutions (Industrial Development Bank of India, Industrial Finance Corporation of India Ltd., Industrial Reconstruction Bank of India, Industrial Credit and Investment Corporation of India and the Small Industries Development Bank of India) during the last three years was as under:

Year	Sanctions	Disbursements.
1990-01	5872.7	3531.5

1991-92	6045.6	4253.8
1992-93	6876.3	4829.0

[Translation]

Loan Recovery from Private Companies

3604. SHRI RAM TAHAL CHOUHDURY: Will the Minister of FINANCE be pleased to state:

(a) the amount of loan disbursed to private companies by each of the public sector banks during the last two years:

(b) the amount of loan outstanding against these companies; and

(c) the steps taken or proposed to be taken by the Government to ensure timely recovery of loan from such companies?

THE MINISTER IN STATE OF THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The Reserve Bank of India (RBI) has reported that the aggregate amount of limits sanctioned by public sector banks to private sector and balances outstanding as on last Friday of June, 1992 and June, 1993 was as under:

(Rs./Crore)		
Year	Total Limits	Total Outstanding
June, 1992	27160	20374
June, 1993	31677	23686

Above information is based on quarterly data relating to limits sanctioned and balances outstanding in respect of parties

enjoying aggregate credit limits of Rs.5 crore and above from the entire banking system as on last Friday of June, 1992 and June, 1993.

(c) Various steps have been taken by Reserve Bank of India (RBI) to minimise the amount of overdues and also to improve the recovery performance of the commercial banks in respect of their advances to various sectors. Some of the important steps are as follows:

1. Banks have been impressed upon to institute a viable recovery system with a view to help recycling the scarce resources of the banks to the needy and productive sectors of the economy on the one hand, and to improve the profitability and viability of the lending banks, on the other.
2. Introduction of a comprehensive and uniform grading system to indicate the health of individual advances for the purpose of their effective monitoring and follow up.
3. To keep a watch on the recovery of top sticky accounts.
4. Taking corrective action where advances are found to have become sticky.
5. Recently, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 has been enacted for expeditious adjudication and recovery of debts due to banks and for matters connected therewith or incidental thereto.

[English]

Subscription of Indian Organisation SITTEC

3605. SHRI ANNA JOSHI: Will the Minister of COMMERCE be pleased to state:

- (a) whether the Indian Organisations

are subscribing to the global data net work of the South Investment Trade and Technology Data Exchange Centre;

(b) if so, the details thereof; and

(c) the financial implications on India as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). information is being collected and would be laid on the Table of the House.

[Translation]

Cooperative Cotton Yarn Mills

3606. DR. PARSHURAM GANGWAR: Will the Minister of TEXTILE be pleased to state:

(a) the number of cooperative cotton yarn mills in Uttar Pradesh;

(b) whether these mills are capable enough to meet the demands of handlooms and powerlooms industries;

(c) whether there is any proposal to set up a new cotton yarn mill in the cooperative sector; and

(d) if so, the number and location of the new mills proposed to be set up during the Eighth Five Year Plan?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMI): (a) As on 31.3.93 there are 11 cooperative cotton yarn mills in Uttar Pradesh.

(b) Demands of yarn of handloom and powerloom sectors are met out of the production of all the spinning mills in the country

whether in the private, public and cooperative sector.

(c) and (d). The Government on its own, does not set up any new cotton yarn mill in the Cooperative Sector. However, as per information made available by the National Cooperative Development Corporation (NCDC), there are proposals to set up 40 cooperative spinning mills in the country during the Eighth Five Year Plan period. The tentative State-wise break-up is as under:-

Andhra Pradesh - 4, Maharashtra - 8, Haryana - 2, Rajasthan - 2, Karnataka - 4, Tamilnadu - 2, U.P. - 2, Kerala - 2, Assam - 2, Orissa - 2, Bihar - 1, Tripura - 1, M.P. - 4, Punjab - 2, West Bengal - 2.

[English]

Arming Personnel of Bombay Customs

3607. SHRI RAM KAPSE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are considering a proposal to arm personnel of Bombay Customs with the latest weapons in the wake of threats to their life after the seizure of detonators from an Indian Vessels on September 27, 1993:

(b) if so, whether the proposal has been finalised; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRA SEKHAR MURTHY):(a) to (c). Anti-Smuggling agencies under Ministry of Finance including Customs Staff at Bombay have been equipped with suitable fire arms to combat smuggling. Their requirements are reviewed from time to time. Additional fire arms are provided as and when required.

Vayudoot Services in Maharashtra

3608. SHRI PRAKASH V. PATIL: Will

the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Vayudoot propose to trim its operations in Maharashtra;

(b) if so, the details of the services which are proposed to be discontinued; and

(c) the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c). At present Vayudoot is operating in Maharashtra with one Avro aircraft based at Bombay; the future scale of operations of Vayudoot is being worked out.

Utilisation of Funds for Tourism Development

3609. SHRI BAPU HARI CHAURE: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether funds were allotted to States during the last two years for development of tourism and construction of hotels;

(b) if so, the details thereof;

(c) the names of States whose funds lapsed due to non-utilisation by them; and

(d) the reaction of the Union Government in this regard?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). A statement glowing the funds allotted to States for developing tourism during the last two years i.e. 1991-92, 1992-93 is given in the Statement enclosed. Central Government does not extended financial assistance for construction of hotels.

(c) and (d). Funds are released on project to project basis to State Governments and is dependent on the physical progress of the projects. They do not lapse in the event of delay in execution of projects.

**CENTRAL FINANCIAL ASSISTANCE SANCTIONED TO THE STATE GOVERNMENTS/UNION
TERRITORIES DURING 1991-92 AND 1992-93**

Sl. No.	Name of the State/U. T.	Amount Sanctioned (1991-92)	Amount Sanctioned (1992-93)
1.	Andhra Pradesh	88.36	9.51
2.	Arunachal Pradesh	24.00	48.27
3.	Assam	174.79	78.66
4.	Bihar	150.31	54.41
5.	Goa	41.73	42.71
6.	Gujrat	141.53	20.90
7.	Haryana	159.01	104.97
8.	Himachal Pradesh	150.96	111.94
9.	Jammu & Kashmir	65.25	152.75
10.	Karnataka	185.26	176.79
11.	Kerala	305.29	114.08
12.	Madhya Pradesh	285.77	39.07

Sl. No.	Name of the State/U. T.	Amount Sanctioned (1991-92)	Amount Sanctioned (1992-93)
13.	Maharashtra	313.53	203.18
14.	Manipur	—	66.24
15.	Meghalaya	92.54	9.77
16.	Mizoram	62.04	47.70
17.	Nagaland	69.24	7.17
18.	Orissa	214.60	72.37
19.	Punjab	31.25	135.83
20.	Rajasthan	181.38	153.31
21.	Sikkim	119.98	49.12
22.	Tamil Nadu	74.04	107.42
23.	Tripura	77.29	80.28
24.	Uttar Pradesh	160.59	97.34
25.	West Bengal	189.23	94.10

Sl. No.	Name of the State/U.T.	Amount Sanctioned (1991-92)	Amount Sanctioned (1992-93)
UNION TERRITORIES			
1.	Andaman & Nicobar	79.35	93.50
2.	Chandigarh	17.11	13.70
3.	Dadra & Nagar Haveli	5.52	—
4.	Daman & Diu	15.75	28.50
5.	Nagaland	20.22	58.34
6.	Lakshadweep	32.26	—
7.	Pondicherry	47.23	—
Total		3575.51	2271.93

Economic Stabilisation

3610. DR. D. VENKATESWARA RAO:
Will the Minister of FINANCE be pleased to state:

(a) whether the Government's attempt to stabilise the economy by controlling the budgetary and fiscal deficits has produced the required results;

(b) if so, the details of the achievements made in this regard; and

(c) the other efforts being made by the Government to improve the economic stabilisation in the country in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). The measures taken by the Government in the last 2½ years have helped to restore international confidence in the Indian economy; bring down the rate of inflation, increased the level of foreign exchange reserves and reduced the fiscal deficit. The rational of the programme of macro economic stabilisation and the reform agenda for the next three years have been given in the Discussion Paper: "Economic Reforms : Two Years After And the Task Ahead". The Discussion Paper has been widely circulated.

Cess on Rubber

3611. SHRI RAMESH CHENNITHALA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have raised the cess on rubber;

(b) if so, the details thereof;

(c) whether the Government have received representations against raising the cess on rubber; and

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

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) (a) No, Sir.

(b) Does not arise.

(c) Yes, Sir. Representations have been received against the proposal for increasing the upper ceiling of the rate of cess from the existing rate of Rs.0.50 per Kg. to the Rs. 2/- per kg.

(d) The rubber (Amendment) Bill to amend Section 12 of the Rubber Act, 1947 to increase the upper ceiling of the rate of cess from the existing rate of Re. 0,50 per kg. to Rs.2/- per kg. has been introduced in the Lok Sabha on 12th March, 1992. This has not been taken up for discussion so far. If the Bill is passed, the actual rate of cess leviable within the ceiling of Rs. 2/- per kg. will be fixed subsequently. Enhancement in the rate of the cess has been felt necessary to intensify the research and developmental activities of the Rubber Board to boost production of natural rubber for attaining self-sufficiency, as present level of production is still short of domestic demand.

Prices of Cocoons

3612 SHRI GANGADHAR SANIPALLI: Will the Minister of TEXTILES be pleased to state:

(a) whether there is a steep fall in the prices of cocoons;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to ensure that the persons engaged in sericulture industry gets remunerative prices for cocoons?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMI): (a) to (c). Mulberry silk Cocoon prices have fallen since achieving a peak in January/February 1992. This was partly attributed to the increased availability of raw silk on account of control of pebrine disease and increase in indigenous production and partly to the availability of imported silk in the country.

In order to ensure remunerative prices for cocoons, the Government has taken the following steps to restrict the import of raw silk and to check misuse of import facility:

(i) Input-Output norms for import of raw silk under the Advance Licensing Scheme have been revised.

(ii) The facility of Value Based Advance Licensing Scheme has been withdrawn in the case of silk textile products

(iii) Pre-shipment inspection for silk extile products has been reintroduced.

[Translation]

Joint Operations of IA And AI

3613. SHRI BALARAJ PASSI:
SHRIMATI BHAVNA CHIKHALIA:
SHRIMATI PRATIBHA
DEVISINGH PATIL:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Indian Airlines and the Air India have recently agreed to operate joint flights to Gulf countries;

(b) if so, whether there is any proposal for such agreements on other sectors also;

(c) if so, the details thereof; and

(d) if not reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) to (d). There is no proposal at present for operating joint flights in other sectors where no need has been felt for such services.

Prawn Farming

3614. PROF. P. J. KURIEN: Will the Minister of COMMERCE be pleased to state:

(a) the total area under prawn farming in the country, State-wise;

(b) the estimated production from such farm;

(c) how does it compare with the productivity in other countries; and

(d) the steps proposed to be taken to increase its productivity and also making use of the full potential of the country?

THE MINISTER OF STASTE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION OF MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED) (a), (b), & (c)

(a) and (b). The information for the year 1992-93 is as under:-

State	Area(ha)	Estimated Production (in tonnes)
West Bengal	34,050	16,300
Orissa	7,760	4,300
Andhra Pradesh	9,500	12,800
Tamil Nadu	530	1,100
Kerala	13,400	9,750
Karnataka	2,570	1,150
Goa	550	350
Maharashtra	1,980	1,050
Gujarat	360	200
Total	70,700	47,000

(c) The information for the year 1992 is as under:-

Country	Area (ha)	Production (tonnes)	Average Prod. (Tonnes/ha)
Bangladesh	1,20,000	25,000	0.21
China	1,50,000	1,40,000	0.93
Columbia	5,000	8,000	1.60
Exuador	1,20,000	95,000	0.79
Honduras	7,000	8,000	1.14
India	70,000	47,000	0.66
Indonesia	2,00,000	1,30,000	0.65
Japan	400	3,000	7.50
Malaysia	2,500	3,500	1.40
Mexico	5,000	8,000	1.60
Peru	1,500	3,000	2.00
Philippines	40,000	25,000	0.63

Country	Area (ha)	Production (tonnes)	Average Prod.
Taiwan	5,000	30,000	6.00
Thailand	60,000	1,50,000	2.50
USA	647	2,000	3.09
Vietnam	2,00,000	35,000	0.18
Others	14,100	10,500	0.75
Total	10,01,847	7,23,000	0.72

(Source : MPEDA, Kochi)

(d) MPEDA is implementing prawn farming promotional schemes by extending technical and financial assistance with a view to bring more area under prawn culture and also to increase productivity of the existing farms.

Seizure of Methaqualone Powder

3615. SHRI UDAYSINGHRAO GAIKWAD: Will the Minister of FINANCE be pleased to state:

(a) whether huge quantity of Methaqualone powder has been seized in some States recently;

(b) if so, details of such seizure, alongwith estimated value of each seizure.

State-wise;

(c) whether some persons alongwith this seizure have also been arrested;

(d) if so, the action taken against them; and

(e) the measures taken to check smuggling of such narcotics in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) Yes, Sir.

(b) As per the available information the quantity of methaqualone seized (in kgs.) during 1993 in various States, is as under:-

<i>States</i>	<i>Methaqualone seized during 1993</i>
	<i>(quantity in Kgs.)</i>
Maharashtra	7799.250
Karnataka	2331.000
Bihar	37.100
Tamil Nadu	290.900
Madhya Pradesh	11.000
	<i>(Quantity in Tabs.)</i>
Uttar Pradesh	2446
Goa	64

No precise valuation of narcotic drugs which are often of indeterminate chemical strength and composition are liable for destruction is feasible.

(c) Yes, Sir.

(d) Action is being taken under the

provision of NDPS Act. In some cases action under PITNDPS Act has also been taken.

(e) Instructions have been issued to all enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the stringent provisions contained in

the NDPS Act. Training is being imparted to officers to improve their effectiveness. Vehicles and communication equipment has been provided.

Loss in UCO Bank

3616. SHRI GOPINATH GAJAPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether a large number of branches of UCO Bank are incurring losses;

(b) if so, the number and the locations of the loss making branches of UCO Bank; and

(c) the details of the steps proposed to be taken to make the loss making branches profitable?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). According to Reserve Bank of India 882 branches of UCO Bank (out of 1784 branches) have reported losses for the period ended 31. 3.1993.

Rural/Semi-Urban/Urban/Metropolitan centre-wise break up of these branches is as under:-

1. Rural areas	502
2. Semi-Urban Centres	96
3. Urban Centres	148
4. Metropolitan Centres	136
	882

(c) The following steps are proposed to be taken by UCO Bank to make the loss making branches profitable:

(i) Curbing establishment expenditure.

(ii) Controlling revenue expenditure.

(iii) Laying greater emphasis on non-fund business to augment income

(IV) Assigning recovery targets to branches with a view to reducing non-performing assets.

(v) Conducting revenue audit of branches by internal staff as well as by external auditors.

(vi) Merger/closure of chronic loss making branches.

(vi) Shifting of branches from non-congenial areas.

Financial Assistance to NRIs in Gulf Countries

3617. SHRI C. SREENIVASAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Non-resident Indians, particularly in Gulf countries are facing problems in getting financial assistance from the public sector Indian Banks:

(b) if so, the steps taken to solve their problems;

(c) whether the State Bank of Travancore has come forward to help the NRIs in the Gulf countries to start new industries; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Reserve Bank of India (RBI) has reported that they have not received any specific complaint from Non-resident Indians (NRIs) including that of Gulf countries regarding the problems being faced by them in getting financial assistance from the public sector banks.

(b) Does not arise in view of reply to (a) above.

(c) and (d). Reserve Bank of India has further reported that they are not aware of the proposal regarding the assistance to be provided to NRIs by State Bank of Travancore to start new industries. The State Bank of Travancore does not have any overseas branch.

The Central Excise and Salt Act .1944

3618. SHRI SANDIPAN BHAGHWAN THORAT: Will the Minister of FINANCE be pleased to state:

(a) the names of the spinning mills which have applied and have been granted exemption under Section 5-A(2) of the Central Excise and Salt Act, 1944 during the last three years:

(b) whether the Government propose to extend the benefit under the above provisions to the industries in rural areas; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V CHANDRASHEKHARA MURTHY):(a) Only

• one unit, i.e. Shri Jagdamba Anusuchit Jati Shetkari Vinkari Soot Girani Niy, Madha, Solapur had applied for exemption in Central Excise Duty under Section 5-A(2) of Central Excise and Salt Act, 1944 but the request was not acceded to.

(b) Section 5-A(2) of the Central Excises & Salt Act, 1944, empowers the Central Government to exempt excisable goods from payment of excise duty, by special order in each case, in public interest and the circumstances of an exceptional nature. A general exemption cannot be issued under this provision.

(c) In view of (b) above, question does not arise.

Aviation Security

3619. SHRI SUDHIR SAWANT: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government are planning to develop a force for the aviation security:

(b) if so, the details thereof;

(c) whether there are chief Security Officers appointed for the Air India and the Indian Airlines who are incharge of overall security in the airlines; and

(d) the number of staff members employed for security purposes in various organisations under his Ministry?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD):

(a) A proposal to set up a Civil Aviation Security Force is under consideration.

(b) The details of setting up the force have not yet been finalised.

(c) There are Chief Security Officers, desinigrated as Director (Security), in both Air Indian and Indian Airlines. The post in Air India is presently vacant and the functions are being discharged by Director (Vigilance).

(d) The information is being collected and will be laid on the Table of the House

[Translation]

Public Sector Banks in Bihar

3620. SHRI RAM LAKHAN SINGH YADAV: Will the Minister of FINANCE be pleased to state:

(a) the number of the public sector banks functioning in Bihar at present, district-wise:

(b) whether the branches of public sec-

tor banks, for which centres were allotted under the Bank Expansion Programme 1990-95, have been opened in the State;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABBAR AHMED):

(a) There were 2995 branches of public sector banks functioning in the State of Bihar as on 30.6.1993. The District-wise number of these branches is given in the Statement-I

(b) to (d). Out of 91 centres allotted to public sector banks under the Branch expansion Programme 1990-95, the banks have opened branches at 39 centres upto 30.6.1993, the details of which are given in Statement-II. The banks are to open branches at the allotted centres by 31.3.1995.

DISTRICT-WISE NUMBER OF BRANCHES OF PUBLIC SECTOR BANKS FUNCTIONING IN THE STATE OF BIHAR AS ON 30.6.1993.

Sl.No.	Name of District	Total No. of Branches
1.	Araria	41
2.	Aurangabad	42
3.	Banka	51
4.	Begusarai	81
5.	Bhabua	36
6.	Bhagalpur	108
7.	Bhijpur	49
8.	Buxer	36
9.	Datbhanga	60
10.	Deoogarh	43
11.	Dhanbad	107
12.	Dumka	61

Sl.No.	Name of District	Total No. of Branches
13.	Garhwa	15
14.	Gaya	103
15.	Giridia	80
16.	Godda	37
17.	Gopalganj	27
18.	Gumla	33
19.	Hazaribagh	104
20.	Jamui	29
21.	Jehanabad	39
22.	Khagaria	19
23.	Kishanganj	29
24.	Lohardagga	9
25.	Madhepura	35

Sl.No.	Name of District	Total No. of Branches
26.	Madhubani	54
27.	Munger	59
28.	Muzaffarpur	101
29.	Nalanda	41
30.	Nawad	26
31.	Palamu	48
32.	Paschim Champaran	48
33.	Paschim Singhbhum	71
34.	Patna	255
35.	Purbi Champaran	82
36.	Purbi Singhbhum	99
37.	Purnia	55
38.	Ranchi	123

Sl.No.	Name of District	Total No. of Branches
39.	Rohtas	54
40.	Sahebganj	56
41.	Bokaro	91
42.	Chhatra	23
43.	Saharsa	32
44.	Samastipur	69
45.	Saran	70
46.	Sitamarhi	57
47.	Siwan	48
48.	Supaul	45
49.	Vaishali	47
50.	Katihar	67
	Total	2995

STATEMENT-II

CENTRES ALLOTTED TO PUBLIC SECTOR BANKS IN BIHAR AND BRANCHES OPENED.

Name of Banks	Name of centre allotted	Date of opening of branch
Punjab National Bank	Daud Nagar	—
Allahabad Bank	Colgong	—
Syndicate Bank	Deoghar	—
Bank of India	Katrasgarh	—
State Bank of India	E. Sasuriya	—
Bank of India	Jeenajore	19-3-93
UCO Bank	Sudamadith	—
State Bank of India	Jamzara	29-9-93
Punjab National Bank	Tekari	—
Canara Bank	Gopalgarij	17-9-93
Canara Bank	Madhubani	22-7-93
Punjab National Bank	Babhanagar	15-3-93

<i>Name of Banks</i>	<i>Name of centre allotted</i>	<i>Date of opening of branch</i>
Central Bank of India	Harinagar	—
Syndicate Bank	Danapur	—
Canara Bank	Motibari	—
State Bank of India	Geruwa	14-10-91
Central Bank of India	Sisabari	17-12-91
Bank of India	Pumea	—
Punjab National Bank	Bhabua	—
Canara Bank	Sasaram	24-5-93
Canara Bank	Samasitipur	—
State Bank of India	Turamdih	—
Bank of India	Kulda	—
State Bank of India	Jojbera	—
Bank of India	Murathakura	—

<i>Name of Banks</i>	<i>Name of centre allotted</i>	<i>Date of opening of branch</i>
Bank of India	Matia Bandhi	—
Syndicate Bank	Siwan	—
Central Bank of India	Pohyar	9-1-93
Central Bank of India	Rahsa	22-3-93
Union Bank of India	Hajipur	—
UCO Bank	Buxar	10-9-93
UCO Bank	Banka	—
Punjab National Bank	Forbesganj	—
Bank of India	Forbesganj	—
Allahabad Bank	Bhagalpur	18-2-92
State Bank of India	Bhagalpur	24-3-92
Indian Overseas Bank	Azrah	—
State Bank of India	Azrah	26-2-92
Indian Overseas Bank	Daibhanga	—

Name of Banks	Name of centre allotted	Date of opening of branch
State Bank of India	Darbhanga	—
Vijaya Bank	Bokaro-Nayamore	—
State Bank of India	Bokaro-Sector	12-
Indian Overseas Bank	Bokaro-puran Bazar (Chas)	23-3-92
Indian Bank	Bokaro-Sivandih	—
State Bank of India	Dhanbad, Jamadoba	15-7-92
Punjab National Bank	Dhanbad Wasseypur	—
State Bank of Bikaner & Jaipur	Dhanbad Angar Patna	1-12-92
Central Bank of India	Dhanbad Chas Nala	—
Oriental Bank of Commerce	Colliery	—
State Bank of India	Dhanbad	—
Bank of India	Gaya-Tehuna Indl. Easte	—
State Bank of India	Gaya-Gandhi Maidan	21-11-92
Punjab National Bank	Gaya Chandaut	8-9-93

Name of Banks	Name of centres allotted	Date of opening of branch
State Bank of India	Katihar DRI Office	25-11-92
Indian Overseas Bank	Katihar Indl. Estate Branch	—
Union Bank of India	Katihar Goushala	—
Indian Overseas Bank	Monghyr kora Maidan	29-5-92
Bank of Baroda	Muzafferpur Rambagh	25-3-92
Allahabad Bank	Muzafferpur Kanhaulji	10-3-92
Indian Overseas Bank	Muzafferpur Kachruti	30-3-92
State Bank of India	Muzafferpur Mithanpore	31-7-92
State Bank of India	Bihar Sharif Bari Phari	25-6-92
Vijaya Bank	Bihar Sharif	—
Bank of India	Patna-Shankrishna	—
Canara Bank	Patna Buddha	—
State Bank of India	Patna Boring	—

Name of Banks	Name of centre allotted	Date of opening of branch
Indian Bank	Patna New Patliputra	—
Central Bank of India	Patna-Patel Nagar	—
Punjab National Bank	Patnappunaichak	—
Bank of Baroda	Patna Railway Station	29-2-92
State Bank of India	Patna Industrial Finance	13-2-92
Punjab National Bank	Patna-Ghandhinagar	3-5-92
State Bank of India	Ranchi SAIL Colony	—
Bank of India	Ranchichurch Road	3-6-92
Punjab National Bank	Ranchi Kishoreganj	5-1-92
Allahabad Bank	Ranchi Hati	31-3-92
Corporation Bank	Ranchi Chutia	19-10-93
Central Bank of India	Ranchi Kanka	—
Canara Bank	Chapra Telpa	—

<i>Name of Banks</i>	<i>Name of centre allotted</i>	<i>Date of opening of branch</i>
State Bank of India	Chapra Daulat Ganj	14-1-92
Punjab National Bank	Jamshedpur Ashiana Complex	—
Oriental Bank of Commerce	Jamshedpur Birsanagar	30-12-92
Central Bank of India	Jamshedpur Agrico	20.12.92
Bank of Baroda	Jamshedpur Bhuiyadith	—
Union Bank of India	Jamshedpur Kalimati Road	3.7.93
State Bank of Bikaner & Jaipur	Jamshedpur Shastri Nagar	—
Canara Bank	Jamshedpur Taila Dungri	—
Bank of India	Jamshedpur Pardih	—

[English]

**Issue of Free Tickets by Air India
and Indian Airlines**

**Tourism Development in
Maharashtra with OECF Aid**

3621. SHRIMATI SURYAKANTA PATIL: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether tourism has been declared as industry in Maharashtra from October 1, 1993;

(b) whether there are any plans for massive tourism development in Maharashtra with aid from the Overseas Economic Cooperation Fund (O.E.C.F.) of Japan; and

(c) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM. (SHRI GHULAM NABI AZAD): (a) The Government of Maharashtra have given Tourism the status in industry with effect from 1st October, 1993.

(b) and (c). The Union Government have signed an agreement with Overseas Economic Cooperation Fund (OECF) of Japan for getting financial assistance of yen 3745 million (Rs. 70 Crores approximately) for development of infrastructure to promote tourism in Aurangabad District, particularly Ajanta and Ellora Caves. The sub-components of the project include strengthening of State Highways, upgradation and expansion of Aurangabad Airport, afforestation, conservation of monuments, augmentation of water and electricity supply and improvement of sewage facilities.

3622. MAJ. GEN. (RETD.) BHUWAN CHANDRA KHANDURI: SHRI MOHAN RAWALE:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Air India and the Indian Airlines issue free/complimentary tickets to some people;

(b) if so, the policy on the subject and who are authorised to issue such tickets;

(c) the amount lost by these two corporations by issuing such tickets during 1991, 1992 and 1993 (till date), years-wise and corporation-wise:

(d) whether the Air India provided free travel to delegates for the recent Indira Gandhi Memorial Lectures held at Delhi during November, 1993;

(e) if so, the details thereof;

(f) how much it cost Air India;

(g) the reasons for providing free travel to delegates; and

(h) the check being exercised by the Government over the issue of free tickets by the Air India and the Indian Airlines so as to prevent irregularities therein?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) As per existing guidelines, free of

concessional air passage are granted to persons for:-

(i) Medical treatment abroad when facilities for it are not available in India.

(ii) Specialised training/study abroad. (While deciding cases under this category utility of training or study abroad for the larger benefit of the humanity is considered as guiding factor).

A specified number of free passages are also allotted to the Department of Tourism for Tourism promotion. Apart from this, Minister of Civil Aviation & Tourism also exercises his discretion to sanction free/concessional passages in deserving cases not covered by the guidelines.

(c) Considering the existing seat factors on most of the sectors, the limited number of free/concessional passages do not generally affect the revenue of the carrier.

(d) and (e). 22 free passages were given to the foreign delegates of which 17 were actually utilised.

(f) While the cost of these passages is around Rs.14.77 lakhs. loss to Air India is notional in view of the answer to part (c) of the question.

(g) These free passages were given in consideration of the fact that the conference served as an international forum for interaction on the important theme of " Redefining the Good Society".

(h) Such passages are provided on the merit of each case with the approval of the Government. Air India and Indian Airlines also issue same free/concessional pas-

sages to commercially important people as a measure of business promotion.

Decanalisation of Milk Exports

3623: DR. R. MALLU: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to decanalise milk and its products for export purpose:

(b) if so, the details thereof;

(c) the foreign exchange likely to be earned from therefrom;

(d) whether a meeting was organised by the Indian Dairy Association at New Delhi recently;

(e) if so, the details of issue discussed at this meeting ;

(f) whether the Government have received any representations against the proposal;

(g) if so, the details thereof; and

(h) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). The exports of milk and milk products have been decanalised. Exports are now permitted subject to quantitative ceilings placed at the disposal of Agricultural and Processed Food Products Export Develop-

ment Authority (APEDA). It is estimated that the quantity released for export could fetch Rs.30 crores in foreign exchange.

(d) Government is not aware of any such meeting.

(e) to (h). Do not arise in view of reply to part (d) above.

[Translation]

Inquiry Into Air Accidents

3624. SHRI GOVINDRAO NIKAM: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether an inquiry is conducted whenever an air accident occurs;

(b) if so, the number of persons found guilty in such inquiries conducted during the last three years; and

(c) the action taken against them?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) and (c). There were four accidents to aircraft belonging to Indian Airlines from 1.12.90 till date. Investigations were ordered into all the four accidents. Reports of investigation have so far been received in respect of two accidents. Since the persons found guilty in these investigations had lost their lives in the accidents, the question of taking action against them does not arise. The reports of investigation into the other two accidents are awaited.

NRIs Investment

3625. SHRI BHAGWAN SHANKAR RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the total number of proposals received from Non-Resident Indians for capital investment and the number of proposals out of them which have been finally approved by the Government during each of the last three years;

(b) whether the Government have also rejected some of these proposals;

(c) if so, the details thereof;

(d) whether the work has been started on the proposals already approved by the Government during this period:

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) After the announcement of the New Industrial Policy, 1589 proposals involving NRI Investment of Rs.4406.22 crores have been approved, till October, 1993. The proposals relate to activity in various fields like beer, printing, hotel, hospital, advanced diagnostic centre, etc.

(b) No, Sir.

(c) Does not arise.

(d) to (f). The gestation period of an industrial venture varies from project to project, and Industry to industry, as an

entrepreneur has to take several effective steps for implementing project with foreign collaboration.

[English]

World Board of Airports Association Council International Meeting

3626. SHRI N.J.RATHVA: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the World Board of Airports Association Council International has given its consent to hold its general meeting of 1993 in India;

(b) if so, the details thereof;

(c) whether the Government have given their consent for holding the meeting; and

(d) if so, the date fixed therefor and the estimated expenditure involved therein?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (d). The third World Assembly and Conference of Airports Council International (ACI) was held in November, 1993 at New Delhi. The theme of the Conference was 'Airport Economics in the Turbulent 1990 and beyond'. Higher than world average growth in the Asia-Pacific Region, and consequent expansion programmes and airport financing were among the prominent issues discussed and debated at the Conference. Cost of organising the Conference was borne by ACI.

Supply of High Quality Fibre to Textile Exporters

3627. SHRI MANORANJAN BHAKTA: Will the Minister of TEXTILES be pleased to state:

(a) whether there is need to ensure that garment exporters have access to high quality fabrics so as to achieve higher growth rate for Indian garment and textile exports; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b). Under the Duty Exemption Scheme of EXIM POLICY, duty free imports of fabrics against export of ready-made garment is allowed duty-free.

[Translation]

RRBs in Bihar

3628. SHRI PREM CHAND RAM: Will the Minister of FINANCE be pleased to state:

(a) the number of regional Rural Banks in Bihar and the locations thereof;

(b) the main objectives of these banks and how far these objectives have been achieved during the last two years;

(c) whether some of them are in deep financial crisis;

(d) if so, the reasons therefor; and

(e) the steps taken to improve the

performance of the said banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) There are twenty two Regional Rural Banks (RRBs) operation in the State of Bihar having a network of 1892 branches as at the end of March, 1993 with headquarters located at Arrah, Motihari, Gaya, Purnea, Muzaffarpur, Monghyr, Dumka, Madhubani, Biharsharif, Chaibasa, Laheriasarai, Samastipur, Daltonganj, Ranchi, Gopalganj, Chapra, Siwan, Giridih, Hazaribagh, Patna, Bhagalpur and Begusarai.

(b) The main objectives of the RRBS are:

- (i) to take the banking services to the door steps of rural masses particularly in hitherto unbanked areas;
- (ii) to make available institutional credit to the weaker sections of the society;
- (iii) to mobilise rural savings and channelise them for supporting productive activities in the rural areas;
- (iv) to create supplementary channel for flow of credit from the Central money market to the rural areas through refinance;
- (v) to generate employment opportunities in rural areas; and
- (vi) to bring down the cost of

purveying credit in rural areas;

As of March, 1993, as much as Rs. 88067 lakhs were mobilised by RRBs in 40.18 lakh accounts in Bihar. The credit support provided by these banks amounted to Rs. 49755 lakhs (outstanding) in 17.03 lakh accounts. They had disbursed loans of Rs. 3958.98 lakhs during the year ended March, 1993 to 93300 beneficiaries of the weaker sections. Thus over a period of time the RRBs have achieved significant growth in taking banking services to door steps of the rural poor providing them with institutional credit support and mopping up of hitherto untapped rural savings.

(c) Of the twenty two RRBs functioning in the State of Bihar as many as twenty one have incurred losses during the year ended March, 1993 amounting to Rs. 4621 lakhs and the accumulated losses of the RRBs in Bihar State stood at Rs. 11917 lakhs as at the end of March 1993.

(d) The reasons for incurring losses by RRBs are attributable to several factors like restriction on the choice of clientele, limited area of operation, low interest margins, mounting establishment costs particularly after implementation of the award of the National Industrial Tribunal etc.

(e) The following steps have been taken to improve the performance of the RRBs:

- (i) with effect from September, 1992, RRBs have been allowed to finance non-target group borrowers to an extent not exceeding 40 per cent of their fresh loans;

- (ii) all sponsor banks have been instructed to pay a minimum of 13.5% interest on SLR term deposits and short term deposits of RRBs kept with them:
- (iii) with effect from April, 1993, all commercial banks have advised by Reserve Bank of India to revise upward the interest rate on current account balance maintained by RRBs from 6.5% to 7.5%.
- (iv) RRBs have been allowed to draw cent per cent refinance upto Rs.10 lakhs for their loans to small and tiny industrial units with outlay not exceeding Rs.15 lakhs.
- (v) Cent percent refinance is also available to the RRBs for financing of small road transport operators.

Import of Sub-Standard Palmolein Oil

3629. SHRI SANAT KUMAR MANDAL:
SHRI R. SURENDRA REDDY:

Will the Minister of COMMERCE be pleased to state:

(a) whether palmolein oil imported by the State Trading Corporation from Malaysia was lying for a long time at Madras port;

(b) if so, the quantity of oil imported and the reasons for its non clearance by the Customs authorities;

(c) whether the Central Food Technological Research Institute Mysore, had declared in the earlier certification that the said plamolein oil consignemt was unfit for human consumption;

(d) if so, the details thereof indicating the particulars of the firm, its credentials and the price of purchases;

(e) whether STC alongwith the representatives of the firm were pressuring CFTRI to reverse the earlier certification and getting the consignment cleared;

(f) if so, he details thereof and the present stage at which the matter stands at present; and

(g) the steps taken to prevent such irregularities in future?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE) : (a) to (d). A consignment of 6,000 tonnes of Palmolein contracted for import by STC at a price of US \$ 394 per tonne CIF Kandla (CIF Madras price US \$ 389 per tonne) from one of its registered/empanalled suppliers M/s . Pasternak Baum(M) Sdn.Bhd., Kuala Lumpur which has supplied Edible Oil in the past also without default arrived at the port of Madras on 22nd October93 and was cleared by the Customs Authorities on 23 November, 93 for whome consumption after being fully satisfied that the quality of the oil conformed to the provisions of the Prevention of Food Adulteration Act.

(e) to (g). No, Sir. Though CFTRI,

Mysore in its initial report indicated the detection of foreign substance in the consignment, however on further export analysis, it found that the consignment of oil conformed to the provisions of PFA Act, 1954 and Rules thereof.

Merchant Banking System

3630. SHRI RAMCHANDRA VEERAPPA: Will the Minister of FINANCE be pleased to state:

(a) the number of cases of frauds detected in the Merchant Banking System by the Securities and Exchange Board of India (SEBI) during the last six months:

(b) whether the Government propose to equip SEBI to eliminate the frauds in the share market; and

(c) if so, the measures being taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED)

(a) The Securities and Exchange Board of India (SEBI) has reported that it has not detected any fraud in the merchant banking system during the last six months.

(b) and (c) The Government have already equipped SEBI with powers to detect frauds in the share market and is in continual dialogue with SEBI on the use and adequacy of these powers. Whereas a complete elimination of frauds in the share market is very unlikely to be ensured, the powers with SEBI are expected to facilitate a quicker detection of frauds committed and

to thereby deter future frauds.

[English]

Tea Auction Centre in Gujarat

3631. SHRI AMAR ROYPRADHAN: Will the Minister of COMMERCE be pleased to state:

(a) whether the Union Government have any proposal to set up a Tea Auction Centre in Gujarat:

(b) whether Government of Assam has represented against the proposal of getting up of such Centre in Gujarat: and

(c) if so, the decision taken by the Union Government thereon?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHARJEE): (a) No formal request for a licence to open a Tea Auction Centre in Gujarat has been received. However it has been brought to the notice of the Tea Board by Gujarat Tea Traders Association that State Government of Gujarat has proposed to open a Tea Auction Centre in Gujarat.

(b) Yes, Sir.

(c) Under the provisions of Tea (Marketing) Control Order, 1984 a licence is required to be obtained from the Tea Board for opening of a new tea auction centre. No formal request for opening of auction centre at Ahmedabad has been received by the Tea Board. State Government of Gujarat has been apprised about the statutory provisions in this regard.

[English]

Civil Aviation Training Colleges

3632. DR. KRUPASINDHU BHOI :
Will the Minister of CIVIL AVIATION AND
TOURISM be pleased to state:

(a) the number of civil aviation training colleges set up in the country and the locations thereof;

(b) whether the Government have a proposal to set up some more such colleges in the country during the Eighth five Year Plan;

(c) if so, the places identified therefor;

(d) whether the Government have a proposal to set up one such training college in Orissa particularly in Sambalpur district; and

(e) if so, the details thereof and the

steps taken in this regard?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Civil Aviation Training Centre of the National Airports Authority (NAA) is functioning at Bamrauli in Allahabad. Besides, there are 29 Flying Clubs/Institutes, 14 Gliding Clubs and 14 Aircraft Maintenance Engineering training institutes in the country. The list of these is given in the enclosed Statement.

(b) and (c). The Director General of Civil Aviation (DGCA) has issued 'No Objection' for setting up of 9 Flying Training Academies/Schools/Institutes by private bodies: one each at Nagpur, Jaipur, Bangalore, Ludhiana, Ahmedabad and Pant Nagar and three at Madras.

(d) and (e). There is already a State Government managed Flying school, namely, Government Aviation Training Institute, Bhubaneswar, in Orissa. At present, there is no proposal to set up another flying school in Orissa.

STATEMENT

ANNEXURE

NAMES OF FLYING CLUBS/SCHOOLS/INSTITUTES

Sl. No.	Names	Place	State
1.	The Andhra Pradesh Flying Club	Hyderabad	Andhra Pradesh
2.	The Bombay Flying Club	Bombay	Maharashtra
3.	The Gujarat Flying Club	Baroda	Gujarat
4.	The Madhya Pradesh Flying Club	Indore	Madhya Pradesh
5.	The Madras Flying Club	Madras	Tamil Nadu
6.	The Delhi Flying Club	New Delhi	Delhi
7.	The Coimbatore Flying Club	Coimbatore	Tamil Nadu
8.	The Banasthali Vidhyapitha Gliding & Flying Club (non-functional)	Banasthali Vidhyapitha	Rajasthan
9.	The Nagpur Flying Club	Nagpur	Maharashtra

NAMES OF FLYING CLUBS/SCHOOLS/INSTITUTES

Sl.No.	Names	Place	State
10.	The Jamshepur Co-operative	Jamshepur Flying Club	Bihar
11.	The Ludhiana Aviation Club	Ludhiana	Punjab
12.	The Amritsar Aviation Club	Amritsar	Punjab
13.	The Northern India Flying Club Carntt	Jalandhar	Punjab
14.	The Patiala Aviation Club	Patiala	Punjab
15.	The Hissar Aviation Club	Hissar	Haryana
16.	The Kamal Aviation Club	Kamal	Haryana
17.	The Assam Flying Club	Guahati	Assam
18.	The Rajasthan State Flying School	Jaipur	Rajasthan
19.	The Pinjore Aviation Club	Pinjore	Haryana
20.	The Kerala Aviation Training Centre	Trivandrum	Kerala

NAMES OF FLYING CLUBS/SCHOOLS/INSTITUTES

Sl.No.	Names	Place	State
21.	Ajanta Flying Club (non-functional)	Aurangabad	Maharashtra
22.	Udan Research & Flying Institute Pvt. Ltd.	Indore	Madhya Pradesh
23.	Govt. Flying Training School	Bangalore	Karnataka
24.	Govt. Flying Training Institute	Calcutta	West Bengal
25.	Govt. Aviation Training Institute	Bhubaneswar	Orissa
26.	Bihar Flying Institute	Patna	Bihar
27.	Govt. Flying Training Centre	Lucknow	Uttar Pradesh
28.	Andaman & Nicobar Flying Training Institute	Port Blair	Andaman & Nicobar Island
29.	Indira Gandhi Rashtriya Udan Akademy	Fursatganj (Rai Bareilly)	Uttar Pradesh

NAMES OF GLIDING CLUBS/SCHOOLS/INSTITUTES

Sl.No.	Names	Place	State
1.	Ahmedabad Gliding & Flying Club	Ahmedabad	Gujarat
2.	Birla Gliding Centre	Pilani	Rajasthan
3.	Delhi Gliding Club	New Delhi	Delhi
4.	Gliding & Soaring Centre Kanpur	I.I.T. Kanpur	Uttar Pradesh
5.	Pinjore Aviation Club (Gliding wing)	Pinjore	Haryana
6.	Deolali Gliding Club	Nasik	Maharashtra
7.	Hissar Aviation Club (Gliding Wing)	Hissar	Haryana
8.	Northern India Flying Club (Gliding Wing)	Jalandhar	Punjab
9.	Ludhiana Aviation Club (Gliding Wing)	Ludhiana	Punjab
10.	Rajasthan State Flying School (Gliding Wing)	Jaipur	Rajasthan

NAMES OF FLYING CLUBS/SCHOOLS/INSTITUTES

Sl.No.	Names	Place	State
11.	Bihar Flying Institute (Gliding Wing)	Patna	Bihar
12.	Jamshedpur Gliding club	Jamshedpur	Bihar
13.	Central Gliding Club (Non-Functional)	Hyderabad	Andhra Pradesh
14.	Gliding Centre (Owned by DGCA)	Pune	Maharashtra

List of D.G.C.A. approved Aircraft Maintenance Engineering Training Institutes.

1.	Aeronautical Training Centre India	Bombay	Maharashtra
2.	Air Technical Training Institute	Calcutta	West Bengal
3.	Aeronautical Training Institute	Lucknow	Utter Pradesh
4.	Bombay Flying club	Bombay	Maharashtra
5.	BSF Institute of Technology	Bangalore	Karnataka

NAMES OF FLYING CLUBS/SCHOOLS/INSTITUTES

Sl.No.	Names	Place	State
6.	East Air (p) Ltd.	Bhubanesher	Orissa
7.	Hindustan Institute of Engineering Technology	Madras	Tamil Nadu
8.	Hindustan Electronic Academy	Bangalore	Karnataka
9.	Indian Institute of Aeronautics	Patna	Bihar
10.	Nehru College of Aeronautics and Applied Sciences	Coimbatore	Tamil Nadu
11.	Patiala Aviation Club	Patiala	Punjab
12.	Southern College of Engineering & Technology	Challakudi	Kerala
13.	School of Aviation Science and Technology	New Delhi	Delhi
14.	Rajiv Gandhi Memorial College of Aeronautics	Jaipur	Rajasthan

[Translation]

[English]

Beedi Workers in Gujarat

3633. SHRI N.J.RATHVA: Will the Minister of LABOUR be pleased to state:

(a) the number of the Beedi workers covered under the Provident Fund Scheme in Gujarat particularly in the tribal districts;

(b) whether the amount deducted from the salaries of the Beedi workers is being properly credited to their Provident Fund Accounts;

(c) whether large number of the beedi workers have not been covered under the provident Fund Scheme: and

(d) if so, the steps taken by the Government to check this malpractice?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A.SANGMA): (a) As on 31.3.93 out of 1250 Beedi workers total covered under the Employees Provident Fund Scheme in Gujarat 172 were from the tribal Districts.

(b) Yes, Sir.

(c) and (d). The information about the large number of Beedi workers being not covered under the EPF Scheme is not available. However, 4 squads of the enforcement officers of the EPF organisations are engaged in the work of detection and covering all the eligible employees under the EPF scheme.

Changes in FCNR Interest Rates

3634. SHRI R. SURENDER REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has very recently announced changes in the interest rates for various foreign currency of deposits under foreign currency (Non-Resident) Scheme:

(b) if so, the details of the changes in interest rates for deposits for various periods::

(c) the reasons for making changes in interest rates and the date from which the changes have become effective;

(d) whether the changes in the interest rate will also be applicable to Non-Resident External Rupee Accounts:

(e) if so, the details thereof.

(f) if not, the reasons therefor; and

(g) the impact of changes in the FCNR interest rates on the economy of the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):(a) Yes, Sir.

(b) The interest rates under Foreign Currency (Non-Resident) Accounts and Foreign Currency (Non-Resident) Accounts (Banks) Schemes (effective November 29, 1993 are as follows:

Period	Interest rates per cent per annum			
	Pound Sterling Sterling	U.S. Dollar	Deutsche Mark	Yen
6 Months and above but less than 1 year *	6.25	4.25	6.75	3.00
1 Year and above but less than 2 years *	6.25	4.50	6.25	3.00
2 years and above but less than 3 years	6.25	5.00	6.25	3.25
3 years only	7.00	5.50	6.25	3.25

* Interest rates for maturity periods of 6 months and above but less than 2 years are applicable only in the case of Foreign Currency (Non-Resident) Accounts (Banks) Scheme.

(c) The changes in the interest rate structure under the FCNR have been effected keeping in view the movements in international interest rates. They are effective from November 29, 1993.

(d) No, Sir.

(e) Does not arise.

(f) Interest rates on Non-Resident (External) Rupee Accounts (NR(E)RA) are determined in relation to the domestic interest rate structures. This is so because deposits under the NR (E)RA are denominated for purposes of acceptance and repatriation, in Rupees unlike under the FCNRA Scheme where deposits are accepted in designated foreign currencies and repatriable in the same currencies.

(g) Changes in interest rates under FCNRA are effected so that they move in alignment with international interest rates. The objective is to provide depositors with an attractive interest rate differential. At the same time, care is taken to ensure that the interest rate differential is not so large as to provide arbitrage opportunities. The impact of these changes is monitored so that stable inflows of foreign exchange accrue to the country, providing balance of payment support.

[English]

Price of Hank Yarn

3635. SHRISATYAGOPAL MISRA: Will the Minister of TEXTILES be pleased to

state:

(a) whether the price of hank yarn has gone up causing hardship to the to the handloom weavers; and

(b) if so, the steps taken or proposed to be taken to deal with the situation?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) Prices of cotton yarn including hank yarn keeps fluctuating depending on seasonal demand and market forces. The yarn prices have remained reasonably stable for over one year.

(b) Does not arise.

[English]

Capacity Utilisation of Airports

3636. SHRI GOPI NATH GAJAPATHI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the names of airports to which the Indian Airlines is operating at present:

(b) whether the capacity utilisation of most of the airports is extremely low;

(c) if so, the name of airports which are not fully utilised; and

(d) the steps taken to increase the capacity utilisation of those airports?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD)

(a) A list of airports is given in enclosed

Statement-I

(b) and (c). Out of 87 airports belonging to National Airports Authority, the revenues of 64 airports do not meet the direct operating expenses. List of these airports is

given in the enclosed Statement-II.

(d) Optimum utilisation of these airports is possible when there is adequate traffic for airlines to increase their services.

Statement-I

LIST OF STATIONS IN INDIA WHERE INDIAN AIRLINES IS OPERATING AS ON 20.12.1993

S. No.	Stations	S. No.	Stations
01.	Agartala	16.	Khajuraho
02.	Ahmedabad	17.	Lucknow
03.	Amritsar	18.	Madurai
04.	Aurangabad	19.	Mangalore
05.	Bhavnagar	20.	Mohanbari(Dibrugarh)
06.	Bhopal	21.	Nagpur
07.	Bhubaneswar	22.	Patna
08.	Calicut	23.	Raipur
09.	Coimbatore	24.	Rajkot
10.	Dimapur	25.	Ranchi
11.	Guwahati	26.	Tiruchirapalli
12.	Hyderabad	27.	Udaipur
13.	Imphal	28.	Vadodra
14.	Indore	29.	Varanasi
15.	Jaipur	30.	Bombay

S. No.	Stations	S. No.	Stations
31.	Calcutta	43.	Jammu
32.	Delhi	44.	Jamnagar
33.	Madras	45.	Jodhpur
34.	Trivandrum	46.	Jorhat
35.	Agra	47.	Leh
36.	Bagdogra	48.	Portblair
37.	Bengalore	49.	pune
38.	Bhuj	50.	Silchar
39.	Chandigarh	51.	Srinagar
40.	Cochin	52.	Tezpur
41.	Goa	53.	Vishkhapatnam
42.	Gwalior		

STATEMENT-II

LIST OF AIRPORTS WHERE THE REVENUES DO NOT MEET THE DIRECT OPERATING EXPENSES

Sl. No.	Name of the Aerodromes	Sl. No.	Name of the Aerodromes
1.	Agartala	17.	Raipur
2.	Amritsar	18.	Rajkot
3.	Aurangabad	19.	Tiruchirapalli
4.	Shivnagar	20.	Udaipur
5.	Bhopal	21.	Varanasi
6.	Bhubaneswar	22.	Rajamundry
7.	Dimaipur	23.	Tirupati
8.	Guwahati	24.	Vijayawada
9.	Imphal	25.	Cuddapah
10.	Jalpur	26.	Donsakonda
11.	Kheturaho	27.	Warrangal
12.	Lucknow	28.	Paseighat
13.	Medurai	29.	Lilabari
14.	Moharbari(Dibrugarh)	30.	Rupel
15.	Nagpur	31.	Gaya
16.	Patna	32.	Muzaffarpur

Sl. No.	Name of the Aerodromes	Sl. No.	Name of the Aerodromes
33.	Kandla	49.	Tuticorin
34.	Kashod	50.	Vellore
35.	Porbandar	51.	Salem
36.	Kulu	52.	Karnalpur
37.	Shimla	53.	Kailasshahar
38.	Gaggal	54.	Khowai
39.	Belgaum	55.	Dehradun
40.	Kolhapur	56.	Pantnagar
41.	Akola	57.	Kanpur (Civil)
42.	Juhu (Bombay)	58.	Cooch Behar
43.	Jabalpur	59.	Belurhat
44.	Shillong	60.	Behala
45.	Aizwal	61.	Maldia
46.	Jhansuguda	62.	Pondicherry
47.	Ludhiana	63.	Delhi Saldaarjung
48.	Kota	64.	Agatti

Branches of Nationalised Banks

3637. SHRI MULLAPPALLY RAMCHANDRAN: Will the Minister of FINANCE be pleased to state.

(a) the top three nationalised banks which have maximum number of branches;

(b) the number of branches of each such bank;

(c) whether the Government have issued any guidelines to limit number of the branches of nationalised banks within specified area limit ;

(d) if so, the details thereof; and

(e) the reaction of the nationalised banks there to?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The top 3 nationalised banks having maximum number of branches as on 30.6.93 are as under:

<i>Name of the Bank</i>	<i>No. of branches</i>
1. Punjab National Bank	3056
2. Central Bank of India	3025
3. Bank of India	2354

(c) to (e). Reserve Bank of India have reported that they have not issued any specific guidelines to limit number of branches of nationalised banks within specified area limit. However, banks have been generally advised to open their branches in relatively unbanked pockets and avoid locating their branches in overbanked pockets

where a large cluster of bank branches is already functioning.

Welfare Schemes for Agricultural Labourers in Tamil Nadu

3638. DR. (SHRIMATI.) K.S. SOUNDARAM: Will the Minister of LABOUR be pleased to state:

(a) the details of welfare schemes approved by the Union Government for the agricultural labourers in Tamil Nadu during the last two years;

(b) the extent to which the agricultural labourers have been benefited by these schemes;

(c) if not, whether the Government propose to take any further steps in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) to (d) . The information is being collected and will be laid on the Table of the House.

Regional Rural banks

3639. SHRI SYED SHAHABUDDIN:

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that all Regional Rural banks have been registering losses from year to year;

(b) if so, the cumulative loss suffered by each bank and by all banks upto March 31, 1993;

(c) the total deposits and advances of the regional rural banking system as on March 31, 1993;

(d) the outstanding loans and advances of the system as on March 31, 1993;

(e) the total number of employees of the system as on March 31, 1993;

(f) the total number of branches of all regional Rural Banks as on March 31, 1993; and

(g) the total number of accounts of all

branches of all banks as on that date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(DR. ABRAR AHMED)

(a) and (b) : All the Regional Rural Banks(RRBs) have not been incurring losses. However, as at the end of March, 1993, 181 out of total of 196 RRBs were in losses. Accumulated losses of each of these 181 are given in the enclosed statement

(c) to (g) : Information in relation to all RRBs is given in Table below:

TABLE

Sl.No.	Particulars	Position as on 31st March, 1993
1.	Deposits	Rs. 6909 crores
2.	No. of deposit accounts	361.02 Lakhs
3.	Advances/loans outstanding	Rs. 4611 crores
4.	No. of advances account	123.49 lakhs
5.	Total number of branches	14543
6.	Total number of employees	70,174

STATEMENT

THE BANK-WISE POSITION OF THE AMOUNT OF ACCUMULATED LOSS INCURRED BY REGIONAL
RURAL BANKS AS AT THE END OF MARCH, 1993.

Sl.No.	Name of the Regional Rural Bank	(Amt. Rs. in Lakhs)	Accumulated losses
1.	Haryana Kshetriya Gramin Bank	711.97	
2.	Gurgaon Gramin Bank	337.81	
3.	Hissar Sirsa Kshetriya Gramin Bank	172.74	
4.	Ambala Kurushetra Gramin Bank	189.58	
5.	Himachal Gramin Bank	388.78	
6.	Parvatiya Gramin Bank	155.72	
7.	Jammu Rural Bank	399.57	
8.	Ellaqui Dehati Bank	682.94	
9.	Kamraz Rural Bank	421.95	
10.	Kapurthala-Ferozpur Kshetriya Gramin Bank	16.32	

(Amt. Rs. in Lakhs)

Accumulated losses

Sl.No.	Name of the Regional Rural Bank	(Amt. Rs. in Lakhs)
11.	Gurdaspur-Amritsar Kshetriya Gramin Vikas Bank	108.12
12.	Malwa Gramin Bank	38.47
13.	Jaipur Nagaur Anchalik Gramin Bank	459.24
14.	Marwar Gramin Bank	1504.46
15.	Shekhawati Gramin Bank	1043.35
16.	Marudhar Kshetriya Gramin Bank	1026.91
17.	Alwar Bharatpur Anchalik Gramin Bank	1065.01
18.	Aravalli Kshetriya Gramin Bank	872.12
19.	Hadoti Kshetriya Gramin Bank	867.73
20.	Thar Anchalik Gramin Bank	637.19
21.	Bundi/Chittorgarh Kshetriya Gramin Bank	201.51
22.	Bhilwara Ajmer Kshetriya Gramin Bank	950.27
23.	Dungarpur Banswara Kshetriya Gramin Bank	307.69

Sl.No.	Name of the Regional Rural Bank	Accumulated losses (Amt. Rs. in Lakhs)
24.	Sriganganagar Kshetriya Gramin Bank	383.33
25.	Bikaner Kshetriya Gramin Bank	171.80
26.	Arunachal Pradesh Rural Bank,	84.49
27.	Pragjyotish Gaonlia Bank	532.37
28.	Lakshmi Gaonlia Bank	1098.28
29.	Cachar Gramin Bank	308.57
30.	Langpi Dehangi Rural Bank	499.87
31.	Subansiri Gaonlia Bank	367.14
32.	Manipur Rural Bank	253.83
33.	Khasi Jaintia Rural Bank	132.26
34.	Mizoram Rural Bank	330.82
35.	Nagaland Rural Bank	70.48
36.	Tripura Gramin Bank	3132.44
37.	Champaran Kshetriya Gramin Bank	1102.01
38.	Magadh Gramin Bank	100.09
39.	Koshi Kshetriya Gramin Bank	2542.80
40.	Vaishali Kshetriya Gramin Bank	1537.97

Sl.No.	Name of the Regional Rural Bank	(Amt. Rs. in Lakhs)	Accumulated losses
41.	Monghyr Kshetriya Gramin Bank	28.46	28.46
42.	Santhal Paraganas Gramin Bank	552.00	552.00
43.	Madhubani Kshetriya Gramin Bank	702.30	702.30
44.	Nalanda Gramin Bank	646.30	646.30
45.	Singbhum Kshetriya Gramin Bank	723.13	723.13
46.	Mithila Kshetriya Gramin Bank	804.60	804.60
47.	Samastipur Kshetriya Gramin Bank	869.18	869.18
48.	Palamu Kshetriya Gramin Bank	167.71	167.71
49.	Ranchi Kshetriya Gramin Bank	781.13	781.13
50.	Gopalganj Kshetriya Gramin Bank	70.70	70.70
51.	Saran kshetriya Gramin Bank	549.86	549.86
52.	Siwan kshetriya Gramin Bank	149.23	149.23

(Amt. Rs. in Lakhs)

Sl.No.	Name of the Regional Rural Bank	Accumulated losses
53.	Giridih Kshetriya Gramin Bank	80.75
54.	Hazaribagh Kshetriya Gramin Bank	116.42
55.	Patliputra Gramin Bank	59.56
56.	Bhagalpur Bank Kshetriya Gramin Bank	23.86
57.	Begun Serai Anchalik Gramin Bank	9.17
58.	Puri Gramya Bank	1668.92
59.	Bolangir Anchalik Gramin Bank	2039.24
60.	Cuttack Gramin Bank	845.32
61.	Kalahandi Anchalik Gramin Bank	592.72
62.	Baitarani Gramin Bank	1246.94
63.	Balasore Gramin Bank	893.31
64.	Rushikulya Gramin Bank	777.21
65.	Dhenkanal Gramin Bank	372.19

(Amt. Rs. in Lakhs)

Accumulated losses

SI.No. Name of the Regional Rural Bank

66.	Gaur Gramin Bank	1454.14
67.	Mallabhum Gramin Bank	910.21
68.	Mayurakshi Gramin Bank	164.98
69.	Uttar Banga Kshetriya Gramin Bank	702.12
70.	Nadia Gramin Bank	553.61
71.	Sagar Gramin Bank	646.65
72.	Bardhaman Gramin Bank	144.61
73.	Hawraha Gramin Bank	107.35
74.	Murshidabad Gramin Bank	150.27
75.	Kshetriya Gramin Bank Hoshangabad	461.37
76.	Bilaspur Raipur kshetriya Gramin Bank	1219.85
77.	Rewa Sidhi Gramin Bank	16.31

(Amt. Rs. in Lakhs)

Sl.No.	Name of the Regional Rural Bank	Accumulated losses
78.	Bundelkhand Kshetriya Gramin Bank	663.12
79.	Sharda Gramin Bank	249.42
80.	Surguja kshetriya Gramin Bank	303.46
81.	Bastar Kshetriya Gramin Bank	862.09
82.	Durg Rajnandgaon Gramin Bank	666.70
83.	Jhabua Dhar Kshetriya Gramin Bank	761.49
84.	Raigarh kshetriya Gramin Bank	776.51
85.	Shivpuri Guna Kshetriya Gramin Bank	1052.97
86.	Damoh Panna Sagar Kshetriya Gramin Bank	912.99
87.	Dewas Shajapur Kshetriya Gramin Bank	598.10
88.	Nimar Kshetriya Gramin Bank	554.77
89.	Mandla Balaghat Kshetriya Gramin Bank	392.61
90.	Chhindwara Seoni Kshetriya Gramin Bank	344.81

(Amt. Rs. in Lakhs)

Accumulated losses

Sl.No. Name of the Regional Rural Bank

91.	Rajgarh Sehore Kshetriya Gramin Bank	462.85
92.	Shahdol Kshetriya Gramin Bank	382.24
93.	Raigarh Mandasaur Kshetriya Gramin Bank	258.93
94.	Chambal kshetriya Gramin Bank	367.65
95.	Mahakaushal Kshetriya Gramin Bank	320.41
96.	Indore Ujjanin Kshetriya Gramin Bank	172.19
97.	Gwalior Datia Kshetriya Gramin Bank	165.86
98.	Vidisha Bhopal Kshetriya Gramin Bank	89.09
99.	Prathama Bank	369.99
100.	Samyuktshetriya Gramin Bank	125.45
101.	Barabanki Gramin Bank	130.95
102.	Raebareilly Kshetriya Gramin Bank	703.07

(Amt. Rs. in Lakhs)

Sl.No.	Name of the Regional/Rural Bank	Accumulated losses
103.	Ballia kshetriya Gramin Bank	32.10
104.	Sultanpur kshetriya Gramin Bank	510.70
105.	Avadh Gramin Bank	44.75
106.	Kanpur kshetriya Gramin Bank	1101.81
107.	Sravasti Gramin Bank	602.81
108.	Etawah Kshetriya Gramin Bank	287.71
109.	Kisan Gramin Bank	547.07
110.	Kshetiya kisan Gramin Bank	568.80
111.	Kashi Gramin Bank	718.52
112.	Allahabab kshetriya Gramin Bank	1093.07
113.	Pratapgarh Kshetriya Gramin Bank	847.36
114.	Faizabad Kshetriya Gramin Bank	740.03
115.	Fatehpur kshetriya Gramin Bank	727.23

(Amt. Rs. in Lakhs)

Accumulated losses

Name of the Regional Rural Bank

116.	Bareilly kshetriya Gramin Bank	965.08
117.	Devi Patna kshetriya Gramin Bank	523.67
118.	Aligarh kshetriya Gramin Bank	808.78
119.	Tulsi Gramin Bank	775.84
120.	Etah Gramin Bank	547.42
121.	Gomti Gramin Bank	349.06
122.	Chhatrasal Gramin Bank	514.95
123.	Ranilakshmi Bai Kshetriya Gramin Bank	634.97
124.	Vidur Gramin Bank	402.72
125.	Shahjahanpur kshetriya Gramin Bank	323.47
126.	Nainital Almora Kshetriya Gramin Bank	544.28
127.	Vidhyavasini Gramin Bank	6.62

(Amt. Rs. in Lakhs)

Accumulated losses

Sl.No.	Name of the Regional Rural Bank	Accumulated losses
128.	Saryu Gramin Bank	21.98
129.	Gamuna Gramin Bank	229.28
130.	Muzaffarnagar Kshetriya Gramin Bank	105.94
131.	Pithoragarh Kshetriya Gramin Bank	137.20
132.	Ganga Yamuna Gramin Bank	235.15
133.	Alakhnanda Gramin Bank	174.67
134.	Hindon Gramin Bank	90.71
135.	Kutch Gramin Bank	446.90
136.	Jamnagar Gramin Bank	399.50
137.	Banaskantha Mehsana Gramin Bank	727.20
138.	Panchamaharal Gramin Bank	630.41
139.	Surendranagar Bhavnagar Gramin Bank	302.63
140.	Valsad Dangas Gramin Bank	133.94
141.	Surat Bharauah Gramin Bank	237.58

(Amt. Rs. in Lakhs)

Sl.No.	Name of the Regional Rural Bank	Accumulated losses
142.	Sabarkantha Gandhinagar Gramin Bank	184.93
143.	Junagarh Amreli Gramin Bank	167.35
144.	Marthawada Gramin Bank	1962.97
145.	Aurangabad Jaina Gramin Bank	150.42
146.	Chandrapur Gadchiroli Gramin Bank	632.64
147.	Akola Gramin Bank	293.47
148.	Ratnagiri Sindhudurg Gramin Bank	291.68
149.	Solapur Gramin Bank	292.16
150.	Bhandara Gramin Bank	452.62
151.	Yavatmal Gramin Bank	134.53
152.	Buldhana Gramin Bank	108.26
153.	Thane Gramin Bank	37.21
154.	Nagarjuna Gramin Bank	1564.44

Sl.No.	Name of the Regional/Rural Bank	Accumulated losses (Amt. Rs. in Lakhs)
155.	Sri Visakha Gramin Bank	781.28
156.	Sree Anantha Gramin Bank	47.31
157.	Shri Venkateshwara Gramin Bank	538.67
158.	Sri Saraswati Gramin Bank	89.28
159.	Sangameshwara Gramin Bank	358.44
160.	Manjira Gramin Bank	72.92
161.	Comalomo Gramin Bank	10.34
162.	Kakathiya Gramin Bank	431.78
163.	Chaitanya Gramin Bank	80.63
164.	Shri Sathavahana Gramin Bank	28.06
165.	Golconda Gramin Bank	81.10
166.	Malaprabha Gramin Bank	238.07
167.	Cauvery Gramin Bank	525.89

(Amt. Rs. in Lakhs)

Name of the Regional Rural Bank

Accumulated losses

168.	Krishna Gramin Bank	1311.55
169.	Chitradurga Gramin Bank	559.63
170.	Kalpatharu Gramin Bank	673.93
171.	Kolar Gramin Bank	452.03
172.	Bijapur Gramin Bank	238.48
173.	Chickmagalur Kodagu Gramin Bank	321.36
174.	Sahyadri Gramin Bank	167.96
175.	Netravati Gramin Bank	186.28
176.	Varda Gramin Bank	204.30
177.	Visveshvaraya Gramin Bank	73.11
178.	South Malabar Gramin Bank	201.38
179.	Pandyan Gramin Bank	1288.30
180.	Adhiyaman Gramin Bank	115.34
181.	Vallalar Gramin Bank	48.60
	All India	92689.81*

Data Provisional)

Certificated in Higher Denominations

3640. SHRI BOLLA BULLI RAMAIAH :
DR. D. VENKATESWARA RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Andhra Pradesh has requested the Union Government for introduction of certificates in higher denominations to facilitate investment by institutions in small savings; and

(b) if so, the action taken thereon ?

MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS : (DR. ABRAR AHMED):(a) Yes, Sir.

(b) The proposal is under consideration.

Public Finance System

3641. SHRI ANKUSHRAO RAOSAHEB TOPE:
PROF. RAM KAPSE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government are contemplating to have a new approach to rural industrialisation by making changes in public finance system so as to push up the country's growth rate to catch up with industrialised world;

(b) whether the proposal has been

finalised; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Since July 1991, the Government has taken several policy reforms in the industrial, trade, financial and public sectors to enhance the efficiency and competitiveness of Indian industries. The Government also provides various fiscal and other incentives for industrialisation of backward areas in the country. The Finance Act 1993 has enlarged the existing tax holiday scheme by granting complete remission of income tax for five years in respect of profits of new industrial undertakings set up in industrially backward states and Union Territories if they begin production during 1.4.93 and 31.3.98. Both the Central and State Governments have also provided other facilities and incentives from time to time to attract investment into industrially backward regions or identified no industry districts. The central schemes included concessional finance, central investment subsidy and transport subsidy. Incentives provided by the State Governments have varied from State to State but consist mainly of the following concessional finance; supply of land, power and water at concessional rate, concessional in Sales Tax State investment subsidy, exemption from octroi; terminal tax, entry tax, stamp duty, registration fees etc.

[Translation]

Educated and Illiterate Unemployed

3642. SHRI BHAGVAN SHANKAR RAWAT:- Will the Minister of LABOUR be

pleased to state :

(a) the number of educated and illiterate unemployed persons in the country at the beginning of the Eighth Five Year Plan, State-wise;

(b) the number of the persons provided with employment since the beginning of the Eighth Five Year Plan, year-wise and State-wise; and

(c) the number of persons proposed to be provided with employment by the end of Eighth Five Year Plan, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) to (c). Unemployment at the beginning of the Eighth Five Year Plan was estimated to be around 17 million. Around 6 million employment opportunities are estimated to have been created during the year 1992-93. The Eighth Plan envisages creation of additional employment opportunities of the order of 43 million during the Plan period. State-wise estimated of employment opportunities likely to have been created during 1992-93 and those envisaged to be created during the Eighth Plan period are not available.

[English]

Farm Export of Products

3643: SHRI S.M. LAL JAN BASHA: Will the Minister of COMMERCE be pleased to state:

(a) whether a number of ministries and administrative organisations are dealing with the exports of farm products;

(b) if so, whether there is any proposal for a single window clearance for such

products to boost export; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED):(a) to (c). While a number of Ministries and administrative organisations are dealing with export promotion of farm products, the Ministry of Commerce is the nodal agency. To ensure coordination among the concerned ministries, besides discussions at the official level, these Ministries are represented in various commodity boards like Agricultural and Processed Food Exports Development Authority, Tobacco Board Spices Board etc.

Dismantle of Trade Barriers

3644. SHRI GURUDAS KAMAT: Will the Minister of COMMERCE be pleased to state:

(a) whether Japan had asked India to dismantle the trade barriers;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED):(a)and(b). In various bilateral fora Japan has been seeking further liberalisation in the Indian Economy particularly in the areas of better investment climate, further reduction in import tariffs etc.

(c) In response, during bilateral discussions the Japanese have been apprised of the specific measures taken by the Government in these areas. It has also been pointed out to them that this is a continuing process where further improvements could be expected.

Scheme for Channelising Black Money

3645. SHRI MANORANJAN BHAKTA : Will the Minister of FINANCE be pleased to state:

(a) whether the Government are considering a scheme for channelising black money for greater private sector investment in oil exploration;

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

(c) if so, the broad features thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY):(a) No, Sir.

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

Misbehaviour with Customers

3646. SHRI HARI KEWAL PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the incidence of misbehaviour with customers has been on the rise in the Nationalised Banks;

(b) whether any fresh guidelines have

been issued by the Government to various banks to deal with such cases; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):(a) to (c). The information relating to the number of complaints received by nationalised banks during the last 3 years is as under :-

<i>Year</i>	<i>No. of complaints received by nation-nalised banks</i>
1990-91	26032
1991-92	24615
1992-93	24119

A Committee was constituted by Reserve Bank of India in 1990 to study the state of customer service in banks and to suggest measures to improve the performance of banks in this area. The Committee in its report made wide ranging recommendations covering various aspects of customer service including measures to be taken for dealing with complaint prone employees and complaint prone areas. Necessary instructions have already been issued by Reserve Bank of India to all banks for implementation of the accepted recommendations of the Committee.

World Bank Assistance

3647. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank is providing financial assistance to a number of municipalities in Tamil Nadu for improving

administratration and other amenities in their areas;

(b) if so, the details thereof; and

(c) the mode of repayment thereof?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE AND MINISTER
OF STATE IN THE MINISTRY OF PARLIA-

MENTARY AFFAIRS(DR ABRAR AHMED)

(a) Yes Sir.

(b) The details of the projects is given in the enclosed statement.

(c) The Loans are to be repaid according to the terms and conditions of the Loan agreements

STATEMENT

Sl.No.	Name of the project	Date of signing /closing	Loan Amount	Details
1.	Tamil Nadu Urban Development Project	16.9.1988/ 30.9.1995	US\$265.599 Million	The project is intended to strengthen the functioning of urban institutions involved with the delivery of urban services and the implementation of urban investments, improve shelter for 176,000 families and increase the efficiency of the urban transportation system.
2.	Madras Water Supply and Sanitation Project.	28.5.87/ 31.12.95	US \$69 Million	The project is intended to improve the water supply to Coimbatore, Madurai and Salem cities as well as their satellite towns and peripheral rural communities. It will also provide safe drinking water to 44 small towns and help instal low cost sanitation facilities in 14 middle sized towns.
3.	Madras Water Supply and sanitation Project.	28.5.87/ 31.12.95	US \$69 Million	The Project will finance about 60% of MMWSSB's 1987-1995 investment programme aimed at increasing water supply and improving water distribution and sewerage services in Metropolitan Madras. The project will make better use of existing resources and assist Madras in developing a plan to identify medium and long term water supply solutions of larger scope.

Settlement Commission (IT & WT)

3648. SHRI AMAR ROYPRADHAN :

Will the Minister of FINANCE be pleased to state:

(a) whether the Settlement Commission (IT & WT) is a quasi judicial body;

(b) the present composition of the Commission;

(c) whether all the posts of Chairman, Vice-Chairman and members are being filled up out of the serving/retired officers of Indian Revenue Service and no representation in the Commission has so far been given to any judicial officer; and

(d) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) Yes, Sir.

(b) The Settlement Commission (IT & WT) has a Principal Bench at Delhi and three Additional Benches at Bombay, Calcutta and Madras. The Chairman presides over the Principal Bench and the Additional Benches are presided over by Vice-Chairman. Each bench has, in addition, two posts of Members.

(c) Yes, Sir.

(d) Appointments of Chairman, Vice-chairman and Members of the Commission are made in accordance with the provisions of section 245B(3) of the Income-tax Act which require persons having special knowledge of, and experience in, problems relating to direct taxes and business accounts to be drafted for the same. Since

only the officers of Indian Revenue Service possess this knowledge and experience. Officers belonging to other disciplines are not being considered.

[Translation]

Bank Lockers

3649: SHRI BRIJ BHUSHAN SHARAN SINGH :

SHRI SATYA DEO SINGH :

SHRI RAJENDRA AGNIHOTRI :

SHRI VISHWANATH SHASTRI :

Will the Minister of FINANCE be pleased to state :

(a) whether the monopoly of the Banks in providing Lockers to the public is decreasing and there has been an increase in the number of private bank lockers service centres in Delhi ;

(b) whether the Government propose to frame any law to check the growth of such private centres;

(c) if not, the reasons therefor;

(d) whether the number of authorised Government 'Bank Lockers' in the country is much less than the demand therefor;

(e) if so, the action proposed to be taken by the Government to increase their number to meet the demand; and

(f) the existing number of bank lockers available in the capital?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED)

(a) to (c). It is understood that some private locker services are being provided in Delhi. Since the activities of the private parties setting up safe deposit lockers do not come within the purview of the provisions of Reserve Bank of India Act, 1934 and the Packing regulation Act, 1949, there is no proposal under consideration of Reserve Bank of India to supervise/control the operations of these services.

(d) and (e). Keeping in view the lack of availability of safe deposit lockers, the Goiporia Committee on Customer Service in Banks recommends that banks should provide more and more locker facilities, especially in residential areas, having regard to commercial viability. Banks have been advised to implement the recommendation.

(f) Information relating to the number of bank lockers available in the capital is being collected and will be laid on the Table of the House.

[English]

Import of Raw Sugar

3650. SHRI INDRAJIT GUPTA:
SHRI RAM NIHOR RAI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are allowing raw sugar to be imported for processing the same for exports;

(b) whether the cost of processing would not be beneficial for determination of export price; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). Import of raw sugar for processing and export of white sugar under Duty Exemption Scheme has been allowed subject to the condition as laid down in Public Notice No.184(PN)/92-97 dated the 17 December, 1993. Copies of the said Public Notice are available in Parliament Library.

Pre-shipment Credit Facilities.

3651. SHRI G. DEVARAYA NAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether the Reserve Bank of India has recently issued guidelines for extending the facility of pre-shipment credit in foreign currency to exporters;

(b) if so, the details of the guidelines issued; and

(c) the reaction of the exports thereto?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b). Yes, Sir. RBI has issued guidelines for extending the facility of pre-shipment credit in foreign currency to exports on 8 November, 1993. The facility will be available in the convertible currencies and the Scheme will cover cash exports only. The Scheme covers both the domestic as well as imported inputs of the exported goods. The facility will be available for a period of 180 days on the basis of

firm export order of confirm L/C. The ultimate cost to the exporter will not exceed 2% over 6 months LIBOR excluding withholding tax.

(c) The Scheme has been generally welcomed by the exporters as indicated during discussion with export organisation.

[Translation]

Tax Evasion

3652. SHRI LAL BABU RAI: Will the Minister of FINANCE be pleased to state:

(a) the number of complaints regarding tax evasion received by the Income-Tax Commissioners from the Members of Parliament during the last two years;

(b) whether any action has been taken on those complaints;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) to (d). The information is being collected and will be laid on the Table of the House.

Export Of Raw-leather.

3653. SHRI PRABHU DAYAL KATHERIA: Will the Minister of COMMERCE be pleased to state:

(a) whether any target has been fixed for export of raw-leather during the current year; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) No, Sir.

(b) Does not arise.

[English]

RBI Restriction on Loans Against Shares

3654. SHRI PIUS TIRKEY: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has imposed restrictions upon Indian investors on loan against shares and not upon foreign investors;

(b) if so, the reasons therefor; and

(c) whether the Government propose to withdraw the restrictions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). The guidelines regarding advances against the security of shares and debentures/bonds are issued by the Reserve Bank of India to bank operating in India. Status of the investor borrowing from the banks is not the criterion for applicability of the guidelines. The extant guidelines are considered appropriate.

Increase in Cargo Handling Charges

3655. PROF. SAVITRI LAKSHMANAN: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether there has been steep up-

ward revision of cargo handling charges by the International Airport Authority of India;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI AZAD): (a) to (c). Terminal and Demurrage charges for export and import cargo have been nationalised with effect from 1.8.93 by International Airports Authority of India. Important, changes brought about in the revised schedule of rates are:-

(i) Computing the Terminal, Storage and Processing (TSP) charges in addition to the minimum charges per Kg. rates has been dispensed with.

(ii) The minimum of TSP charges for export cargo have been enhanced from Rs.25/- to Rs.50/- at Delhi Airport and from Rs. 19.00 to Rs.40.00 at Bombay, Calcutta and Madras airports.

(iii) With the introduction of TSP charges, the forklift charges, which were earlier levied separately, have been dispensed with.

(iv) The per Kg. rate for TSP charges in exports at Delhi Airport remains unchanged at Rs. 0.40 while at Bombay, Calcutta and Madras airports, it has been uniformly nationalised at Rs. 0.25 per Kg.

(v) TSP charges in imports have been fixed at Rs. 2.25 per Kg. on the chargeable rate of consignment on a one time basis.

[Translation]

Exports of Item From Uttar Pradesh

3656. DR. RAMESH CHAND TOMAR:

SHRI BALRAJ PASSI

Will the Minister of COMMERCE be pleased to state:

(a) whether Japan, Britain, U.K. and U.S.A. have shown interest in certain items manufactured in Uttar Pradesh;

(b) if so, the details of these items;

(c) the value of purchase-order placed by each of these countries; and

(d) the total foreign exchange likely to be earned by this export from each of these countries?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) No, Sir.

(b) to (d) Does not arise.

[English]

Hotel Resort Project on Konark Beach

3657. SHRI ARJUN CHARAN SETHI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government of Orissa has submitted a hotel resort project on Konark beach area for assistance;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI

AZAD): (a) No, Sir.

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

Consumption Expenditure

3658. SHRI NIRMAL KANTI CHATTERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether the consumption expenditure of the top half of the population has increase compared to the past;

(b) if so, whether the Government have conducted any survey in this regard;

(c) if so, the outcome thereof; and

(d) the steps being taken by the Government of control the consumption.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d). The National Sample Surey Organisation (NSSE) of the Department of Statistics collects data on household consumption expenditure on a quinquennial basis. The NSSO reports pertain to the rural and urban population separately and do not give patterns of consumption expenditure for the population as a whole. The various distributions of consumption expenditure are given using the per capital household consumer expenditure class. NSCO has estimated that the average per capital monthly household expenditure for the top 50 percent of the populating reckoned on the basis of per capital consumer expenditure is as indicated below:-

<i>NSSO Rounds</i>	<i>Per capital consumer expenditure in Rupees</i>
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Rural *Urban*

43rd

(July 1987-June 1988) 213.41 348.94

46th

(July 1989-June 1990) 271.05 446.34

The trends in consumption expenditure, savings and investment, are reviewed in the context of formulation of plans.

Non-perfumed Agarbattis.

3659. SHRIMATI CHANDRA PRABHA URS: Will the Minister of COMMERCE be pleased to state:

(a) whether the export of non-perfumed or raw bathis are affecting the export of value added perfumed agarbathis from the country;

(b) if so, whether the All India Agarbathis Manufactures Association has requested for banning the export non-perfumed or rawbathis from the country; and

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

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Export statistics of non-perfumed or raw agarbathis are not maintained separately as these are exported under the caption 'Agrabathis'.

(b) No specify proposal in this regard has been received from All India Agarbathi Manufactures Association.

(c) Does not arise

(Source: CHEMEXCIL, BOMBAY)

[Translation]

Modernisation Of Airports

3660. SHRI V. SREENIVASA PRASAD:
SHRI S.B. SIDNAL:
SHRI BOLLA BULLI RAMAIAH:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the proposal for modernisation of twenty two airports was discussed at the conference of the Northern Region States Tourism Minister held in September, 1993;

(b) if so, the details of the airports proposed to be modernised and expanded alongwith allocation made therefor;

(c) the other proposals discussed at the conference; and

(d) the reaction of the Union Government to each of these proposals?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI AZAD): (a) No, Sir.

(b) Does not arise.

(c) Proposals for upgrading facilities at Ludhiana airport and development of Adampur airport for civil operation were discussed.

(d) National Airports Authority has already undertaken the work of recarpeting of the runway at Ludhiana airport at a cost of about Rs.78 lakhs. Construction of a separate Departure Lounge has been planned for which architect has been appointed.

It has not been found feasible to start civil flights from ar'ampur airport due to security reasons.

[English]

Self Employment to Educated Unemployed Youth

3661. SHRI HARISINH CHAVDA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to increase the limit of loan being provided under the Self Employment to the Reeducate Unemployed Youth Scheme;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Under the scheme for providing self Employment to the Educated Unemployed Youth (SEEUY) introduced during the year 1983-84, educated unemployed youth (Matriculate and above) within the age group of 18 years to 35 years and whose family income does not exceed Rs. 10,000/- per annum are eligible for composite loans to the extent of Rs.32,000/- for industrial ventures, Rs.25,000/- for service units and Rs. 15,000/-for business enterprises. ITI passed youth in the prescribed age group are also eligible for undertaking industrial and service ventures. Capital subsidy to the extent of 25% of the project cost is provided by the Government.

A new scheme called Prime Minister's Rozgar Yojna (PMRY) for the educated unemployed youth was launched with effect

from 2nd October, 1993. Under the PMRY Scheme, educated unemployed Youth between the age of 18 to 35 years and belonging to families, having total family income of less than Rs. 24,000/- per annum from all sources would be eligible for a loan for a project cost upto a ceiling of Rs. 1 lakh. The entrepreneur has to bring in a margin money of 5% of the project cost. Government of India would provide subsidy at the rate of 15% of the project cost subjects to a ceiling of Rs. 7,500/- per entrepreneur. The scheme would cover only urban areas during 1993-94 and whole of the country from 1994-95 onwards. The existing SEEUY will be subsumed in PMRY from 1994-95.

Civil Enclaves and Aerodromes

3662. DR. KARTIKESWAR PATRA:
SHRI MULLAPPALLY
RAMICHANDRAN:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the name of civil enclaves and ma-

jor, intermediate and minor civil aerodromes in the country as on September 30, 1993, State-wise;

(b) the names of civil enclaves and aerodromes being maintained by the Union Government, State-wise;

(c) the names of the places in Orissa where civil enclaves and aerodromes are being set up or are proposed to be set up by the Union Government; and

(d) the names of civil enclaves and aerodromes in Orissa being set up or proposed to be set up by the State Government with assistance from the Union Government?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b) : A list is given in the enclosed statement

(c) and (d) : national Airports Authority has no plan to set up any civil enclave or a new aerodrome in Orissa.

CIVIL ENCLAVES

CIVIL AERODROMES

ANDHRA PRADESH

1. Vishakhapatnam

1. Rajamahendravaram

2. Tirupati

3. Vijayawada

4. Cuddapah

5. Donakonda

6. Warrangal

7. Hyderabad

8. Passighat

ARUNACHAL PRADESH

2. Along

3. Dibrugarh

4. Tezu

5. Zero

CIVIL AERODROMES

CIVIL ENCLAVES

ASSAM

6. Jorhat
7. Silchar
8. Tezpur

9. Dibrugarh

10. Guwathati

11. Lilabari

12. Rupsi

13. Shella

14. Patna

15. Ranchi

16. Chakulia

17. Gaya

18. Jogbari

19. Muzzafarpur

BIHAR

CIVIL ENCLAVES

CIVIL AERODROMES

GOA

9. Dabolim

GUJARAT

10. Bhuj

11. Jamnagar

20. Raxaul

21. Ahmedabad

22. Rajkot

23. Vadodara

24. Kandla

25. Keshod

26. Porbandar

27. Bhavnagar

28. Deesa

29. Kulu

30. Shimla

HIMACHAL PRADESH

CIVIL ENCLAVES

CIVIL AERODROMES

JAMMU & KASHMIR

12. Jammu
13. Srinagar
14. Leh

KARNATAKA

15. BANGALORE

KERALA

16. Cochin

31. Gaggal

32. Mangalore

33. Hassan

34. Hubli

35. Mysore

36. Belgaum

37. Calicut

CIVIL ENCLAVES

CIVIL AERODROMES

MAHARASHTRA

17. Pune

38. Nagpur

39. Aurangabad

40. Kolhapur

41. Akola

42. Juhu Bombay

43. Sholapur

MADHYA PRADESH

18. Gwalior

44. Bhopal

45. Indore

46. Khajuraho

47. Raipur

48. Jabalpur.

49. Khandwa

50. Panna

51. Satna

52. Bilaspur

CIVIL ENCLAVES	CIVIL AERODROMES
MANIPUR	53. Imphal
MEGHALAYA	54. Shilong
MIZORAM	55. Aizwal
NAGALAND	56. Dimapur
ORISSA	57. Bhubaneswar
	58. Jharsuguda
PUNJAB	59. Amritsar
	60. Ludhiana

CIVIL AERODROMES

CIVIL ENCLAVES

RAJASTHAN

19. Bikaner
20. Jodhpur
21. Jaisalmer

TAMILNADU

61. Jaipur
62. Udaipur
63. Kota
64. Coimbatore
65. Madurai
66. Tiruchirapalli
67. Tuticorin
68. Vellore
69. Salem
70. Kamalapur
71. Kailashahar
72. Khowai
73. Agartala

TRIPURA

CIVIL AERODROMES

CIVIL ENCLAVES

UTTAR PRADESH

22. Kanpur (Chakeri)
 23. Agra
 24. Allahabad
 25. Gorakhpur

74. Varanasi
 75. Lucknow
 76. Dehra Dun
 77. Pant Nagar
 78. Jhansi
 79. Kanpur Civil
 80. Lalitpur

WEST BENGAL

26. Bagdogra

81. Cooch Behar
 82. Balurghat
 83. Behla
 84. Malda

CIVIL ENCLAVES

CIVIL AERODROMES

PONDICHERY (U.T.)

85. Pondicherry

DELHI (U.T.)

86. Safdarjung

ANDAMAN & NICOBAR (U.T.)

27. Port Blair

CHANDIGARH (U.T.)

28. Chandigarh

LAKSHADWEEP (U.T.)

87. Agatti

*Translation]***Emigration Procedure**

36. SHRI RAJESH KUMAR:
SHRI MUMTAZ ANSARI:

Will the Minister of LABOUR be pleased to state:

(a) whether there is any proposal under consideration of the Government to liberalise emigration procedure for the persons going abroad in search of jobs;

(b) if so, the details thereof;

(c) whether the Government recently held discussion with N.R.Is in regard to problems of emigration of manpower;

(d) if so, the steps being taken to promote emigration of manpower; and

(e) the steps being taken to minimize the prescribed role of guardian of the emigrants?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) to (e). The emigration procedure is periodically reviewed with a view to simplifying it. Six additional categories of workers viz. supervisors (all professions); skilled workers (all professions); semi-skilled workers (all professions); light/medium/heavy vehicle drivers; clerical workers of all categories including stenographers, storekeepers, timekeepers, typists etc. and cooks excluding those in domestic employment which were brought under 'Emigration check Not Required (ECNR)' Category initially for a period of six months with effect from 4th October, 1991, have been continued in the E.C.N.R. category. The above is intended to promote emigration of manpower and to

minimise the regulatory role of the Protectors of Emigrants.

No discussions have been held with N.R. Is in the recent past with regard to the problems of emigration of workers.

Export of Textiles

3664. SHRI SOMJIBHAI DAMOR: Will the Minister of TEXTILES be pleased to state:

(a) whether our exported textiles are not competitive enough against certain Asian countries exporting texting;

(b) whether our synthetic textile exports are much more costly due to high input cost;

(c) if so, the remedial measures taken in this regard;

(d) the comparative figures of textile exports of India, China, South Korea, Taiwan and Japan;

(e) whether Indian textiles are facing any discrimination in developed countries; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) : India faces stiff competition from some of the Asian countries in the field of textile exports.

(b) and (c) : Under the Duty Exemption Scheme of the EXIM Policy, exporters have the facility of duty free imports, of raw materials for export production.

(d) The textile export figures, as per the

currently available dsate, in respect of India, China, SouthKorea, Taiwan and Japan are indicated in the enclosed statement.

(e) and (f) : Exports of certain items to some of the developed western countries are subject to quota restrictions under the Multifire Erragement. These restrictions are to be phased out in a ten year time frame.

STATEMENT

TEXTILE EXPORTS BY INDIA AND SOME OTHER ASIAN COUNTRIES

S.No.	Name of the Country	Value of Exports (in Million Dollars) (in 1991)
1.	India	2530
2.	Taiwan	7351
3.	Republic of Korea	7298
4.	Japan	6524
5.	China	8014

Source : GATT Statics, 1992.

**TRIVENDRUM, COCHIN AND
CALCUTTA AIRPORTS**

3665. SHRITHAYIL JOHNNANJALOSE: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the steps taken for the expansion and modernisation of Trivendrum, Cochin and Calcutta airports; and

(b) the details of additional flights likely to be introduced from these airports during 1993-94 and 1994-95?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI AZAD): (a) and (b). Development of airports is a continuing process and is taken up in a phased manner, depending upon projected requirements and availability of resources. Development Plans of Trivendrum, Cochin and Calcutta airports are as under:-

TRIVANDRUM AIRPORT

International Airports Authority of India have taken in hand major works such as strengthening of runway, extension of apron etc., at a cost of over Rs. 18 crores. Besides, it is proposed to install a state of the art radar at a cost of Rs. 28 crores and Doppler Very High Omni Range at a cost of Rs. 87 lakhs by National Airports Authority (NAA).

COCHIN AIRPORT

The existing airport at Cochin belongs to Indian Navy NAA is maintaining a civil enclave there. A site for construction of a new airport at Nedumbassery (Cochin) has been identified and surveyed and a consultant has been appointed for preparation of detailed project report. A society under the chairmanship of Chief Minister, Kerala has been registered to take up the project.

CALCUTTA AIRPORT

Calcutta airport is being developed as a model airport NAA is providing a new block at the terminal complex to cater to international passengers at an estimated cost of Rs. 6 crores. There is also a proposal for extension of the runway from 6000 ft. to 9000 ft.

(b) From this month, Calcutta has been linked with Bangalore, Madras, Fujairah and Ras-Al-Khaimah by Indian Airlines services and with Dubai, Muscat, Abu-Dhabi by Indian Airlines/Air-India joint operation services. The frequency of Trivendrum/Male service has recently been increased by Indian Airlines from 5 times weekly to daily. At present, Indian Airlines have no plans to introduce additional flights from above airports during the remaining period of 1993-94 and 1994-95.

JUTE INDUSTRIES

3666. SHRI CHITTA BASU: Will the Minister of TEXTILES be pleased to state:

(a) whether the Jute Industries is facing an acute crisis:

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

(c) the steps taken to meet the crisis?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b). The crisis faced by jute industries is shortage of raw materials due to estimated short jute crop, a steep competition with synthetics and other importing countries in the case of exports, lack of sufficient modernisation and renovation of the jute mills.

(c) The steps taken by the Government are:-

- (i) promotion on of various export measures such as import of jute machinery at concessional rate
- (ii) external market assistance
(iii) import of raw jute under OGL with zero-duty
- (iv) direction to JCI to release their stocks to units on priority basis
- (v) advice to IJMA to follow a voluntary discipline in the matter of purchase of raw jute, particularly by those mills which have already built up stocks and
- (vi) close monitoring of the situation, so that necessary steps could be taken at the appropriate time to curb the upward tendency in the raw jute prices.

[Translation]

Financial Assistance to Gujrat by LIC

3667. SHRI KASHIRAM RANA: Will the Minister of FINANCE be pleased to state: the details of those schemes for which the Life Insurance Corporation of India propose to provide financial assistance to Gujrat during the current financial year and the total amount earmarked for this purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIA-

MENTARY AFFAIRS (DR. ABRAR AHMED): The Life Insurance Corporation of India has already invested in the financial year 1993-94 Rs.41 crores in the State Government Securities and the bonds of State Electricity Boards and the State Financial Corporation. In addition as per plan allocation, the LIC has earmarked Rs. 89.12 crores to be advanced as loans to the State Government for their social housing schemes, water supply and sewerage schemes and the schemes of Gujrat State Corporative Housing Finance corporation: Gujrat Electricity Board and Gujrat State Road Transport Corporation. Out of this amount, the state Government has lifted only Rs. 32.29 crores so far. In addition, LIC will also invest in private sector shares/ debentures depending upon the proposals forthcoming from the companies in Gujrat during this period.

Seizure of Gold

3668. SHRI SATYA DEO SINGH: Will the Minister of FINANCE be pleased to state:

- (a) the quantity of smuggled gold seized since January,93 till date;
- (b) the value thereof.
- (c) the number of persons arrested in this connections; and
- (d) the action taken against the persons found responsible therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) to (d). Information is being collected and will be laid on the Table of the House.

[English]

Advances to Priority Sectors

3669. SHRIMATI SAROJ DUBEY:
SHRI MUMTAZ ANSARI:
SHRI PRITHVIRAJ D.
CHAVAN:

Will the Minister of FINANCE be pleased to state:

(a) the total amount of advances disbursed by the nationalised banks, private sector bank and foreign banks to the priority sector during the last three years;

(b) the percentage of advances dis-

bursed to priority sector out of the total amount disbursed by these banks during the above period; and

(c) the steps taken to ensure that the prescribed lending target to priority sector is achieved by the banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The amount of outstanding advances and percentage thereof to Net Bank Credit of public sector banks - private sector banks and foreign banks for the three years period ending March, 1993 is given below:-

(Amount Rs. in crores)

Advances to Priority Sector

	March,91	March,92	March,93
Public Sector Banks	42276	44581	48653
Indian Private Sector Banks	1641	1886	2362
Foreign Banks	642	694	842

Percentage of Priority Sector Advances To Net Bank Credit

	March,1991	March,1992	March,1993
Public Sector Banks	40.02	39.75	36.64
Indian private Sector Banks	34.50	31.70	33.20
Foreign Banks	9.45	7.86	8.10

(c) In terms of Reserve Bank of India (RBI) Guidelines all Indian Banks including public sector banks are required to extend at least 40% of their net credit to priority sector. The foreign banks are to raise the level of their advances to priority sector to 32% of their net credit by March 1994. Reserve bank of India has been impressing upon the Public Sector Banks private sector and foreign bank the need for achieving the stipulated target and sub-target under the priority sector. In this connection, they have been cautioned that failure on their part to achieve the target/sub-target by March, 1994, could invite bank specific policy measures which could include raising of reserve requirements or withdrawal of refinance facilities and or such other measures deemed necessary.

[Translation]

Performance Of MMTC.

3670. DR. LAXMINARAYAN PANDEY : Will the Minister of COMMERCE be pleased to state:

(a) the value of exports and imports of various items made by the Minerals and Metals Trading Corporation during 1991-92 and 1992-93; and

(b) the named of the items exported and imported?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) The value of exports and imports of various items made by MMTC during 1991-92 and 1992-93 are given below:

Year	Exports	Imports
1991-92	1786.5	6240.9
1992-93	1674.8	3368.5

(b) Major group items exported are mineral & ores, agro products like soya meal, gems and jewellery, meat, marine products and industrial and engineering products.

Major group items imported are finished fertilizers, fertilizer intermediates, non-ferrous metals/steel and gold.

[English]

Strike by Air India Pilots

3671. SHRI SHRAVAN KUMAR PATEL

SHRI UDAYSINGRAO
GAIKWAD :

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Air India Pilots had called off their strike in September, 1993 after negotiations;

(b) if so, the terms of the agreement;

(c) whether the Government have been any action to implement the terms of the agreement; and

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

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) to (d). The pilots of Air India had represented to the management that a suitable circular should be issued clarifying the provisions of the Aircraft Rules, 1937 so that employees of the Corporation know clearly the authority of the pilot-in-command. Air India management has issued the circular

on 21.9.93.

Financial Crisis to Gujarat

3672. SHRI DIEEP BHAL SANGHANI:

Will the Minister of FINANCE be pleased to state;

(a) the amount of Central assistance allocated and released to the gujarat Government during the current financial year;

(b) whether the Government propose to release the remaining amount in advance or sanction more assistance to face the

drought condition in the State; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) A statement is enclosed .

(b) and (c). During the current financial year no request has been received from the Government of Gujarat regarding the release of central assistance for drought relief measures in the State. As such, the question of release of advance or additional Central assistance to face drought condition in the State, does not arise.

STATEMENT

The position regarding allocation/assumption of normal Central assistance for State plan, Share in Central taxes, Loans against small savings collection in the State, Additional Central assistance for externally aided projects, Centre's contribution to Calamity Relief Fund and the releases made against the above items, so far, during the current financial year is as given below:-

(Rs. in crores)

	Allocation/	Release	Remarks
1. Normal Central assistance	235.00	171.81	Release is made in monthly instalments.
2. Share in Central taxes (including grants in lieu of Railway passenger fare tax)	889.54	565.98	Release is made in monthly instalments. However, the State's share in income tax starts from June and the share in excise duty starts from July of each financial year. Balance amount is released at the end for the financial year on the basis of Revised Estimates.
3. Loans against small Savings collections in the State	450.00	406.89	Amount is released to the extent of 75% of the net collection under Small savings instruments in the State.

(Rs. in crores)				
	Allocation/	Release	Remarks	
4.	Additional Central assistance for externally aided projects	223.87	97.96	Amount is released on the basis of the progress of expenditure reported by the State Government.
5.	Centre's contribution to Calamity Relief Fund	63.75	47.8125	Amount is released in quarterly instalments.

[Translation]

**Appointment of Foreign Nationals
by Air Taxi Operators**

3673. SHRI DHARMANNA
MONDAYYA SADUL :

Will the Minister of CIVIL AVIATION
AND TOURISM be pleased to state:

(a) whether some newly set up air taxi
operators have appointed foreign nationals;

(b) if so, whether the Government pro-
pose to formulate any policy or guidelines
regarding appointment of foreign nationals
keeping in view the unemployment problem
in the country; and

(c) if so, the details thereof ?

THE MINISTER OF CIVIL AVIATION
AND TOURISM (SHRI GHULAM NABI
AZAD): (a) One foreign national has
been engaged as cockpit crew by an air taxi
operator.

(b) and (c). Since there is no large scale
implement of foreign nationals by air taxi
operators formulation of any policy in this
regard is not considered necessary at pre-
tend.

Export of Coconut Oil.

3674. SHRIMATI PRATIBHA
DEVISINGH PATEL :
SHRI GOVINDRAO NIKAM :

Will the Minister of COMMERCE be
pleased to state:

(a) whether the producers of coconut
oil have sought permission to export coco-
nut oil; and

(b) if so, the details thereof; and

(c) the decisions taken by the Govern-
ment in this regard?

THE MINISTER OF STATE IN THE
MINISTRY OF CIVIL SUPPLIES, CON-
SUMER AFFAIRS AND PUBLIC DISTRI-
BUTION AND MINISTER OF STATE IN
THE MINISTRY OF COMMERCE (SHRI
KAMALUDDIN AHMED): (a) to (c). With
effect from 19.11.1993, export of coconut
oil can now be made in consumer packs up-
to 5 kg. without any licensing restrictions.

[English]

Export Of Filament Yarn.

3675. SHRI RAMASHRAY PRASAD
SINGH : Will the Minister of TEXTILES be
pleased to state:

(a) whether the Government have any
proposal to export filament yarn to African
and South Asian countries;

(b) if so, the details thereof; and

(c) the action plan chalked out in the
regard?

THE MINISTER OF STATE OF THE
MINISTRY OF TEXTILES (SHRI G.
VENKAT SWAMY): (a) to (c). Under the
current Export and Import policy, the export
of filament yarn is allowed freely to all coun-
tries including those in Africa and South
Asia.

The Synthetic and Rayon Textiles Ex-
port Promotion Council, Bombay, has drawn
and action plan to promote export of fila-
ments yarn to African and South Asia coun-
tries which includes participation in fairs,
BSM and trade delegation, etc.

[*Translation*]

Welfare Scheme for Mine Workers

3676. SHRI VILASRAO NAGNATHRAO GUNDEWAR: (SHRI KHELAN RAM JANGDE):

Will the Minister of LABOUR be pleased to state:

(a) whether the Government have formulated any welfare scheme for mine labours of Maharashtra and Madhya Pradesh;

(b) whether the Government have introduced Group Insurance Scheme and all the workers are covered under E.S.I. scheme;

(c) whether the Government provides compensation to the mine labours in case of death and injury caused by mine accidents; and

(d) if so, the details of the compensation provided to such victims during the 1992-93, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A SANGMA): (a) to (d). Information remains the same as furnished on an all-India basis in reply to Lok Sabha USQ No.2450 answered on the 17th December, 1993.

[*English*]

Trade Tie-up With Britain.

3677. SHRI ANNA JOSHI: Will the Minister of COMMERCE be pleased to state:

(a) whether India has signed by contracts for trade-up with Britain during the visits of the British delegation headed by the

British secretary of State in November, 1993.

(b) if so, the details thereof;

(c) whether those tie-up will boost Indian exports; and

(d) if so, the foreign exchange likely be earned as a result thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) A number of contracts were signed between Indian and British firms covering sectors such as power, oil and gas, software, beverages etc.

(c) and (d) These are exported to lead to an increase in bilateral economic corporation. The quantum of foreign exchange likely to be around will depend upon the progress in the implementation of the different projects and consequently progress in bilateral trade.

Hotel Accommodation at Major Tourist Centers

3678. SHRI VIJAY NAVAL PATIL: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government have assessed the requirement of suitable hotel accommodations at major tourist centers;

(b) if so, the present assessed position regarding shortage at major tourist centers; and

(c) the steps being taken to reduce shortage?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c). Construction of hotels is

primarily a private sector activity and the policy of Government is to encourage private investment for the construction of new hotels. The National Action Plan for Tourism 1992 has estimated that tourist accommodation needs to be doubled in the next three years. For this purpose Government has announced various incentives and fiscal concessions to encourage private investment for setting up of hotels.

Agitations by Civil Aviation Employees

3679. DR. VASANT NIWRUTH PAWAR: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether frequent agitations by civil aviation employees is the main cause for the losses suffered by the state owned airlines;

(b) whether these losses account for the frequent increase in airlines fares;

(c) the total loss suffered by the recent pilots strike; and

(d) the details of the steps proposed to be taken by the Government to take such strikes in future?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) This is not the only cause of the losses incurred.

(b) No, Sir.

(c) The cash loss due to strike by pilots of Indian Airlines in December, 1992 and January, 1993 is estimated to be Rs.60 crores.

(d) With in the existing policy frame-

work, mechanism is available to avoid strikes etc. through bipartite and tripartite negotiations.

Exports of Marine Fishing and Acqua-culture by MPEDA.

3680. SHRI PRAKASH V. PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Marine Produce Export Development Authority has shifted emphasis from marine fishing to acqua-culture;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken to ensure that MPEDA gives sufficient emphasis to marine fishing and export from marine sources!

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). The Marine Products Export Development Authority has a primary responsibility to promote export to marine products both from capture as well as culture resources.

Investment Protection and Double Taxation Avoidance Agreements for Joint Ventures

3681. SHRI GEORGE FERNANDES: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have taken any initiative to sign investment protection and double taxation avoidance agreements

in order to give a boost to the setting up of joint ventures:

(b) if so, the details there of;

(c) whether any difficulties are being faced in working out a viable strategy for trade promotion : and

(d) if so, the likely impact thereof on trade with the a Commonwealth of Independent States(CIS)?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). Government of India is in the process of devising a model Bilateral Investment Protection Agreement. 40 comprehensive agreements on double taxation avoidance covering income of different kinds have been notified.

(c) and (d). There are no specific or major difficulties being faced in working out a viable strategy for trade promotion. No trade with the CTS, which is indeed already showing a growing trend.

Runway at Vijayawada Aitport

3682. SHRI SOBHANADREESWARA RAO VADDE: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the length of runways at Cochin, Calcutta, Madurai Coimbatore, Vesakhapatnam and vijayawada airports;

(b) whether Boeing aircraft are operated to and from all the above airports except Vijayawada airport:

(c) whether the Government propose

to expand the runway at the Vijayawada Airport to facilitate operation of Boeing aircraft from there,

(d) if so, the details thereof; and

(e) if not, the reasons therefor

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD):(SHRI GULAM NABI AZAD): (a) The requisite information is as follows:-

<i>Airport</i>	<i>Runway iength</i>
Cochin	6000 ft.
Calicut	6000 ft.
Madurai	5990 ft.
Coimbatore	7500 ft.
Vijayawada	5925 ft.
Visakhapatnam	6000 ft.

(b) Yes, Sir.

(c) to (e). The National Airport Authority (NAA) has a proposal to develop Vijayawada airport for Boeing-737 operations. However, due to financial constraints the project is held in abeyance.

Tariff for Hotel Industry

3683. SHRI S.B. SIDNAL: Will the Minister of CIVIL AVJATION AND TOURISM be pleased to state:

(a) whether the Government have recently asked the hotel industry to fix tariff in terms of rupee and dollar;

(b) if so, the details thereto?

(c) whether some five star luxury hotels have jointly urged the Government to review the division;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). The Ministry of Tourism have recently asked the hotel industry fix tariff in rupee terms on their own commercial judgement and that dollar tariff if any to be equivalent to the rupee tariff so fixed.

(c) to (e). A Representation from 5-star hotels to review the position is receiving the attention of the Department of Tourism.

Steps to Boost Exports.

3684. DR.D. VENKATESWARA RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have taken several steps to remove the hurdles in the way of exports as demanded by a number of federations of export organisations;

(b) if so, the details of the fresh steps taken in this regard: and

(c) the extent to which the fresh at initiatives will boost exports!

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE MINISTER OF COMMERCE STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMAD): (a) and (b) Yes, Sir. The Government have taken several steps to remove hurdles in the way of exports which include simplification and streamlining of policy and procedures, reduction in the peak import-tariff levels, greater availability of export credit at lower rates of interest, strengthening of infrastructure facilities, greater involvement of State Governments, greater

emphasis on improving quality to-increase comperativeness, setting up an Exporters, Grievance Rodressal Call to facilitate action on problems being faced by exporters, according a national priority status to exports, and greater interaction between trade and industry and Government to ensure prompt action on all export-related activities.

(c) These steps are expected to help in achieving the targeted growth in exports.

Export and Import of pesticides.

3685. SHRI NAWAL KISHORE RAI: Will the Minister of COMMERCE be pleased to state:

(a) the details of pesticides alongwith the total quantity with its value imported and exported suring each of the last three years;

(b) whether any of these pesticides fall under— prior informed consent (PIC) clause of FAO code on pesticides to which India is a party;

(c) whether PIC has been fully implemented in each case; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES. CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) A statement of imports and exports pf pesticides during thee last three years is eclosed.

(b) to (d). out of the pesticides which were imported/exported during the last three years, the follwing pesticides come under the PIC Clause:-

- (i) Aldrin
- (ii) Chlordane
- (iii) DDT
- (iv) Heptachlor

PIC Procedure has been followed in case of the above mentioned four pesticides.

STATEMENT

Qty : Tonnes
Value: Rs. lakhs

Export and Import of Insecticides, Disinfectants and Rodenticides and Similar Preparations during 1990-91, 1991-92 and 1992-93

Sl.No	Descriptions of items	Export					
		1990-91		1991-92		1992-93	
		Qty	Value	Qty	Value	Qty	Value
1	2	3	4	5	6	7	8
A. INSECTICIDES							
1.	Aldrin	-	-	239.9	94.64	160.9	375.26
2.	Aluminium Phosphide (e.g. Phostoxin)	377.6	549.85	343.4	792.09	855.4	1977.69
3.	Calcium Cyanide						
4.	Chlordane	9.2	10.43	14.4	28.08	6.0	10.76
5.	Chloro benzilate						

Sl.No	Descriptions of items	Export							
		1990-91		1991-92		1992-93			
		Qty	Value	Qty	Value	Qty	Value	Qty	Value
1		3	4	5	6	7	8		
6.	D.D.V.P. (Dimethyl dichlorovinyl-phosphate)	-	-	1.5	9.08	-	-	-	-
7.	D.D.T.	-	-	52.5	12.40	106.5	23.79		
8.	Diagonal	63.6	18.04	26.40	17.27	9.0	4.10		
9.	Heptachlor	-	-	-	-	-	-		
10.	Fumigants	13.0	25.77	-	-	-	-		
11.	Lindane	111.3	152.61	326.33	832.40	441.2	1215.53		
12.	Methyl bromide	12.0	25.80	-	-	54.6	119.01		
13.	Parathion, Methyl	68.0	54.93	180.2	211.64	298.8	388.22		

Sl.No	Descriptions of items	Export									
		1990-91				1991-92				1992-93	
		Qty	Value	Qty	Value	Qty	Value	Qty	Value		
1		2	3	4	5	6	7	8			
14.	Dimethoate Technical	29.0	21.98	93.0	93.0	61.36	123.3				
15.	Melathion	-	-	208.0	101.71	480.1	290.01				
16.	Endosulphan Technical	-	-	778.4	133.55	836.51	726.06				
17.	Others	2253.9	2530.63	-	-	-	-				
18.	Quinal Phos	-	-	10.6	17.67	12.9	41.33				
19.	Isoproturon	-	-	496.0	908.12	167.0	353.22				
20.	Fenthion	-	-	-	-	13.0	25.12				
21.	Cipermethrin Technical	-	-	114.0	990.85	248.4	1824.37				
22.	Others	-	-	2609.0	55191.51	2719.7	535706				

Sl.No	Descriptions	1990-91				1991-92		1992-93	
		Value		Qty		Value		Qty	
		3	4	5	6	7	8		
1	2	3	4	5	6	7	8		
B.	FUNGICIDES								
(a)	Meneb	-	-	-	-	18.0	41.13		
(b)	Sodium penta Ghlorophenate (Santobrite)	196.1	62.04	168.5	79.05	117.063.56			
(c)	Thiram (Tetramethyl Thiram disulphide)	-	-	6.0	8.29	-	-		
(d)	Others fungicides	422.7	637.69	479.1	1196.59	429.6	1004.27		
C.	Herbicides, anti- sprouting products and plant growth regulators.								
(a)	Chloromethyl phenoxy acetic acid and its esters.	63.2	97.44	63.4	135.87	230.6	808.95		

Sl.No	Descriptions	Export									
		1990-91				1991-92				1992-93	
		Qty	Value	Qty	Value	Qty	Value	Qty	Value		
1	2	3	4	5	6	7	8				
(b)	2:4 Dichlorophenoxy acetic acid and its esters.	30.0	63.03	23.0	49.76	306.0	265.41				
(c)	Other weedicides and weed killing agents	518.6	1004.80	2006.2	5308.80	875.2	1609.26				
(d)	Pesticides n.e.s.	3563.1	4776.93	-	-	-	-				
D.	DISINFECTANTS	18.7	3.93	84.8	81.43	31.4	19.12				
E.	RODENTICIDES AND SIMILAR PREPARATIONS	271.6	419.27	1152.1	2667.42	142.8	257.35				

Qty : Tonnes
Value: Rs. lakhs

Contd.....

Sl.No	Descriptions	Import					
		1990-91		1991-92		1992-93	
		Qty	Value	Qty	Value	Qty	Value
1	2	9	10	11	12	13	14
A. INSECTICIDES							
1.	Aldrin	161.6	219.93	55.1	82.93	(10 Kg)	0.01
2.	Aluminium Phosphide (e.g. Phostoxin)	-	-	-	-	-	-
3.	Calcium Cyanide	-	-	-	-	-	-
4.	Chlordane	16.6	16.30	37.2	46.94	-	-
5.	Chloro benzilate	-	-	-	-	-	-
6	D.D.V.P. (Dimethyl dichlorovinyl-phosphate)	15.8	7.24	-	-	-	-

Sl.No	Descriptions	1990-91				1991-92		1992-93	
		Qty	Value	Qty	Value	Qty	Value	Qty	Value
1	2	9	10	11	12	13	14		
(c)	Thiram (Tetramethyl Thiram disulphide)	-	-	0.1	0.18	-	-	-	-
(d)	Others fungicides	16.9	9.29	46.2	84.91	243.6	316.89		
c.	HERBICIDES, ANTI-SPROUTING PRODUCTS AND PLANT GROWTH REGULATORS.								
(a)	Chloromethyl phenoxy acetic acid and its esters.	-	-	-	-	-	-	-	-
(b)	2:4 Dichlorophenoxy acetic acid and its esters.	-	-	-	-	-	-	-	-
(c)	Other weedicides and weed killing agents	219.5	286.94	151.5	202.46	115.5	322.38		

Sl.No	Descriptions	Import							
		1990-91		1991-92		1992-93			
		Qty	Value	Qty	Value	Qty	Value	Qty	Value
1	2	9	10	11	12	13	14		
(d)	Pesticides n.e.s.	803.4	787.00	-	-	-	-	-	-
D.	DISINFECTANTS	64.7	42.36	11.8	24.78	16.7	40.47		
E.	RODENTICIDES AND	283.7	734.46	512.8	4494.65	57.5	250.95		

People Under Insurance Scheme

3686. SHRI SWAMI SURESHANAND:

Will the Minister of FINANCE be pleased to state:

(a) whether cent percent people in Japan and 96% people in America are covered under the Insurance Scheme;

(b) if so, the percentage of the people in our country covered under Insurance Scheme so far;

(c) whether the Government have fixed the target of covering cent. percent people of the country under the insurance scheme: and

(d) if so, the time by which this target is likely to be achieved and the manner in which it is proposed to be achieved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMAD):

(a) and (b). No Sir. As per the information available with the Life Insurance Corporation of India, 24.2% of the population in Japan and 62.4% of the population in America are covered under Life Insurance Schemes as against 10.2% of the population in our country excluding the lives covered under Insurance schemes of the Central Government, State Governments, union Territories and those of postal Life Insurance Department.

(c) and (d). As per the Life Insurance Corporation Act, 1956, the Corporation is required to ensure that the Life Insurance business is developed to the best advantage of the community and it is constantly endeavoring to achieve this objective.

Duty free Import of Capital Goods

3687. SHRI RAMESH CHENNITHALA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to allow duty free import of capital goods;

(b) if so, the details thereof;

(c) whether the capital goods manufacturers have represented against this decision; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKARA MURTHY): (a) Government has not decided to allow duty free import of all capital goods unconditionally.

(b) to (d). Does not arise in view of reply to part (a) above.

Changes in ESI Scheme

3688. SHRI RAM NAIK : Will the Minister of LABOUR be pleased to state:

(a) whether some changes in the operation of Employees. State Insurance Corporation were under consideration of the Government.

(b) if so, whether the changes have been finalised :

(c) if so , the details thereof, and

(d) if time bound programme to implement those changes ?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) No, Sir.

(b) to (d) Do not arise.

Employment in Tourism Sector

3689. SHRI SUDHIR SAWANT: Will the Minister of Civil Aviation and Tourism be pleased to state:

(a) the steps being taken by the Union Government to encourage educated unemployed to earn livelihood in tourism sector:

(b) whether any special facilities are provided to such persons for the purpose;

(c) if so, the details thereof; and

(d) the steps being taken to reduce or remove inter-STATE barriers for free flow of tourists in licensed tourist vehicles?

THE MINISTER OF CIVIL AVIATION AND TOURISM: (SHRI GULAM NABI

AZAD): (a) The Department of Tourism conducts various training and management development programmes in tourism and travel management water sports, winter sports, hotel management and catering and food crafts through of Hotel Management and Catering Technology; Food Crafts Institutes; Indian Institute of Skiing and Mountaineer and National Institute of Water Sports, with a view to equip educated unemployed youth to get employment in the tourism sector.

(b) and (c): No, Sir. Does not arise.

(e) The Motor Vehicles Act 1988 as amended and the All India Permit for Tourist Transport Operators Rules 1993 provides for registration for vehicles, single point payment of tax and composite face so as to remove inter-STATE barriers for free flow of tourists.

[Translation]

Bombay International Airport

3690. SHRIMATI SURYAKANTA PATIL: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government propose to increase the capacity of the Bombay International Airport;

(b) if so, the details thereof;

(c) the time by which the said work is likely to be completed and the amount proposed to be spent thereon; and

(d) the per hour present capacity of the said airport regarding landing and taking off of aircraft and the extent to which it is likely to be increased as a result of increase

in its capacity.

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c) The international Passenger Terminal Complex (Phase-III) at Bombay Airport is under construction at an estimated cost of Rs. 84.12 crores. The work is likely to be completed by October, 1996. This project will increase the annual passenger handling capacity of the airport from the present level of 50 lakhs to 75 lakhs.

Modernisation of Air Traffic Control services project at Delhi and Bombay is under implementation at a cost of Rs. 352 crores. The project is expected to be completed by October, 1995. On completion, Bombay airport will be able to handle 40 aircraft movements per hour as against the present capacity of 20 aircraft movement per hour.

[English]

Rural Banks Managed by Women

3691. SHRI RAM KAPSE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to start rural banks managed by women on Bangladesh model;

(b) if so, the details thereof; and

(c) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIR (DR. ABRAR AHMED):

(a) No, Sir.

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

Grounded Aircraft

3692: SHRIMATI KRISHNENDRA KAUR:
SHRI MAHESH KANODIA:
SHRIMATI SUSHEELA GOPALAN:
SHRI LALJAN S.M. BHASA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether some aircraft of the Indian Airlines and the Air India have been grounded;

(b) if so, the details thereof including the types of aircraft grounded and since when each of these aircraft has been grounded;

(c) the reasons therefore ;

(d) the extent to which services of the both Airlines have been affected as a result thereof;

(e) the loss suffered by these Airlines as a result thereof; and

(f) the action taken or proposed to be taken by the Government to the tune up the maintenance of aircraft?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (f). Aircraft of both airlines have to undergo periodic schedules check/maintenance as stipulated by the manufactures/regulatory authorities. The maintenance schedules are so prepared

the services are not affected. The airlines have not suffered any quantifiable loss specifically on account of such checks/maintenance as no service was curtailed/withdrawn owing to maintenance checks.

Jaiprakash Ulta Badla Issue

3693. SHRI SANAT KUMAR MANDAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Securities and Exchange Board of India (SEBI) has made any headway in its probe into the details in the Jaiprakash 'Ulta Badla' issue;

(b) if so, the details thereof; and

(c) if not, the further steps proposed to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTER OF FINANCE AND MINISTER OF STATE OF THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The investigations of Securities and Exchange Board of India (SEBI) into the details in the Jaiprakash 'Ulta badla' issue have been revealed that:

(i) the Calcutta Stock Exchange failed to exercise proper control regarding the imposition and monitoring of margins and trading restrictions.

(ii) it also failed to shift the scrip to spot delivery basis during the rights issue of the company.

(c) Does not arise.

Dues Against Air Taxi Operators.

3694. SHRI RAMACHANDRA VEERAPPA: Will the Minister of CIVIL

AVIATION AND TOURISM be pleased to state:

(a) the details of charges/taxes payable by the Air Taxi operators to the Government, the International Airport Authority of India and the National Airport Authority ;

(b) the amount of each of the above charges/taxes paid by each air taxi operators since 1990, year-wise;

(c) the amount of each of the above charges/taxes outstanding against each of these operator as on September 30, 1993; and

(d) the steps taken or proposed to be taken to recover the dues?

THE MINISTER OF CIVIL AVIATION AND TOURSIM (SHRI GHULAM NABI AZAD): (a) to (d). The information is being collected and will be laid on the table of the House.

Trade With Nepal.

3695. DR. KRUPASINDHU BHOI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have been importing Nepalese goods as a part of its programme to expand Indo-Nepal trade;

(b) if so, the items are being imported from Nepal;

(c) whether some items are being exported to Nepal also ; and

(d) if so, the details thereof?

THE MINISTER OF THE STATE IN THE MINISTRY OF CIVIL SUPPLIES, CON-

SUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED):

(a) Under the Indo-Nepal Treaty of Trade, both the Governments encourage exchange of goods to promote bilateral economic inter-action.

(b) The main items imported from Nepal into India includes cereal preparation, pulses, oil-seeds, vegetables oils fixed (edible) textile yarns, fabrics, made-up articles, raw hides and skins, leather, essential oil & cosmetics preparations, chemicals materials and preparation etc.

(c) Yes, Sir.

(d) The main items exported from India to Nepal include tea, rice (basamati and non-basamati), tobacco unmanufactured & manufactured miscellaneous processed items, cotton yarn, coal, processed minerals, drugs, chemicals & Pharmaceutical, inorganic chemicals glass ware and ceramics papers, wood products, plastic & linoleum products, manufactures, of metals, machine tools, machinery and instruments, transport equipments and other engineering items, primary and semi-finished iron and steel items, electronic goods, cotton yarn, fabrics and made-ups, choir, and jute products.

Festival Organised in Singapore.

3696. SHRI N.J.RATHVA: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state :

(a) whether the Union Government and the Air India in collaboration with Goa Tourism Development Corporation had organised any festival in Singapore in August, 1992 to attract foreign tourists to Goa;

(b) if so, the details thereof and

(c) the total expenditure incurred thereon?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Yes, Sir.

(b) The festival was held at Raffles Hotel, Singapore from 4.8.92 to 13.8.92. A sixteen member team consisting of three Chefs and 13 member cultural group was sent to Singapore in connection with the Festival.

(c) The total expenditure incurred by Directorate of Tourism, Goa was 1,96,222 only. Department of tourism had issued 16 free mandatory passages on Air India, the market value of each was Rs. 3,36,272.

Norms for Debt Management

3697. SHRI R. SURENDER REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether an International programme on Debt Management, Strategies and Techniques' was organised in Madras during November 1993;

(b) if so, the number of participating countries, duration, subjects discussed and the conclusions arrived at the programme;

(c) the details of the observations made by the Governor of the Reserve Bank of India; and

(d) the extent to which the aforesaid norms are being followed in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASEKHARA MURTHY): (a) to (d). The information is being collected.

Trade With Netherlands.

3698. SHRI GOPI NATH GAJAPATI:
Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to expand trade relations with Netherlands;

(b) if so, whether any trade agreement has been signed with Netherlands; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) It is Government's constant endeavor to expand bilateral trade. Recent interactions between the two sides during the visit of the Dutch Prime Minister is expected to result in greater economic and commercial cooperation.

(b) and (c). An agreement on economic and technical cooperation already exists as between the India and the Netherlands since 1983. This agreement provides for economic and technical collaboration in areas like industry, mining, energy, land and water development, commerce, agriculture, area and rural development, transportation communications, engineering and other services between the two countries.

Privatisation Of Airports

3699. SHRI MULLAPPALLY RAMCHANDRAN: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government Propose to privatise all the airports;

(b) whether a proposal to privatise any

part of airport's management is under consideration of the Government; and

(c) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) No, Sir.

(b) and (c). An Inter-Ministerial group was constituted to identify the areas in development of airport which can be deserved for public participation. The group has submitted its report. The Government will take a decisions on the report indue course.

[Translation]

Refinance by NHB

3700. SHRI HARIKEWAL PRASAD:
Will the Minister of FINANCE be pleased to state:

(a) whether the National Housing Bank has provided refinance to the scheduled commercial banks, housing finance companies and State level apex housing finance societies in respect of eligible loans disbursed by them for the repair and construction of houses in Uttar Pradesh; and

(b) if so, the amount provided by this Bank during the last two years, institution-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). National Housing Bank (NHB) provides refinance to schedules commercial banks, housing finance companies and State level apex co-operative housing finance societies in respect of eligible housing loans disbursed by them. Besides, NHB also

subscribes to Special Rural Housing De-benture (SHRDs) issued by the State Land Development Banks covering eligible housing loans. The data reporting system in NHB does not yield State-wise break up of the disbursements made by NHB. However, the total disbursements made by NHB to various primary Lenders during last two year were as under:-

July-June (Rs. in crores)	A m o u n t
1991-92	676
1992-93	486

[English]

Tobacco Sector

3701. SHRI S.M. LAL JAN BASHA:
PROF. UMMAREDDY
VENKATESWARLU:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have any scheme to reward those areas which have contributed largely to the central revenues particularly, the tobacco growing areas;

(b) if so, the details thereof;

(c) whether the Government have received various representation from the tobacco sector for reform and better collection of revenue from this sector; and

(d) if so, the step being taken by the Government to rationalise excise collection and to expand the tax base in this sector?

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI. M.V. CHANDRASHEKHARA MURTHY): (a) and (b). At present, Government do not have any such scheme.

(c) Government have received certain suggestions regarding central excise duty on tobacco products.

(d) In view of the ensuring budget, it is not possible to indicate the views of the Government in this matter.

Restrictive Trade Practices.

3702. PROF. UMMAREDDY
VEKATESWARLU: Will the Minister of COM-
MERCE be pleased to state:

(a) whether the Government are aware that the U.S. has indulged in restrictive trade practices by insisting on 75% tobacco usage in their cigarette;

(b) whether the Union Government have taken up this issue, strive for proper reciprocity in trade; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED):(a) The U.S. Senate has incorporated a new provision in its version of the Omnibus Reconciliation Act of 1993 according to which a minimum of 75% of the tobacco used by the U.S. companies in the manufacture of cigarettes during any calendar year would have to be produced in the U.S.

(b) and (c) India, along with a number of other countries, had pointed out to the US

that this measure may not be consistent with US obligations under GATT and had brought the matter to the notice of the Surveillance Body of GATT. Since then a dispute settlement procedure has been initiated against the US in GATT. In view of our marginal export interest in tobacco exports to the US we have refrained from joining the dispute.

[Translation]

Banks in Uttar Pradesh

3703. SHRI BRIJ BHUSHAN
SHARAN SINGH:
SHRI ARJUN SINGH
YADAV:
SHRI SWAMI
SURESHANAND:

Will the Minister of FINANCE be pleased to state:

(a) the number of branches of nationalised and other commercial banks in Uttar Pradesh at present;

(b) whether the Government propose to open some more branches of the above banks in Uttar Pradesh under Branch Ex-

pansion Programme 1990-95 to promote trade and commerce in the state;

(c) if so, the details thereof; and

(d) the time which the above branches are likely to be opened?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a):-As at the end of June 1993, the number of branches of public sector and other commercial banks in Uttar Pradesh was 8579.

(b) to (d). Under the Branch Expansion Programme 1990-95, commercial banks have been allotted 18 rural and 108 urban/metropolitan centers for opening of bank branches in Uttar Pradesh. The banks have been advised to open branches at the allocated centers in phased manner upto the end of March 31, 1995. As per information available with Reserve Bank of India, the banks have also proposed to open 65 branches at semi-urban centers of Uttar Pradesh upto March 31, 1995 out of the quota allotted to them on All India basis. The details of those centers are indicated in the enclosed statement.

LIST OF THE RURAL CENTRES ALLOTTED TO BANKS IN THE UTTAR PRADESH UNDER
THE 1990-95 PLAN.

District	Centre	Bank
1. Hamirpur	Pura	Allahabad Bank
2. Ballia	Kaithaulia	Central Bank of India
3. Bulandsahar	Akbarpur	Bank of Baroda
4. Bulandsahar	Kamapur	Bank of Baroda
5. Bulandsahar	Kudwalbaharee	Bank of Baroda
6. Dehradun	Bandawali Sahastradhara	Bank of Baroda
7. Shahjahanpur	Narautha	Bank of Baroda
8. Almoda	Daulaghat	Central Bank of India
9. Etawah	Mihouli	Central Bank of India
10. Etawah	Naugwan	Central Bank of India
11. Haridwar	Khanpur	Punjab National Bank
12. Haridwar	Shyampur	Punjab National Bank

District	Centre	Bank
13. Hardwar	Imilkheri	Punjab National Bank
14. Sonbhadra	Chhapka	Punjab National Bank
15. Sonbhadra	Chatra	Allahabad Bank
16. Sonbhadra	DurawalKhurd	Allahabad Bank
17. Barabanki	Samemau	Bank of India
18. Banda	Bargath	Allahabad Bank

LIST OF SEMI-URBAN CENTRES WHERE BANKS PROPOSAL TO OPEN BRANCHES UNDER 1990-95 PLAN

	District	Center	Bank
	Basti	Khalidabad	State Bank of India
	Hae Bareilly	Jais	State Bank of India
3.	Unnao	Shuklaganj	State Bank of Indore
4.	Etawah	Auraiya	State Bank of Indore
5.	Ghaziabad	Modinagar	State Bank of Indore
6.	Nainital	Kashipur	State Bank of Patiala
7.	Nainital	Haldwani	State Bank of Patiala
8.	Haridwar	Rourkee	State Bank of Patiala
9.	Rishikesh	Rishikesh	State Bank of Patiala
10.	Hardoi	Hardoi	State Bank of Patiala
11.	Aligarh	Hathras	State Bank of Patiala
12.	Bijnor	Najibabad	State Bank of Patiala

	District	Center	Bank
13.	Muzaffarnagar	Shamli	State Bank of Patiala
14.	Mathura	Kosikalan	State Bank of Patiala
15.	Unnao	Unnao	State Bank of Patiala
16.	Bulandshahar	Khurja	State Bank of Patiala
17.	Hardwar	Roorkee	Allahabad Bank
18.	Bulandshahar	Khurja	Allahabad Bank
19.	Nainital	Haldwani	Allahabad Bank
20.	Muzaffarnagar	Shamli	Allahabad Bank
21.	Bara Banki	Bara Banki	Bank of Baroda
22.	Ballia	Ballia	Bank of Baroda
23.	Hardoi	Hardoi	Bank of Baroda
24.	Sonebhandra	Robertganj	Bank of Baroda
25.	Dehradun	Rishikesh	Bank of Baroda

	District	Center	Bank
26.	Nainital	Rudrapur	Bank of Baroda
27.	Bonda	Bonda	Bank of Baroda
28.	Ghazipur	Ghazipur	Bank of India
29.	Nainital	Haldwani	Bank of India
30.	Meerut	Mandi Barat	Canara Bank
31.	Nainital	Haldwani	Canara Bank
32.	Almora	Almora	Canara Bank
33.	Almora	Ranikhet	Canara Bank
34.	Pratapgarh	Pratapgarh	Central Bank of India
35.	Meerut	Barat	Central Bank of India
36.	Deoria	Rudrapur	Central Bank of India
37.	Mathura	Vrindavan	Central Bank of India
38.	Kheri	Lakhimpur	Central Bank of India

District	Center	Bank
39. Farukhabad	Kannani	Central Bank of India
40. Dehradun	Rishikesh	Oriental Bank of Commerce
41. Azamgarh	Mubarakpur	Oriental Bank of Commerce
42. Aligarh	Hathras	Oriental Bank of Commerce
43. Nainital	Ram Nagar	Punjab National Bank
44. Mathura	Sadabad	Punjab National Bank
45. Bareilly	Baheri	Punjab National Bank
46. Muzaffar Nagar	Kairana	Punjab National Bank
47. Moradabad	Kainth	Punjab National Bank
48. Meerut	Baghpet	Punjab National Bank
49. Gazipur	Ghazipur	Punjab National Bank
50. Faizabad	Ayodhya	Punjab National Bank
51. Ghazipur	Saidpur	Punjab National Bank

	District	Centre	Bank
52.	Hardwar	Roorkee	Punjab National Bank
53.	Saharanpur	Deoband	Syndicate Bank
54.	Ghaziabad	Dadri	Syndicate Bank
55.	Gonda	Gonda	Syndicate Bank
56.	Ghaziabad	Modi Nagar	Union Bank of India
57.	Lakhimpurkheni	Lakhimpur Kheni	Union Bank of India
58.	Balia	Ballia	UCO Bank
59.	Gonda	Gonda	United Bank of India
60.	Barabanki	Katchew	United Bank of India
61.	Nainital	Nainital	Vijaya Bank
62.	Ghaziabad	Modinagar	Vijaya Bank
63.	Nainital	Haldwani	Nainital Bank Ltd.
64.	Moradabad	Chandausi	Nainital Bank Ltd.
65.	Haridwar	Hardwar	Union Bank of India.

**LIST OF THE CENTRES ALLOTTED IN U.P. FOR OPENING BRANCHES AT CENTRE UNDER THE
YEAR 1990-95 PLAN**

District	Center	Bank
1.	Kanpur Dabauli	State Bank of India
2.	Kanpur Sarai Maswanpurpanki	Benares State Bank
3.	Kanpur Roma (Near) Maharajpuri	Central Bank of India
4.	Kanpur Karathi Road	State Bank of India
5.	Kanpur Patel Nagar (Between Ramadevi & Air Port)	Bank of Baroda
6.	Kanpur Ganga Vihar (Jajman)	Syndicate Bank
7.	Kanpur Tagore Road Cantt.	Corporation Bank
8.	Lucknow Deva Road Indl.	Central Bank of India
9.	Lucknow Vikas Nagar	State Bank of India
10.	Lucknow Sector 18 Ring Rd. Indira Nagar	State Bank of India
11.	Lucknow Uthrathia Road Bareilly Road	Dena Bank

District	Center	Bank
12. Lucknow	Sadalganj	Bank of India
13. Lucknow	Thakurganj Bareilly (Thakurganj crossing)	Corpn. Bank
14. Lucknow	Babuganj	Bank of India
15. Lucknow	Sikandara Central	Bank of India
16. Agra	Rajpurchung	Punjab & Sind Bank
17. Agra	Pandav Nagar	Nainital Bank Ltd.
18. Agra	Hira Bank Cty.	State Bank of India
19. Faridabad	Suhag Nagar	Punjab National Bank
20. Aligarh	Manas Sarovar	United Bank of India
21. Aligarh	Kala Nagar	State Bank of Patiala
22. Aligarh	Mahindra Nagar	Punjab National Bank
23. Allahabad	Kalyani Devi	State Bank of India
24. Allahabad (Subzi Mandi)	Kuldabad	Bank of India

District	Center	Bank
25.	Allahabad Nayayay Nagar	Dena Bank
26.	Allahabad Govindpur	Punjab National Bank
27.	Allahabd Nainital Indi. Area	Central Bank of India
28.	Allahabad Katra Benares	state Bank
29.	Allahabad Bans Mandi	Bank of Baroda
30.	Mirzapur Shivala Mahant	Allahabad Bank
31.	Mirzapur Musaffarganj	Bank of Baroda
32.	Varansi Bhu Campus	Canara Bank
33.	Varansi Railway Settlement	Nainital Bank Ltd.
34.	Varansi Brij Enclave	State Bank of Patiala
35.	Varansi Ardali Bazar	Punjab National Bank
36.	Varansi Shivaji Nagar	State Bank of India
37.	Varansi Gurdham Colony	Bank of Baroda

District	Center	Bank
38. Jaunpur	Sipah	Bank of Baroda
39. Jaunpur	Old City/Purama Bareilly	compn. Bank
40. Bareilly	Paras Khera	Bank of Baroda
41. Jaunpur	Jagdishpur (Varanasi Road)	Canara Bank
42. Bareilly	Nekpur Budaun Rd.	Union Bank of India
43. Bareilly	Ektanagar	State Bank of India
44. Bareilly	Modi Naith Nekpur	Punjab National Bank
45. Rampur	Noor Mahal Avas Vikas colony	Benares State Bank
46. Rampur	Tainpur purana sitapur	Union Bank of India
47. Rampur	Hempurwa Sahajaunpur Road	United Bank of India
48. Shahjahanpur	Cantonment	Indian Overseas Bank

	District	Center	Bank
49.	Shahjahanpur	Lodhipur	Canara Bank
50.	Shahjahanpur	Bahadurganj	State Bank of Patiala
51.	Shahjahanpur	Jatal Nagar	State Bank of India
52.	Dehradun	Jakhan	State Bank of India
53.	Dehradun	Arya Nagar	State Bank of India
54.	Dehradun	Ballurpur Crossing	Bareilly Corpn. Bank
55.	Dehradun	Nehru Colony	Allahabad Bank
56.	Dehradun	Balbir Road	Dena Bank
57.	Dehradun	D.L. Road	State Bank of Travankor
58.	Dehradun	Guru Road	Bank of Rajasthan
59.	Dehradun	Racecourse	UCO Bank
60.	Dehradun	Dhooawala	Punjab National Bank
61.	Saharanpur	Bakhat Road	Punjab National Bank

	District	Center	Bank
62.	Saharanpur	Benkat Road	Bank of Rajasthan
63.	Saharanpur	Shanti Bagh	Punjab National Bank
64.	Saharanpur	Naveen Nagar	Dena Bank
65.	Saharanpur	Bara Chowk Park	Bank of Baroda
66.	Saharanpur	Haqiqat Nagar	Union Bank of India
67.	Muzaffarnagar	North Civil Lines	Union Bank of India
68.	Muzaffarnagar	Anand Puri	Bareilly Corpn. Bank
69.	Etawa	Civil Lines	Indian Bank
70.	Etawa	Man Darwaja	Canara Bank
71.	Farukhabad	Man Darwaja	Canara Bank
72.	Farukhabad	Bholapur Fatehganj	Punjab National Bank
73.	Farukhabad	Kachehri Road	Bank of Baroda
74.	Bahraich	Lalgaon	State Bank of India

	District	Center	Bank
75.	Bahraich	Bagrganj	United Bank of India
76.	Moradabad	Kanith Road	Kashinath Seth Bank
77.	Moradabad	Sambal Road	State Bank of India
78.	Moradabad	Mohali Lakra	Punjab National Bank
79.	Jhansi	Nandanpura	United Bank of India
80.	Jhansi	Refugee Colony (Crossing, Jarpur Rd.)	Oriental Bank of Commerce
81.	Jhansi	Kachari Road Sadar Bazar	Vijaya Bank
82.	Gorakhpur	Rly. Road Gorakhpur	Kashihath seth Bank
83.	Gorakhpur	Ramgarh Tal.	Punjab National Bank
84.	Gorakhpur	Maya Bazar	State Bank of India
85.	Gorakhpur	Lachhipur	Nainital Bank of India
86.	Gorakhpur	Padleganj	Central Bank of India

	District	Center	Bank
87.	Gorakhpur	Bhalotia Market	Union Bank of India
88.	Meenut	Shastri Nagar Sector 7	State Bank of India
89.	Meenut	Bankar Nagar Hapur Road	State Bank of India
90.	Ghaziabad	Vasundhara Avas Vikas Colony	Allahabad Bank
91.	Ghaziabad	Vaishali	State Bank of Indore
92.	Ghaziabad	Pratap Nagar	State Bank of Mysore
93.	Ghaziabad	Shastri Nagar sector C & D	State Bank of Saurashtra
94.	Ghaziabad	Noida sector 14 14A, 15 and 15A	Punjab National Bank
95.	Ghaziabad	Noida sector 21 & 25 Jalvayuvikas	State Bank of Travancor
96.	Ghaziabad	Noida Sector 22 Phase III	Federal Bank Ltd.
97.	Ghaziabad	Noida city Centre Sector 2, 5A, 32	Kashinath Seth Bank

District	Center	Bank
98.	Meerut Road Bardar Industries	State Bank of Patiala
99.	Bulandshahr Road (UP Avas Vikas Cly.)	Oriental Bank of Commerce
100.	Delhi Road Near U.P. Area Road	United Bank of India
101.	Bhoor Chauraha	Punjab National Bank
102.	Krishna Jamna Bhooni	State Bank of India
103.	Bharatpur Gate	Bareilly Corp. Bank
104.	Niyawani	Bank of Baroda
105.	Civil Lines Kutchahari	Indian Overseas Bank
106.	Deonagar	United Bank of India
107.	Kaushasuri	Punjab National Bank
108.	Brij Vihar	New Bank of India

[English]

(e) if so, the details thereof?

World Bank Loan

3704. SHRI INDRAJIT GUPTA: Will the Minister of FINANCE be pleased to state:

(a) the amount of loan, assistance and aid received during the current year so far from different agencies including the World Bank;

(b) whether many more loan proposals are still pending with the World Bank;

(c) if so, the details thereof;

(d) whether the World Bank is imposing series of new conditions for sanctioning such proposals; and

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTRY OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI ABRAR AHMED): (a). Details of loan, assistance and aid received during the year 1993-94 from multilateral and bilateral agencies including the World Bank are given in the enclosed Statement-I

(b) and (c). The list of pipeline projects pending with the World Bank is given in the enclosed Statement-II

(d) and (e). The proposals for assistance are negotiated on mutually agreeable terms and conditions, specific to individual project proposals.

STATEMENT -I

LIST OF THE AUTOMATIC TELEPHONE WXCHANGES SET UP IN U.P. DUEING 199-93

S. No.	Name of the Exchange	Name of District
1.	Bhauri	Banda
2	Ciilla	"
3.	Kaliinzar	"
4.	Kartal	"
5.	Khapatiya	"
6.	Puhari	"
7.	Sardhna	"
8.	Shriampur	"
9.	Barrehar	Etawah
10.	Phaihoond	"
11.	Amanganj	Faizabad

S. No.	Name of the Exchange	Name of District
12.	Garvaal	"
13.	Kotwasadak	"
14.	Newda	"
15.	Chham	Hamirpur
16.	Parichha	Jhansi
17.	Rakdhha	"
18.	Rajghat	Lalitpur
19.	Kishni	Mainpuri
20.	Patlauni	Mathura
21.	Rampura	Oraai
22.	Madhrata	Sitapur
23.	Adibadri	Chamoli
24.	Gaurikund	"

S. No.	Name of the Exchange	Name of District
25.	Pandukeshwa	"
26.	Tapovan	"
27.	Nayagaon	Dehradun
28.	Bhopa	Muzaffar Nagar
29.	Garhukhta	"
30.	Dhumakote	Pauri
31.	Durgapuri	"
32.	Ghurdari	"
33.	Kaliasaur	"
34.	Kushanpuri	"
35.	Marhi	Pauri
36.	Jhalisain	"
37.	Bhagirathpuram	Tehri

S. No.	Name of the Exchange	Name of District
38.	Chkolas	Ghaziabad
39.	Derapur	Kanpur
40.	Narwal	"
41.	Panki	"
42.	Bichhia	Unnao
43.	Sohramau	"
44.	Sumerpur	"
45.	Ugu	"
46.	Bijnore	Lucknow
47.	Ashnaw	Varanasi
48.	Barahauli	"
49.	Dokti	Balia
50.	Balpur	Gorakhpur

S. No	Name of the Exchange	Name of District
51.	Bhanpur	Gorakhpur
52.	Kokhai	Maharajaanj
53.	Mahabirchhapra	Gorakhpur
54.	Nichhaul	Maharajaanj
55.	Truthi Bari	"
56.	Semri Jamalpur	Maunathabhajan
57.	Gaipur	Mirzapur
58.	Bishwanathganj	Pratapgarh
59.	Diwaanganj	"
60.	Fatehpur	"
61.	Garwara	"
62.	Kanthaula (Raniganj)	"
63.	Katramedniganj	"

S. No.	Name of the Exchange	Name of District
64.	Madaria	Fatehpur
65.	Mandhata	Pratapgarh
66.	Prithviganj	"
67.	Sangipur	"
68.	Bandhwa Kalan	Sultanpur
69.	Dhammaur	"
70.	Gosaiganj	"
71.	Kalka Bhanpur	"
73.	Pande Baba	"
74.	Chandpa	Aligarh
75.	Lodha	Aligarh
76.	Najjalpur	"
77.	Raipur Dalpatpur	"

S. No.	Name of the Exchange	Name of District
78.	Bhinauli	Almora
79.	Pulahindok	Pithoragarh
80.	Gunoai	Badaun
81.	Betaghat	Nainital
82.	Lalpur	"
83.	Bodla	Agra
84.	Jaingora	"
85.	Kirauli	"
86.	Kundol	"
87.	Malpura	"
88.	Sikandara	"
89.	Fariha	Ferozabad
90.	Kotla	"

S. No	Name of the Exchange	Name of District
91.	Bara	Allahabad
92.	Baraut	"
93.	Manghanpur	"
94.	Siratha	"
95.	Boundry Road	Meerut
96.	Mahelka	"
97.	Saalawa	"
98.	Sarurpur	"
99.	Sisli	"

STATEMENT - II

List of the District where new exchanges proposed to be opened during 93-94

Sl. No.	Name of District	Location where exchange is proposed
1.	Agra	1. Jaingora
2.	Aligarh	2. Baragarh
		3. Lodo
		4. Sangampur
3.	Almora	5. Putul Devi
4.	Bareilly	6. Paras Khera
		7. Mohragaon
		8. Chhol
5.	Barabanki	9. Nathua Khan
		10. Kotwa Sadak

Sl. No.	Name of District	Location where exchange is proposed
6.	Basti	11. Bhanpur
7.	Faizabad	12. Newada
8.	Hardoi	13. Nagetha
9.	Jaunpur	14. Itaawai Bazar
10.	Muzaffar Nagar	15. Siddipukur
11.	Nainital	16. Garhi Pukhtaa
12.	Pauri	17. Chausana
13.	Pithoragarh	18. Betaighat
		19. Lalpur
		20. Serilot

Sl. No.	Name of District	Location where exchange is proposed
14.	Raibareli	21. Vin
15.	Saharanpur	22. Trisundi 23. Phundpuri
16.	Sitapur	24. Maheswari 25. Sarai Malsi
17.	Sultanpur	26. Katra 27. Pandw Baba
		28. Dhamaur 29. Bishanganj

Sl. No.	Name of District	Location where exchange is proposed
18.	Mathura	30. Gosaiganj
19.	Mirzapur	31. Ramganj
		32. Pallauni
		34. Lotwa Raj

Non-canalised Exports by STC.

3705. PROF. SAVITHRI LAKSHMANAN: Will the Minister of COMMERCE be pleased to state:

(a) whether the State Trading Corporation has embarked on a strategy of joining hands with established industrial houses to step up non-canalised export; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b). Yes, Sir. STC is establishing linkages with various reputable industrial house to increase nationalised exports by building up a firm supply base.

[*Translation*]

ITDC Hotels

3706. DR. RAMESH CHAND TOMAR:
DR. RAMKRISHNA
KUSMARTIA:
SHRI SATYA DEO SINGH:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the total number of hotels of the India Tourism Development Corporation at present in the country;

(b) whether the facilities being provided in the private hotels are more and attractives as compared to the hotels of the India Tourism Development Corporation;

(c) if so, whether the Government propose to provide more facilities in ITDC hotels so as to attract more tourists;

(d) if so, the details thereof; and

(e) the details of new hotels proposed to be opened by ITDC?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a). Presently, ITDC is owning and operating 26 hotels in the country.

(b) to (d). Most of ITDC hotels being old properties, facilities provided there in are not comparable with that of private hotels recently built. However, ITDC hotels are maintained to an acceptable standard and periodical renovation/modernisation is done to keep them contemporary and competitive.

(e). Presently, no new hotel is proposed to be set up by ITDC?

[*English*]

Appointment in Board of Directors of RRBs

3707. SHRI ARJUN CHARAN SETHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have appointed non-officials in the Board of Directors of each Regional Rural Banks in the country;

(b) if so, the procedure of such selection for the appointment in the Boards;

(c) whether the Government have received any complaints regarding the irregularities in such selections; and

(d) if so, the details thereof and the

reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b): In accordance with the provisions of the Regional Rural Banks (RRBs) Act, 1976 (as amended) two non-official Directors are to be nominated by the Central Government on the Board of Directors of each RRB. Persons having knowledge of Agriculture, Small Scale Industries and other related fields and belonging to the area of operation of the RRBs concerned are being nominated as non-official Directors on the Boards of RRBs by the Central Government. While nominating the non-official Directors, the Police history and recommendations about character/antecedents of the person from the respective District Magistrate are to be taken into consideration. The Central Government nominates two non-official directors on the board of each RRB for a period of two years or till such time as a fresh nomination is made.

(c) and (d). Government have not received any general complaints regarding the irregularities in selection/nomination of persons as non-official Directors on the Boards of RRBs. Specific complaints against any individual is looked into and inquired.

Changes in FERA

3708. SHRI SREENIVASA PRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether the Federation of Indian Chambers of Commerce and Industry has urged the Government to make changes in the FERA to made it more effective;

(b) if so, the details of the recommendations made by; FICCI; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATES IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Various suggestions were received by the Government from trade and industries organisations, including the Federation of Indian Chambers of Commerce and Industry, for making changes in the Foreign Exchange Regulation Act, 1973. These suggestions were kept in view while considering amendments in the FERA (Amendment) Act, 1993.

Increase in Landing Charges

3709. SHRI SOMJIBHAJ DAMOR: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether there is any proposals to increase landing charges, airport terminal taxes, and air-field take-off charges on every international flight to Bombay, Calcutta, Delhi, Madras, Ahmedabad and Thiruvananthapuram;

(b) if so, whether all these charges are proposed to be included in every international passenger-ticket;

(c) whether the Government have assessed the likely impact thereof on foreign tourists inflow; and

(d) if so, the details thereof?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI

AZAD):(a) to (d): Proposals for revision of Route Navigational Facility Charges, Terminal Navigational Landing Charges, Landing and Parking Charges have recently been discussed by the National Airports Authority and International Airports Authority of India with User Charges Committee of the International Air Transport Association. Based on this, the two Airport Authority will submit proposals to the Government for enhancement of these charges. Decision in the matter will be taken keeping in view all relevant aspects including the impact on tourist traffic.

[Translation]

Visit by N.T.C. Experts Team to European Countries.

3710. SHRIMATISAROJDEUBEY: Will the Minister of TEXTILES be pleased to state:

(a) whether a team of technical and commercial experts of National Textile Corporation visited some Western European countries to find out export potential of various item produced by the mills functioning under Corporation;

(b) if so, whether any encouraging response has been received from those countries; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY):(a) to (c). CMD, NTC had visited the United kingdom during 8-10 July, 1993 to inter-alia, meet importers of Textiles in order to understand their requirements and resolve their problems to in-

crease our exports.

[English]

I I T F 1993

3711. SHRI SHRAVAN KUMAR PATEL: Will the Minister of COMMERCE be pleased to state:

(a) the basic theme and salient features of the recent India International Trade Fair held in New Delhi; and

(b) the extent to which the IITF, 1993 was successful in its objectives?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALADDIN AHMAD): (a) The basic theme of the Fair was environment and development which depicted aspects related to pollution control and monitoring, environmental conservation and education. Additionally, it focussed on specific sectors, namely, 'TECHMART' - Machinery and Technology for small and medium enterprises; 'BUILD TECH' - Building Materials and Technology; 'KNIT INDIA 100' - Knitwear Show; 'TOYS SHOW'; 'TIME EXPO' - Watches and Clock Show; 'GOOD LIVING' - for Consumer Goods.

(b) The Fair was successful in that an estimated 2.5 million visitors witnessed the fair. On the basis of reports received from some of the participants, the business generated aggregated to approx. Rs. 400 crores. 47 Memoranda of Understanding were entered into and 5 joint ventures with overseas partners were under negotiation at

'TECHMART' 93'. The fair served the purpose of a launching pad for new products and technologies..

Employment Strategy

3712. SHRI MANORANJAN BHAKTA: Will the Minister of LABOUR be pleased to state:

(a) whether any steps have been taken to achieve the target of full employment by the year 2002; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A. SANGMA): (a) and (b). The major thrust of the Eighth Five Year Plan is on employment. Employment strategy envisaged in the Eighth Five Year Plan is to achieve near full employment situation at the end of the next 10 years.

Employment in general depends on the pace and pattern of development in the States, for which mainly the State Governments are responsible. The Union Government supplements the efforts of the State Governments in the creation of employment opportunities through centrally Sponsored/Central Sector special employment programmes. The more important on-going schemes among which are the Programme (IRD), Jawahar Rozgar Yojna (JRY) and Nehru Self-Employment for Educated Unemployed Youth (SEEUY). A self-employment scheme "Prime Minister's Rozgar Yojna" (PMRY) launched in October, 1993, aims at providing employment specifically to educated unemployed youth by enabling them to set up enterprises in manufacturing, services and business ventures.

Merger of Hotel Corporation of India With ITDC

3713. SHRIMATI PRATIBHA DEVISINGH PATIL: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Committee constituted to consider to proposals about the merger of the Hotel Corporation of India with the India Tourism Development Corporation has submitted its report;

(b) if so, the details of the recommendations made by the Committee; and

(c) the action taken by the Government thereon?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GULAM NABI AZAD): (a) No, Sir. The report of the Committee is awaited.

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

[*Translation*]

Jobs in Foreign Countries

3714. SHRI VILASRAO NAGNATHRAO GUNDEWAR: Will the Minister of LABOUR be pleased to state:

(a) whether the Government have given permission to the State Government of Maharashtra to render necessary assistance to the people seeking overseas employment;

(b) if so, whether the State Government has set up agencies to help the people getting employment in foreign coun-

tries;

(c) if so, the details thereof; and

(d) the number of such persons provided assistance during 1992-93?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A. SANGMA):(a) to (c): The Overseas Employment and Export Promotion Corporation Limited, a Government of Maharashtra Undertaking, Was registered under the Emigration Act, 1983 for deploying workers for overseas employment. The Corporation has however ceased to function with effect from 31.12.1990.

(d): Does not arise.

[English]

Transportation Facilities for Visit of Prime Minister

3715. SHRI SYED SHAHABUDDIN: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the number of official visits by the prime Minister for which the Air India provided Transportation facilities since June,1988;

(b) the total amount spent by the Air India on account of such services;

(c) the total amount paid to the Air India so far and the amount which remains unpaid as on September 30,1993; and

(d) whether the bills include an element for the dislocation of normal business of the Air India due to diversion of aircraft?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) Twenty three.

(b) Air India spent a total sum of Rs.54.85 crores on 21 visit. Bills pertaining to 2 visits during 1993 are yet to be submitted by Air India.

(c) Rs. 53.44 crore has been paid to Air India. A sum of Rs.1.41 crore pertaining to one visit during 1993 was unpaid as on 30th September. 1993.

(d) Information is being collected and will be laid on the table of the Sabha.

Dead Saving Bank and Fixed Deposit Accounts in SBI

3716. SHRI ANNA JOSHI: Will the Minister of FINANCE be pleased to state:

(a) whether crores of rupees are lying with the State Bank of India In dead saving Bank and fixed deposit accounts:

(b) if so, the approximate amount thereof:

(c) the reason for its accumulation; and

(d) the action taken or proposed to be taken by the Government for disbursement of these amounts to the lawful heirs of the depositors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d). Presumably, the Hon'ble Member is referring to dormant inoperative accounts. In terms of Reserve

Bank of India (RBI)'s instructions to the Bank after a period of 10 years when there is no transactions in a particular bank account, the amount outstanding therein is transferred to a special register maintained by the bank. The total amount outstanding in such demand inoperative accounts lying with the State Bank of India as on 31-12-1992 (latest available) was about Rs. 40,99 crores. As regards, payment of amount lying outstanding in a particular demand inoperative account to the lawful heir(s) of the owner of the account, it may be stated that as soon as the concerned branch received the claim, the claimants are asked by the bank to comply with requisite formalities, on completion of which, the balanced amount is paid to the legal heir(s).

Exchange Rate of Rupee

3717. SHRI VIJAY NAVAL PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether there has been any improvement in the comparative exchange rates of Rupee with major foreign curren-

cies after its free convertibility;

(b) whether the purchasing power of rupee in comparison to the major foreign currencies is showing a declining trend;

(c) if so, the reasons therefor; and

(d) the steps proposed to be taken to strengthen the value of rupee in foreign exchange market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AL-IMED): (a) and (b). The exchange rate was unified and the Rupee allowed to float in March 1993. After an initial appreciation in March 1993 the Rupee remained stable against the US Dollar since April 1993. Against the other major currencies, the Rupee remained firm, appreciating over the last two months namely, October and November 1993. A statement is attached.

(c) and (d). Does not arise

STATEMENT

EXCHANGE RATE OF THE RUPEE

(Monthly Averages)

Year/ Month	Rupee per Unit of Foreign Currency								
	U.S. Dollar	App/Dep. of Rupee	Pound Sterling	%APP/Dep of Rupee	Deutsche Mark	%APP/Dep of Rupee	Yen	%APP/DEF of Rupee	
1	2	3	4	5	6	7	8	9	
1993									
January	30.8833	-0.59	47.3135	0.23	19.0531	1.86	0.2465	0.49	
February	32.6456	-5.40	46.9805	0.82	19.8792	-4.16	0.2695	-8.53	
March	31.5256	3.55	45.9520	2.13	19.1156	3.99	0.2695	0.00	
April	31.3105	0.69	48.4066	-5.07	19.6442	-2.69	0.2794	-3.54	
May	31.3283	-0.06	48.5172	-0.23	19.5046	0.72	0.2841	-1.65	
June	31.4068	-0.25	47.4174	2.32	19.0123	2.59	0.2929	-3.00	
July	31.3704	0.12	46.9536	0.99	18.3094	3.70	0.2911	0.62	

Year/ Month	1	2	3	4	5	6	7	8	9
		U.S. Dollar	App./Dep. of Rupee	Pound Sterling	%APP/Dep of Rupee	Deutsche Mark	%APP/Dep of Rupee	Yen	% APP/DEP of Rupee
August		31.3725	-0.01	46.7983	0.33	18.4806	-0.93	0.3928	-3.86
September		31.3718	0.00	47.8524	-2.20	19.3381	-4.43	0.2978	1.68
October		31.3711	0.00	47.1961	1.39	19.1680	0.89	0.2935	1.47
November		31.3706	0.00	46.691	1.56	18.4608	3.83	0.2909	0.89

Smuggling RDX Explosives

3718. DR. VASANT NIWRUTTI PAWAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Antismuggling Squad nabbed and confiscated RDX explosives at Jamnagar and Bombay recently; and

(b) if so, the action taken by the Government to arrest such smugglings of explosives into the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) No such seizure has been affected by Anti-smuggling agencies under the Ministry of Finance.

(b) Agencies of Central Government and State Government engaged in the task of prevention and detection of smuggling have been alerted to stop all smuggling including smuggling of explosives. They have also been equipped with better means to combat such smuggling.

Vayudoot Aircrafts

3719. SHRI GEORGE FERNANDES: PROF. K.V. THOMAS: SHRI GURUDAS KAMAT:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the number of aircraft, which are operational;

(b) the number of aircrafts, out of them, which are operational:

(c) the reasons for which all aircraft of the Vayudoot are not operational;

(d) the number of employees of the vayudoot at present; and

(e) the steps taken for the economically viable functioning of the Vayudoot?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c). Out of 8 Avro and 8 Dorrier aircraft, 1 Avro and 2 Dornier aircraft are at present operational. Rest are grounded for major inspections/checks/repairs.

(d) There are at present 1447 employees in Vayudoot.

(e) Efforts are on to determine the routes on which Vayudoot should concentrate and the type and the number of aircraft as well as manpower required for the purpose.

[English]

Subsidy on Cotton

3720. SHRI BOLLA BULLI RAMAIAH: Will the Minister of TEXTILES be pleased to state:

(a) whether the International Cotton Advisory Committee has strongly advocated and end to subsidies in all kinds of cotton:

(b) if so, the main reasons put forward by the Advisory Committee therefor: and

(c) the reaction of the Government thereto ?

THE MINISTER OF STATE OF THE

MINISTRY OF TEXTILES (SHRIG.VENKAT SWAMY). (a) to (c). A number of Member Countries of the International Cotton Advisory Committee which met in Plenary Session from 11th to 15th October, 1993 in New Delhi, expressed a view that subsidies provided by some Governments and inappropriate barter agreements are major factors contributing to the current low level of world cotton prices and pointed out that a continuation of such low prices threatened the continued production of cotton in their countries.

[English]

Joint Expert Group of Cotton Producing Nations

3721. SHRI S.B. SIDNAL: Will the Minister of TEXTILES be pleased to state:

(a) whether a joint expert group comprising major cotton producing nations like India has set up a group to coordinate measures to enhance the share of cotton in the global textiles market:

(b) if so, the members of this expert group: and

(c) the details of the proposals worked out in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRIG.VENKAT SWAMY): (a) to (c). The International Cotton Advisory Conference (ICAC), which is an Association of 44 Governments of cotton producing countries held its 52nd Plenary meeting in October, 1993 in New Delhi. One of the decisions was to develop a project

proposal for common Fund Financing for and Expert Group to recommend a practical way of implementing the programmes which would enhance the share of cotton in global textile market.

[English]

Midyear Review of Economy

3722. SHRI ANKUSHRAO RAOSAHEB TOPE: Will the Minister of FINANCE be pleased to state:

(a) whether in the midyear review of the economy 1993-94 the Government have identified some factors which hold key to economic recovery;

(b) if so, the details thereof, and the draw-backs in rectifying these factors; and

(c) the steps being taken by the government to keep the economy on the path of recovery?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Government are keeping a close watch on the economic situation in the country. Available data/trends show that the rate of inflation has been brought under control, food stocks have gone up; foreign exchange reserves have increased and the fiscal deficit reduced. Exports are estimated to have registered a growth rate of 20 per cent during April-October, 1993. Besides, a number of measures have been recently initiated to augment the supply of credit to agriculture, industry and for exports. These include: reduction in statutory liquidity ratio; cut in bank lending rates.

relaxation of credit norms and higher limits of finance to National Bank for Agriculture & Rural Development.

[English]

Closure of Loss Making Bank Branches

3723. SHRI GURUDAS KAMAT : Will the Minister of FINANCE be pleased to state:

(a) whether more than 4000 loss making branches of nationalised banks are likely to be closed down by March, 1995 resulting in retrenchment of nearly one lakh officers and employees as reported in Indian Express dated December 3, 1993:

(b) if so, the details thereof:

(c) whether the Reserve Bank of India has asked all the nationalised banks to make actual assessment of loss-making branches under their jurisdiction:

(d) if so, the number and location of such loss-making branches of each nationalised bank and number of officers and staff working therein:

(e) the number of such branches proposed to be closed and number of officers and staff working therein proposed to be declared surplus: and

(f) the concrete proposals for deployment of surplus officers and staff and num-

ber thereof whose services are likely to be terminated ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED):

(a) No, Sir.

(b) Does not arise.

(c) As per Reserve Bank of India's (RBI) instructions, banks are required to review annually their loss making branches, indicating the reasons for the loss and the steps being taken to improve their profitability. This annual review is then submitted to the Board of Directors.

(d) According to RBI 6381 branches of nationalised banks (as on 31-3-1992) had not made profits. Bank-wise details are given in the enclosed statement information with regard to the number of officers and employee working in such branches is not readily available.

(e) and (f). The number of branches of nationalised banks which are likely to be closed down is around 102.

There is no move to retrench the employees of bank branches which are proposed to be closed. The staff at such branches will be productively redeployed in other branches of the bank for essential activities such as internal audit, recovery, and house keeping functions.

STATEMENT

STATEMENT GIVING BANKWISE INFORMATION OF LOSS MAKING BRANCHES OF NATIONALISED BANKS AS ON 31.3.1992

Sl. No.	Name of the Bank	No. of Branches
1.	Allahabad Bank	159
2.	Andhra Bank	102
3.	Bank of Baroda	418
4.	Bank of India	276
5.	Bank of Maharashtra	587
6.	Canara Bank	99
7.	Central Bank of India	833
8.	Corporation Bank	106
9.	Dena Bank	92
10.	Indian Bank	171
11.	Indian Overseas Bank	309
12.	New Bank of India	109

<i>Sl. No.</i>	<i>Name of the Bank</i>	<i>No. of Branches</i>
13.	Oriental Bank of Commerce	47
14.	Punjab National Bank	559
15.	Punjab and Sind Bank	116
16.	Syndicate Bank	939
17.	Union Bank of India	286
18.	UCO Bank	739
19.	United Bank of India	304
20.	Vijay Bank	130
	Total	6381

[English]

Export of Prawn Fish.

3724. SHRIMATI K.S. SOUNDARAM:
Will the Minister of COMMERCE be pleased to state:

(a) the total value of raw prawn export during 1991-92, statewise;

(b) the total value of processed prawn export during 1991-92, state-wise;

(c) whether the Government have drawn up plans to encouraged prawn exports during the current Eighth Five Year Plan;

(d) if so, the annual target fixed for the export of prawn in the Eighth Plan; and

(e) the expected contribution of prawn exports from Tamil Nadu ?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b). The total value of porawn exported during 1991-92 was Rs. 976.16 crore. state-wise export date is not maintained.

(c) Yes, Sir.

(d) The information is as under:-

<i>Year</i>	<i>Value (Rs. in crore)</i>
1992-93	1167
1993-94	1262

1994-95

1339

1995-96

1742

(Source: MPEDA, KOCHI)

1996-97

2350

(e) State-wise target is not maintained.

[English]

Export of Cocoa and its Products.

3725. SHRI RAMESH CHENNITHALA:
Will the Minister of COMMERCE be pleased to state:

(a) whether any effort have been made to best export of Cocoa and Cocoa products:

(b) if so, the details thereof: and

(c) the export earnings from Cocoa and its products during each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI KAMALUDDIN AHMED):(a) and (b). The Agricultural and processed food Products Export Development Authority (PEDA) extends financial assistance to exporters of products included in the Schedule to the MPEDA Act. which includes Cocoa and its products, in respect of the following schemes:

(i) Schemes for survey, feasibility studies, consultancy and data base upgradation:

(ii) scheme for export promotion and market development:

(iii) scheme for brand promotion: and

(iv) scheme for assistance to promote quality and quality control.

(c) The details of export of cocoa and cocoa products since 1990-91 are given below:

Year	Quantity (tonnes)	Value (Rs.lakhs)
1990-91	580	309.45
1991-92	847	397.87
1992-93	157	112.23
1993-94 (April-Augt.)	76	40.45

(Source: DDDI&S AND APEDA Calcutta)

[English]

Import Of Cotton

3726. SHRI SOBHANADREES WARARAO VADDE: Will the Minister of TEXTILES be pleased to state:

(a) the quantity and value of cotton imported during the last three years and proposed to be imported during the current year:

(b) the impact of this import on the domestic market: and

(c) the concrete steps being taken to minimise the import of cotton?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G.VENKAT SWAMY): (a) to (c). The Government has not imported cotton during the last three years. However, under the Advance Licensing Scheme Private Mills have imported under Advance Licensing Scheme for the last three years are as under:-

(Qty. in lakh bales of 170 Kgs. each)
(Value in Crores.)

Year.	Quantity	Value.
1990-91	Nil	Nil
1991-92	3.00	194.00
1992-93	0.80	61.55

[English]

Insurance Corporations

3727. SHRIMATI CHANDRA PRABHA URS: Will the Minister of FINANCE be pleased to state:

(a) the number of Insurance Corporations, fully owned by the Union Government, functioning in the country;

(b) the number of employees working in these Corporations; and

(c) the Corporations which have earned profit or incurred loss during 1992-93: Corporation-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF

STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The Union Government fully owns the life Insurance Corporation of India, and the General Insurance Corporation of India which has four Subsidiary Insurance Companies, functioning in the country, namely:-

1. New India Assurance Company Ltd.
2. Oriental Insurance Company Ltd.
3. National Insurance Company Ltd.
4. United India Insurance Company Ltd.

(b) Corporation

No. of Employees

1. General Insurance Corporation of India and its four Subsidiaries.
(as on 31.3.1993)
86,676
2. Life Insurance Corporation of India.
(as on 31.3.1993)
1,14,927

(c) The General Insurance Corporation and its Subsidiary Companies have earned profit during 1992-93 as indicated below

<i>Profit after tax (Rs. in crores)</i>	
GIC	145.77
New India	158.43
National	69.36
Oriental	52.77
United India	77.02
Total	503.35

Government is entitled to 5% of the surplus of actuarial valuation of the LIC which is estimate at Rs. 118.42 crores and a profit of Rs.10.90 lakhs from capital redemption business during 1992-93.

[English]

Amendments in Banking Companies Act.

3728. DR. D. VENKATESWARA RAO:
SHRI S.B. SIDNAL:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have decided to amend the Banking Companies (Acquisition and transfer of Undertakings) Act, 1980.

(b) if so, the details thereof. and

(c) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). The Banking Companies (Acquisition and Transfer of Undertakings) Amendment Bill, 1993 further to amend the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 has been introduced in the Lok Sabha on 21st December, 1993. The proposed amendments contained in the said Bill inter-alia provide for the following:-

(i) The Board of the nationalised banks manager after consultation with the Reserve Bank of India and with the

previous sanction of the Central Government, raise their paid up capital by public issue of shares subject to the condition that the Central Government shall at all times hold not less than 51 percent of the paid up capital of the bank :

- (ii) The authorised capital of every nationalised bank shall be divided into 150 crores fully paid up shares of Rs.10/-each.
- (iii) The Central Government , may after consultation with the Reserve Bank of India and by notification in the Official Gazette, increase or reduce the authorised capital subject to the condition that the authorised capital shall not exceed Rs.3000 crores or be less than Rs. 1500 crores:
- (iv) The shares of a nationalised bank not held by the central Government shall be freely transferable.
- (v) No shareholder other than the Central Government shall be entitled to exercise voting rights in respect of any shares held by him in excess of one percent of the total voting rights of all the shareholders of the bank.

[English]

Foreign Trade With Europe, Asia And Oceanic Countries.

3729. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state:

(a) whether any analysis of the latest date on the direction of India's foreign trade

for the period April-September, 1993 has recently been made:

(b) if so, its outcome: and

(c) the measures being taken to boost exports to India's traditional markets in West Europe and Asia and Oceanic countries ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b). Yes, Sir. As per provisional estimates of foreign trade during April-September, 1993 the share in India's exports of countries in Asia & Oceanic region was 41.2% followed by West Europe at 28.3% America at 20.8%, East Europe at 4.1% and Africa at 3.3% . The share of countries in India's import from Asia and Oceanic was 42.7% followed by 35.4% from West Europe .12.7% from America,6.9% from Africa and 1.7% from East Europe during the same period.

(c) Continuous efforts are being made to promote bilateral trade Steps taken to boost exports to India's traditional markets in West Europe and Asia and & Oceanic include measures such as Institutional mechanism through Joint Economic Committee Meetings, exchange of trade delegations and implantations of trade promotion measures like organization of buyer-seller meets, participation in trade faire publicity and facilitating technical and financial collaborations

[English]

South Asian Preferential Trading Arrangement (SAPTA)

3730. SHRI R. SURENDER REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether an Indian delegation attended the meetings of the Committee on Economic Corporation of SAARC countries held in Dhaka during the last week of November 1993:

(b) if so, the composition of the Indian delegation:

(c) the subjects discussed and the decisions arrived at the meeting particularly with regard to south Asian Preferential trading Arrangement (SAPTA) and the exchange of information therefor between the member countries of SAARC:

(d) the reaction of the Government thereof:

(e) whether his Ministry has constitute any Cell or Committee in this regard: and

(f) the time by which SAPTA is likely to become operational?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (b). the Fourth meeting of the Committee on Economic Cooperation (CEC) was held in Dhaka on 21-22 November, 1993. The Indian delegation to this meeting was led by the commerce Secretary and included a representative each of the Ministry of External Affairs and Ministry of Commerce.

(c) The Committee discussed inter-alia, exchange of information to determine the product coverage under SAPTA, promotion of joint-venture of Commerce &

industry, regional approach to standardisation, etc. In regard to SAPTA, the Committee urged Member state to complete the process of exchange of information by 30th November 1993 in order to complete traded negotiations by the end of December, 1993.

(d) Excerpt for Bhutan, India has filed indicative request lists on member State, seeking information on tariffs, import control measures and import statistics. Some Member States have already furnished this information.

(e) No. Sir.

(f) SAPTA will become operational thirty days after all Member State have notified to the SAARC Secretariat that all formalities have been completed.

[English]

Bank Branches in Kerala

3731. SHRI MULLAPALLY RAMCHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of various nationalised banks opened in Kerala during each of the last three years,

(b) whether the Reserve Bank of India has received proposal for closing down any of the branches of any such banks in Kerala: and

(c) of so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a)

The number of branches of nationalised bank opened in Kerala during the financial year 1990-91, 1991-92 and 1992-93 were 4, 13 and 29 respectively.

(b) and (c). Reserve bank of India have not revived any proposal for closing down any of the branches of the nationalised bank in Kerala.

[*English*]

Excise Subsidy on Diesel for Fishing Vessels

3732. SHRI RAMCHANDRA VEERAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether there was a scheme of Excise subsidy of fifty percent on diesel fuel for the fishing sector:

(b) if so, whether this scheme has been withdrawn: and

(c) if so, the alternative steps taken by the Government to help this sector to compete internationally?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V.CHANDRASHEKHARA MURTHY): (a) to. (c). Under the Central Excises and Salt Act. 1944, there is no concept of Excise subsidy. However, the Ministry of Com-

merce is administering a scheme aimed at reimbursing a part of the cost of high speed diesel oil consumed by deep sea fishing vessels so as to make the effective price comparable to the international price.

Export of Saffron

3733. DR. VASANT NIWRUTI PAWAR: Will the Minister of COMMERCE be pleased to state:

(a) the price of saffron per kg. in domestic and inter national markets; and

(b) the total quantity of saffron exported and the foreign exchange earned therefrom during each of the last three years, country-wise?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) The average price of saffron during 1993 in the domestic market is Rs. 16,986/- per kg. The best quality Spanish saffron was being sold at an average of US \$ 355 per pound in New York Market, during 1993.

(b) : The details of country-wise export of saffron during 1990-91, 1991-92 and 1992-93 are given below:-

Sl. No.	Country	1990-91		1991-92		1992-93	
		Qty	Value	Qty	Value	Qty	Value
1.	Argentina	-	-	8	0.72	-	-
2.	Australia	76	1.41	75	2.12	-	-
3.	Austria	-	-	-	-	2	0.35
4.	Bahrain	-	-	100	9.06	-	-
5.	France	350	2.39	300	3.16	-	-
6.	Germany	208	3.51	-	-	-	-
7.	HongKong	-	-	860	30.81	-	-
8.	Italy	40	3.06	-	-	13	0.23
9.	Japan	96	10.79	50	1.16	40	9.75
10.	Kenya	-	-	50	1.20	50	0.08
11.	Mexico	-	-	30	0.78	-	-

Quantity : Kgs.
Value : Rs. Lakhs

Sl. No.	Country	1990-91		1991-92		1992-93	
		Qty	Value	Qty	Value	Qty	Value
12.	Nepal	-	-	5	0.06	-	-
13.	Norway	-	-	-	-	30	1.07
14.	Oman	-	-	7	0.32	10	2.46
15.	Saudi Arabia	57	3.34	1000	5.00	-	-
16.	Spain	5005	74.91	8994	122.95	4715	91.35
17.	Switzerland	-	-	20	0.49	-	-
18.	U.A.E.	-	-	145	1.54	140	4.80
19.	U.K.	-	-	250	1.58	-	-
20.	U.S.A.	10	0.91	-	-	143	1.43
Total		5842	100.32	11904	180.95	5143	112.12

(SOURCE: DGC&S, Calcutta)

[English]

Export of Tobacco

3734. SHRI S.M. LAL JAN BASHA: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have considered any innovative way of projecting Indian tobacco in foreign markets, especially in the Commonwealth of Independent States:

(b) if so, the details thereof : and

(c) the quantity of tobacco and its products likely to be exported during the current year, particularly to CIS?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS & PUBLIC DISTRIBUTIONS AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED)(a) to (b) Steps taken to promote Indian tobacco include:

1. Advising exporters to:
 - (i) take up aggressive marketing in C.I.S.markets.
 - (ii) Set up export promotion offices in CIS republics.
 - (iii) establish warehouses in CIS republics for stock and sale of tobacco and cigarettes.
 - (iv) explore possibilities to export tobacco to CIS republics against barter/counter trade.
 - (v) establish joint ventures in CIS

republics for cigarettes production which would help export of Indian tobacco to these republics.

2. Joint participation with exporters by tobacco Board in the World Tobacco Trade Fair held in Moscow.

3. sending trade delegations to CIS republics.

(c) the quantity of tobacco and its products likely to be exported during the current year to CIS republics is around 45000 tons

[English]

Foreign Assistance for Textile Mills

3735. DR.KRUPASINDHU BHOI: Will the Minister of TEXTILES be pleased to state:

(a) whether some textile mills are being modernised with foreign assistance:

(b) if so, the names of such textile mills:

(c) the countries and the financial institutions which have provided funds for the modernisation of those textile mills: and

(d) the details of the funds provided by them during the last three years ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G.VENKAT SWAMY): (a) to (d).As per information furnished by National Textile Corporation (NTC), one of the Units of its subsidiary NTC (Tamil Nadu and Pondichery) namely,

Coimbatore Murgan Mills, Coimbatore is being modernised with the assistance of Swiss credit at a total cost of Rs. 32.17 crores.

[Translation]

Spinning Mills in Gujarat

3737. SHRI N.J. RATHVA: Will the Minister of TEXTILES be pleased to state:

(a) the total number of spinning mills in Gujarat and the number of such mills which are in tribal areas:

(b) the number of mills out of them which are under the Union Government, state Government and Private Sector:

(c) whether there is any proposal to hand over the public sector mills to the private sector: and

(d) if so, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) As on 31.3.93 the total number of spinning mills (Cotton/Man-made Finre Textile Mills) in Gujarat is 34. As per information made available by the Office of Textile Commissioner, only two mills are in the tribal area i.e. Bharuch.

(b) The number of mills which are under the Union Government state Government and Private Sector is as given below:-

Union Government	1
State Government	Nil
Private sector	29
Cooperative Sector	4

(c) No, Sir.

Modernisation of Bhubaneswar Airport

3736. SHRI ARJUN CHARAN SETHI:
DR. KARTIKESWAR PATRA:

Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government have taken a decision to modernise the Bhubaneswar Airport in Orissa:

(b) if so, the details thereof and the total amount proposed to be spend thereon: and

(c) the progress made so far in this regard and the amount spent hereon till date?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). Bhubaneswar airport is being developed as a model airport. The plan includes extension of runway to 9000 and construction of a terminal building at a total cost of Rs. 22.32 crores.

(c) The work on construction of terminal building has commenced in March, 1993. An amount of Rs. 191 lakhs has already been spent. Tenders for the runway extension work is planned to be floated in February, 1994.

(d) Does not arise.

[English]

Procurement of Raw Jute

3738. SHRIMATI SAROJ DUBEY:
SHRI MUMTAZ ANSARI:

Will the Minister of Textiles be pleased to state:

(a) whether the Government have requested the India Jute Manufacturers federation or private sector's jute mill owners for making buffer stock of raw jute:

(b) if so, the details thereof:

(c) if not, the reasons therefor:

(d) the total quantity of jute required by the nationalised jute mills:

(e) whether the requirement is being met by the jute Corporation of India:

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) No, Sir.

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

(c) The issue of creation of buffer stock has not been taken up mainly due to harvesting of a short crop and consequent tight availability position.

(d) The total quantity of jute required by six units under the control of National jute

Manufactures Corporation during the 1993-94 jute season (July-June) has been estimated at 10,80 lakh bales.

(e) to (g). The entire requirement of raw jute of National jute Manufactures Corporation (NJMC) units is not being met by jute Corporation of India (JCI) JCI has sold 81000 quintals of raw jute to NJMC units in July, 1993 on cash payment term and another 35283 quintals in the current month on 45 day's credit term. The rest of NJMC's requirement of raw jute is being covered by market sources and Co-operative sector on deferred payment term. Since JCI has been selling jute to mills only on confirmed payment term on sight payment basis, NJMC units are not in a position to comply with these payment terms due to severe working capital constraints.

[English]

Old Trade Arrangement Between India And Soviet Union

3739. SHRI MANORANJAN BHAKTA:

Will the Minister of FINANCE be pleased to state:

(a) whether the old arrangement between the Government of India and the former Soviet Union that facilitates use of 10 percent funds in all mutual deals for expenses is being terminated.

(b) if so, the details thereof:

(c) the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR

AHMED): (a) to (c). Following the disintegrating of the former USSR the comprehensive rupee trade and payments arrangements between India and the USSR are no longer in force. At present, counter trade through the ESCROW account mechanism provides for Russian companies to utilise up to 20% of their funds for trade related expenses to be made in Indian Rupees in India.

[English]

Free Exchange Guarantees

3740. SHRI ANKUSHRAO RAOSAHEB TOPE: Will the Minister of FINANCE be pleased to state:

(a) whether the world Bank has advised the Reserve Bank of India to prevent further expansion of free exchange guarantees

(b) if so, the details thereof: and

(c) the reaction of the Government RBI thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b). The World Bank in its Country Economic memorandum dated May 24, 1993 had observed that the Government should prevent further mobilisation of external private resources with RBI exchange

guarantees.

(c) The Government and the Reserve Bank of India had themselves been quite concerned about exchange guarantees which were becoming a burden on RBI finances. Arising out of this concern, in April 1993 a new foreign currency (Non-Resident) Account(Banks) Schemes was introduced wherein the RBI will not provide exchange rate guarantees to banks for deposits. Besides, in May 1993, the RBI had announced withdrawal of maturities of FCNR (A) accounts below one year. Subsequently in October 1993. the RBI announced the withdrawal of maturities of FCNR(A) accounts below two years also.

[Translation]

Airports in Gujarat

3741. SHRI CHHITUBHAI GAMIT: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the earnings from each of the airports in Gujarat during the last three years-wise?

(b) the expenditure incurred on each of these airports during the above period, year-wise?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). The requisite information is given in the enclosed statement

STATEMENT

YEARWISE EARNINGS AND EXPENDITURES OF AIRPORTS IN GUJARAT.

(Rs. in lakhs)

Sl. No.	Name of the airport	1990-91		1991-92		1992-93	
		Earning	Expen. diture incurred	Earning	Expen. diture incurred	Earning	Expen. diture incurred
1.	2.	3.	4.	5.	6.	7.	8.
1.	Ahmedab	96.17	128.94	111.93	155.71	230.15	197.10
2.	Baroda	26.46	26.38	25.51	31.48	56.13	46.82
3.	Rajkot	8.20	20.22	14.07	33.86	19.21	43.82
4.	Bhavnagar	9.76	26.16	8.04	31.78	14.43	32.73
5.	Jamnagar	2.15	5.20	2.92	11.54	7.06	14.75
6.	Porbandar	2.07	12.52	20.73	19.11	1.80	18.26
7.	Bhuj	5.98	7.92	4.82	10.58	8.55	11.14
8.	Kandla	1.72	8.53	13.26	10.72	3.67	12.59

(Rs. in lakhs)

Sl. No.	Name of the airport	1990-91		1991-92		1992-93	
		Earning	Expen. diture incurred	Earning	Expen. diture incurred	Earning	Expenditure incurred
1.	2.	3.	4.	5.	6.	7.	8.
9.	Keshod	1.81	9.58	17.03	16.77	3.90	15.15
10.	Surat	1.26	1.83	0.36	1.89	0.75	2.97

[English]

**Retail Price Index Based on
Rural Price Data**

3742. SHRI GEORGE FERNANDES:
Will the Minister of FINANCE be pleased to state:

(a) whether a full-fledged retail price index number based on rural price data is under consideration of Government :

(b) if so, whether this could introduce a new line of approach to the field of price statistics: and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Consumer Price Index for agricultural Labourers (CPI-AL) constructed and released every month by the Labour Bureau Ministry of Labour is regarded as representing the retail price situation in the rural areas. The weights and composition of the commodities constituting this index were evolved for 1960-61 as base using the consumption expenditure data obtained from the Second Agricultural Enquiry conducted in 1956-57.

For quite sometime it has been realised that composition of the consumption basket and the relative importance of commodities may have changed since the last enquiry was conducted in 1956-57. Government therefore, sanctioned a fresh scheme in 1985 for updating the CPI series to reflect cost of living in rural areas. This new series of consumer price Index for Agricultural/

Rural Labourers with base 1986-87=100 is under construction by the Labour Bureau under the Ministry of labour, for building up the appropriate weights for the new series, data was to be collected from 600 villages spread over 20 States and 66 regions of the country. The work for construction the new series has been completed. After consultation with various State Government and Central Agencies the new series of CPI for Agricultural Labours shall be released by the Ministry of Labour.

[English]

**Foreign Investment in
Aviation Sector**

3743. SHRI BOLLA BULLI RAMAIAH:
Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government have invited foreign investment in the aviation sector: and

(b) if so, the details of such offers received so far?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) the Government has not specifically invited any foreign equity participation in the aviation sector.

(b) Does not arise.

[English]

**Clearance to Public Sector
Projects**

3744. DR. D. VENKATESWARA RAO: Will the Minister of FINANCE be

pleased to state:

(a) whether the Government have reviewed the existing guidelines in respect of public Investment Board procedure with a view to rationalising them by delegating higher financial powers to the ministries Departments: and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) Yes, Sir.

(b) According to the instructions issued on 24th August, 1992, the various Ministries/Departments have been delegated powers to sanction investment proposals upto Rs.50 crores against the previous limit of Rs. 20 crores. The administrative Ministries/Departments have also been delegated powers for sanctioning the Revised Cost Estimates (RCEs) of project/schemes, in consultation with the planning Commission, where the increase in cost after excluding the increase due to factors such as (a) exchange rate variations: (b) statutory levied: (c) price escalation, within the approved project time cycle, is less than 5% of the originally approved cost

Further, according to the instructions issued on 24th September, 1993, investments by Central Public Sector Undertakings fulfilling certain conditions upto a limit of Rs. 50 crores in the equity of Joint Ventures will not require any recommendation of PIB.

[English]

Development of Internal Tourism

3745. SHRI SYED SHAHABUDDIN:

Will the Minister of CIVIL AVIATION AND TOURISM be please to state:

(a) the major schemes undertaken for development of internal tourism during the last three years and their progress in terms of expenditure incurred by September 30,1993:

(b) the names of the agencies for implementing the development programme:

(c) whether the state Governments concerned have made a matching contribution to the expenditure for such development: and

(d) the names of the place development which are centres of religious pilgrimage?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) The Central Department of Tourism extends financial assistance to state Governments for setting up Tourist Complexes, Wayside amenities, yatri Niwases, Yatrikas, Restaurants, Cafeterias, public conveniences, purchases of adventure sports equipment etc. The amounts sanctioned and released to states during the last three years is given in the enclosed statement.

(b) The implementing agencies are nominating by State Governments, Which are their own Corporations/Organisations. In case of projects costing more than Rs.30.00 lakhs the executing agency is normally CPWD.

(c) The state Governments have to provide a developed piece of land for the projects and after the construction, they have to provide furnishings, furniture and equip-

ments etc. The States have to bear expenditure on these items.

(d) Development of centres of religious

pilgrimage is primarily the responsibility of state Governments. It is only sometimes they seek financial assistance from the centre on project to project basis.

CENTRAL FINANCIAL ASSISTANCE SANCTIONED AND RELEASED TO THE STATE
GOVERNMENTS/UNION TERRITORIES DURING 1990-91, 1991-92 and 1992-93

Sl. No	Name of states	1990-91		1991-92		1992-93	
		Amount sanctioned	Amount released	Amount sanctioned	Amount released	Amount sanctioned	Amount released
1.	Andhra Pradesh	73.47	37.50	88.36	46.86	9.51	7.00
2.	Arunachal Pradesh	7.35	5.50	34.00	1.00	48.27	28.00
3.	Assam	22.67	11.50	174.79	91.97	78.66	37.94
4.	Bihar	146.96	84.23	150.31	73.15	54.41	26.33
5.	Goa	-	-	41.78	40.09	42.71	22.76
6.	Gujarat	98.55	42.50	141.58	76.85	20.90	8.00
7.	Haryana	203.16	135.74	159.01	102.25	104.97	49.50
8.	Himachal Pradesh	80.08	41.61	150.96	93.43	111.94	44.36
9.	Jammu & Kashmir	90.89	61.97	65.25	35.00	152.75	73.69
10.	Karnataka	91.11	45.50	185.26	82.85	176.79	89.79
11.	Kerala	190.19	150.97	305.29	278.98	114.08	10.75

Sl. No	Name of states	1990-91		1991-92		1992-93	
		Amount sanctioned	Amount released	Amount sanctioned	Amount released	Amount sanctioned	Amount released
12.	Madhya Pradesh	234.36	168.66	285.77	163.26	39.07	13.70
13.	Maharashtra	135.68	123.41	313.53	235.65	203.18	61.00
14.	Manipur	15.12	7.50	-	-	66.24	34.38
15.	Meghalaya	22.33	12.49	92.54	40.00	9.77	5.00
16.	Mizoram	20.02	14.50	62.04	31.91	47.70	23.45
17.	Nagaland	34.54	18.10	69.24	46.19	7.17	4.00
18.	Orissa	121.61	53.83	214.60	113.80	72.37	37.63
19.	Punjab	48.13	20.90	31.25	16.10	135.83	42.50
20.	Rajasthan	152.16	99.88	181.38	86.96	153.31	68.60
21.	Sikkim	59.71	44.11	119.98	73.70	49.12	28.10
22.	Tamil Nadu	145.37	76.30	74.04	46.04	107.42	46.10
23.	Tripura	23.55	20.20	77.29	32.50	80.28	36.70

Sl. No	Name of states	1990-91		1991-92		1992-93	
		Amount sanctioned	Amount released	Amount sanctioned	Amount released	Amount sanctioned	Amount released
24.	Ultr Pradesh	397.87	234.75	160.59	60.80	97.37	46.88
25.	West Bengal	320.15	168.00	189.23	191.71	94.10	39.00
UNION TERRITORIES							
1.	Andaman & Nicobar	-	-	79.35	45.52	93.50	54.00
2.	Chandigarh	-	-	17.11	8.55	13.70	4.25
3.	Dadra & Nagar Haveli	3.60	3.00	5.52	3.00	-	-
4.	Daman & Diu	-	-	15.75	6.25	28.50	28.50
5.	Delhi	20.52	19.28	20.22	18.15	58.34	19.93
6.	Lakshadweep	9.25	7.75	32.26	15.00	-	-
7.	Pondicherry	-	-	47.23	31.23	-	-
Total		2768.40	1708.68	3575.51	2088.75	2271.93	931.84

[Translation]

Tourism Development in Uttar Pradesh

3746. SHRISURENDRAPAL PATHAK: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether Government have received any proposal from the group of five star hotels of Agra for making internationally renowned historical buildings more attractive for tourists;

(b) if so, the details thereof;

(c) the reaction of the Government thereto?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (c). A detailed presentation on a proposal drawn by a 5-star Hotel group for creating a living heritage experience programme at Fatehpur Sikri is yet to be made. The presentation will be given concrete shape in consultation with the Archaeological Survey of India and the State Government.

[English]

Yatri Niwas at Parlivaidyanath

3747. SHRI VILAS MUTTEMWAR: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government of Maharashtra (Department of Tourism) has been requesting the Union Government for the establishment of a Yatri Niwas at Parlivaidyanath in Nanded district of that State;

(b) if so, whether the scheme has been approved; and

(c) if so, the amount sanctioned therefor?

THE MINISTER OF CIVIL AVIATION AND TOURISM. (SHRI GHULAM NABI AZAD): (a) No, Sir.

(b) and (c) Does not arise.

Tourism Development in Maharashtra

3748 SHRI VILAS MUTTEMWAR: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether the Government of Maharashtra (Department of Tourism) has requested for funds for developing Shirdi, Nanded and Ramtek as pilgrim centres in the State and has submitted detailed schemes for the purpose; and

(b) if so, the action taken or proposed to be taken in the matter?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) and (b). The Central Department of Tourism has identified Shirdi, Nanded and Jyotiba in Maharashtra as pilgrim centres for intensive development. No complete proposals have been received from the State Government of Maharashtra.

[Translation]

Survey about Labourers

3749. SHRI MAHESH KANODIA: Will the Minister of LABOUR be pleased to state:

(a) the number of industrial workers, agricultural Labourers and construction workers engaged in the country;

(b) whether Government appoint any other agency for conducting survey about such workers besides the trade unions;

(c) if so, the details thereof;

(d) the method adapted therefor;

(e) whether any steps have been taken for safeguarding the interests of the labourers; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF LABOUR (SHRI P.A.SANGMA): (a) to (d). As per Census of India, 1991 the total number of Industrial Workers, Agricultural Labourers (including cultivators) and Construction workers was 28,7,185.3 and 5.5 million respectively. Besides Census of India, which is conducted at regular ten years intervals, the National Sample Survey Organisation (NSSO) also collects data on rural labour through its quinquennial Employment and Unemployment Surveys.

(e) and (f) The interests of labourers are adequately safeguarded through various labour law such as the Industrial Disputes Act, 1947, the Factories Act, 1948, the Minimum Wages Act, 1948 the Payment of Wages Act, 1936 etc.

[English]

GATT World Bank and IMF Under One Umbrella

3750. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under consideration of the Government for bringing GATT, the World Bank and the IMF under one administrative and policy making umbrella so that there can be a greater coordination of international trade, development and financial policy; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR ABRAR AHMED):

(a) No, Sir

(b) Does not arise.

Revival of Sick Units by BIFR

3751. SHRI TARIT BARAN TOPDAR: Will the MINISTER OF FINANCE be pleased to state:

(a) whether the views of the Tripartite committee are taken into consideration by the Board for Industrial and Financial Reconstruction before a final decision with regard to revival or otherwise of a sick unit is arrived at;

(b) if so, whether the Board for Industrial and Financial Reconstruction has taken into consideration the views of the Tripartite Committee while arriving at a final decision regarding revival or otherwise of the sick Central Public Sector Undertakings viz. Cycle Corporation of India Ltd. (CCIL), Bharat Ophthalmic Glass Ltd. (BOGL) and Bharat Process and Mechanical Engineering Ltd (BPME) in West Bengal; and

(c) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER

OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DRABRAR AHMED): (a) to (c): The Board for Industrial and Financial Reconstruction (BIFR) has reported that it has not received any suggestion/objections from the Tripartite Committee in regard to the cases of sick industrial public sector undertakings, viz., CCIL, BOGL and BPME. However, section 20 of the Sick Industrial Companies (Special Provisions) Act, 1985 provides that where the Board, after making an enquiry and after consideration of the relevant facts and circumstances and after giving an opportunity of being heard to all concerned parties, is of the opinion that it is just and equitable that a sick industrial company should be wound up, it may record and forward its opinion to the concerned High court. Pursuant to this, wherever the Board finds that it is not feasible to formulate a revival scheme, a notice is issued to the company concerned to show cause why it should not be wound up. Short particulars are also published in newspapers so as to enable all concerned to file their objections/suggestions, if any.

Crop Forecasting Board

3752. PROF. UMMAREDDY VENKATESWARLU Will the Minister of TEXTILES be pleased to state:

(a) whether the Cotton Advisory Board has set up crop forecasting boards:

(b) if so, the details thereof;

(c) if not, the reason therefor; and

(d) the time by which these Boards are likely to be set up?

THE MINISTER OF STATE OF THE

MINISTRY OF TEXTILES (SHRI G. VENKAT SWAMY): (a) to (d) There is no proposal with the Cotton Advisory Board (CAB) to set up any Crop Forecasting Board. C.A.B. itself has been forecasting the cotton crop from time to time on the basis of intelligence gathered from all sources. Therefore the question of time by which these Boards are likely to be set up does not arise.

[Translation]

Irregularities in I.A.A.I

3753. SHRI MOHAMMAD ALI SHRAFI FATMI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) whether some irregularities regarding entering into agreements for execution of projects/awarding contracts for different works, payment of contractors and also regarding approval to the substandard execution of works and purchase of faulty equipments by the International Airports Authority of India have come to the notice of the Government during the last three years;

(b) if so, the details thereof;

(c) whether any officials have been found guilty in this regard;

(d) if so, the details thereof; and

(e) the action taken by the Government against them?

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI GHULAM NABI AZAD): (a) to (e). The information is being collected and will be laid on the Table of House.

[English]

Export of Prawn.

3754 KUMARI FRIDA TOPNO: Will the Minister of COMMERCE be pleased to state:

(a) the amount of foreign exchange earned by way of export of prawn from Orissa during each of the last three years;

(b) the number of persons given exports licence for this purpose during the above period;

(c) the total number of person applied for export licence during the current years so far; and

(d) the number of persons to whom licence have been granted?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) State-wise export data is no maintained.

(b) As on 30.11.93, 10 persons from Orissa had been given registration as exporter by Marine Products Export Development Authority (MPEDA) during the last three years.

(c) 3 persons.

(d) 3 persons.

[Translation]

Import Licences.

3755. SHRIDATTATRAYA BANDARU:
SHRI CHÊTAN P.S CHAUHAN:

Will the Minister of COMMERCE be pleased to state:

(a) whether under the new policy of the Government the special Import Licensed Traders can now surrender their licences on failing to complete the export quota and they are not required to pay the amount in its return;

(b) whether there is any proposal to increase the period of the old licences with a view to make the special Import Licence more profitable; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) No, Sir, However, in respect of default in export obligation on licences issued under Duty Exemption Scheme surrender of special import licences has been permitted towards regularisation in accordance with the procedure notified vide ministry of commerce public notice No.182(PN)/92-97 dated 16-12-93, a copy of which is available in Parliament Library.

(b) No, Sir.

(c) Does not arise.

Tourism Development in States

3756. SHRI ARVIND TRIVEDI: Will the Minister of CIVIL AVIATION AND TOURISM be pleased to state:

(a) the details of proposals/projects received for tourism development from the Government of Gujrat, Maharashtra,

Rajasthan and Madhya Pradesh during each of the last three years Rajasthan and Madhya Pradesh during each of the last three and current year, state-wise; and

(b) the details of the proposals/projects cleared for implementation and the financial assistance sanctioned and released therefor, project-wise and State-wise ?

THE MINISTER FOR CIVIL AVIATION
AND TOURISM (SHRI GHULAM NABI

AZAD): (a) and (b) The details of projects/schemes received from the Government of Gujarat, Maharashtra, Rajasthan and Madhya Pradesh together with the amount sanctioned and released during the last three years are given in enclosed statement-I. Details of proposals received from these states during the current financial year are given in enclosed statement-II. However, no proposal has been received from the Government of Maharashtra; for 1993-94

STATEMENT-I

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PROJECTS/SCHEMES SANCTIONED TO THE STATE OF GUJARAT DURING 1990-91

Sl. No.	Name of the Projects/scheme	Amount Sanctioned	Amount Released (Rs. in Lakhs)
1.	Wayside amenities at Vapi	15.18	5.00
2.	Wayside amenities at Anand	8.51	3.00
3.	Tourist Complex at Somnath	16.73	6.00
4.	Tourist lodge at Ambaji	17.94	8.00
5.	Tourist Complex at Ubharat	15.57	7.50
6.	Beach Resort at Madhopur	16.11	8.00
7.	Wayside amenities at Harshad	8.51	4.00
8.	Kite Festival	1.00	1.00
Total		98.55	42.50

STATEMENT - II

PROJECTS/SCHEMES SANCTIONED DURING 1991-92

Sl. No.	Name of the Scheme/Project	Amount Sanctioned	Amount Released (Rs. in lakhs)
1.	Tourist complex at Bhuj	13.08	5.00
2.	Tourist complex at Shyamlaaji	16.27	8.00
3.	Tourist complex at Ukai Lake	16.27	8.00
4.	Wayside amenities at Sola	9.00	1.00
5.	Wayside amenities at Kamraj	6.79	3.00
6.	Wayside amenities at Navasari	6.24	3.00
7.	Tourist lodge at Bhimnath	11.39	5.50
8.	Wayside amenities at Limkhhera	6.24	1.00
9.	Watersport equipment	10.00	6.00
10.	Land Sailing yachts	2.27	2.27
11.	Fairs and Festivals	7.16	3.58

Sl. No.	Name of the Scheme/Project	Amount Sanctioned	Amount Released (Rs. in lakhs)
13.	Renovation of Chorwad	10.00	7.50
14.	Renovation of Holiday Homes	23.25	21.00
	Total	141.58	76.85

PROJECTS/SCHEMES SANCTIONED DURING 1992-93

Sl. No.	Name of the Scheme/Project	Amount Sanctioned	Amount Released (Rs. in lakhs)
GUJARAT			
1.	Camping equipment for Tametar	15.90	8.00
2.	Publicity Support	5.00	
	Total	20.90	8.00

STATEMENT

PROJECTS/SCHEMES SANCTIONED DURING 1991-92

Sl. No.	Name of the Scheme/Project	Amount Sanctioned	Amount released	Status
(Rs. in Lakhs)				
MAHARASHTRA				
1.	Tourist Reception Centre at Pune (Katraj)	23.00	12.00	
2.	Tourist lodge at Sindkhed Raja	18.50	9.00	
3.	Wayside amenities at:-			
	- Sillod	4.08	2.00	
	-Amboli	4.50	2.00	
	-Malshej Ghat	4.00	2.00	
4.	Tourist complex at Karla (Phase II)	24.23	12.00	
5.	Passenger oriented wayside amenity at Manor (with Surface Transport)	17.24	9.00	
6.	Tourist lodge at Riddhapur	7.00	15.00	
7.	Yatri Niwas at Latur	19.71	15.00	

Sl. No.	Name of the Scheme/Project	Amount Sanctioned	Amount released	Status
(Rs. in Lakhs)				
8.	Purchase of 65 Catamarans	49.50	25.00	
9.	Tented accomodation	7.10	5.32	
10.	Adventure sports equipment	20.95	8.00	
11.	Water sports equipment	13.50	9.75	
12.	Hover Craft	16.97	1.00	
13.	Adventure equipment	28.13	10.00	
14.	Fairs & festivals	0.50	-	
15.	Publicity material	30.28	30.8	
16.	Upgradation of facilities	13.34	7.00	
17.	Upgradation of facilities	25.14	25.05	
18.	Assistance to MIDC (Panchgani)	2.40	1.20	
		350.07	200.60	

Central Financial Assistance to Maharashtra During 1990-91

Sl.No.	Project/Scheme	Amount sanctioned	Amount released
1.	Lake Résort Development at Koyananagar, Dist. Satara	18.00	16.00
2.	Tourist Complex at Karla	12.06	11.00
3.	Visitor's centre at Aurangabad	16.95	15.50
4.	Purchase of water sports equipment	20.95	18.00
5.	Purchase of Hover Craft	9.84	9.84
6.	Purchase of water sports equipment	11.27	10.00
7.	Purchase of Catamaran for plying in the Bombay Harbour mainly between Bombay and Elephanta	43.54	40.00
8.	Vintage car exhibition	03.07	03.07
Total		135.68	12.41

PROJECTS/SCHEMES SANCTIONED DURING 1992-93

Name of the Project	Amount sanctioned	Amount released
(Rs. in lakhs)		
MAHARASHTRA		
1. Tourist complex at Gandhi Samarak Ashram at Pune	25.59	0.10
2. Tourist complex at Mahur Dist. Nanded	26.26	13.00
3. Wayside facilities at : a) Dajipur (Dist. Kolhapur) b) Balacur (Distt. Akola)	5.44 5.44	2.50 2.50
4. Visitor Reception Centre at Nagpur	20.40	12.00
5. Tourist complex at Nars, Dist. Parbhani	25.40	12.00
6. Tourist complex at Lohar Dist. Buldana	26.47	1.00
7. Tourist complex at Shikar Shinganapur, dist Satara	8.40	4.00

Name of the Project	Amount sanctioned	(Rs. in lakhs)	Amount released
8. Purchase of tents for Raigad	2.00		1.00
9. Purchase of tents for the State	20.00		10.00
10. Purchase of Hover Crafts	16.97		8.00
11. Purchase of water scooters	12.40		1.89
12. Ganesh Festival	3.41		2.00
13. Elephanta Festival	5.00		3.00
Total:	203.18		61.00

PROJECTS/SCHEMES SANCTIONED TO THE STATE OF RAJSTHAN DURING 1990-91

Name of the project	Amount sanctioned	Amount released
	(Rs. in lakhs)	
Tourist complex at Boondi	6.76	4.00
Fast food centre at Sawai Madhopur	13.08	9.50
Wayside facility at Dholepur	4.23	3.50
Expansion of wayside facility at Mahuwa	5.42	4.50
Cafeteria at Kesarkyari (Number)	9.43	5.00
Tourist Accomodation at Pushkar	7.10	3.50
Tourist bungalow at Alwar	14.61	13.00

PROJECTS/SCHEMES SANCTIONED DURING 1991-92

S.No.	Name of the Project/Scheme	Amount sanctioned	Amount released
(Rs. in lakhs)			
RAJASTHAN			
1.	Tourist Lodge at Balotra	5.75	3.00
2.	Tourist Bungalow at Nagaur	13.82	6.50
3.	Safetaria at Chittorgarh	5.94	2.97
4.	Wayside facilities at Deeg	4.08	2.00
5.	Tourist Block at Chittorgarh	4.08	2.00
6.	Cafeteria at Nahargarh Fort	7.80	3.80
7.	Wayside Amenities at Abu Road	7.38	3.50
8.	Tourist Reception Centre at Chittorgarh Fort	3.47	1.50
9.	Wayside facility at Mawali	7.38	3.50
10.	Toilet Block at Ranthambore Fort	0.53	0.30

S.No.	Name of the Project/Scheme	Amount sanctioned	Amount released
		(Rs. in lakhs)	
11.	Yatrika at Ajmer	29.92	2.00
12	Yatrika at Nathdwara	24.48	10.00
13.	Floodlighting of Sajjangarh Palace at Udaipur	6.98	3.00
14.	Tents for Bharatpur	10.05	2.00
15.	Fifty Paddle Boats	13.00	6.57
16.	Fairs & Festivals	11.42	10.92
17.	Shilpgram Craft Mela	2.00	2.00
18.	Air-conditioning of Fast Food Centre at Behror	9.00	6.00
19.	Two A/C coaches	17.23	8.50
		184.31	80.46

PROJECTS/SCHEMES SANCTIONED DURING 1992-93

Name of the Project	Amount sanctioned	Amount released
(Rs. in lakhs)		
RAJASTHAN		
Tourist complex at Barmer	12.90	2.50
Tourist Reception Centre at Jaisalmer	8.46	3.75
Tourist Reception Centre at Jodhpur	10.70	0.10
Tourist Reception Centre at Bikaner	7.18	0.05
Fast Food centre at Sikar	6.00	3.00
Wayside amenities at Sikar	4.74	2.30
Pilgrim sheds at Vishram sthali, Ajmer		
(i) Raen Basera	10.28	6.00
(ii) Pucça structure	24.38	12.00
Public conveniences at Vishram Sthali, Ajmer	8.48	4.00

Name of the Project	Amount sanctioned	Amount released
Public conveniences at two places in Jaisalmer	7.36	3.68
Camping site at Jhalawar	10.55	5.27
Camping site at Gajner	10.55	5.00
Camping site at Kumbalgarh	10.55	5.32
Floodlighting of Chittorgarh (Phase II)	6.87	3.00
Jhalawar Festival	5.18	4.00
Shipgram Crafts Mela	1.00	0.50
Publicity support	9.13	8.13
	153.31	68.60

Projects/Schemes Sanctioned: During 1990-91

S.No.	Name of the Project/Scheme	Amount Sanctioned	Amount Released
(Rupees in lakhs)			
MADHYA PRADESH			
1.	Cottages at Bada Mahadev, Pachmarhi	13.86	10.00
2.	Tourist Complex at Citrakoot	09.66	03.00
3.	Tourist Complex Center at Khajuraho	30.79	29.79
4.	Wayside amenities at Bhojpur	11.54	10.54
5.	Tourist Lodge at Dodhi	11.54	05.50
6.	Tourist Cottages at Pachmarhi	17.2	07.62
7.	Improvement of Ghats at Hoshangabad	33.58	30.00
8.	Yatri Niwas, Ujjain	45.03	43.00
9.	Yatri Niwas, Jabalpur	44.62	01.71
10.	Water sports equipment	10.09	05.00

S. No.	Name of the Project/Scheme	Amount Sanctioned	Amount Released
(Rupees in lakhs)			
11.	Boats for Shivpuri	01.83	01.00
12.	Festivals in Madhy Pradesh	04.50	04.50
	Total	234.36	166.66

The amount released for all the dropped schemes would be adjusted against the new projects for 1993-94

PROJECTS/SCHEMES SANCTIONED DURING 1991-92

Sl. No	Name of the Scheme/project	Amount Sanctioned	Amount released (Rs. in lakhs)
MADHYA PRADESH			
1.	Tourist bungalow at Maheshwar	15.52	8.00
2.	Tourist Bungalow at Omkareshwar	15.52	8.00
3.	Tourist bungalow at Amarkantak	15.52	7.50
4.	Tourist bungalow at Tamia	15.52	7.50
5.	Tourist lodge at Siddaghat	15.52	7.50
6.	Tourist lodge at Ratlam	15.52	8.00
7.	Wayside amenity at Naugaon	8.60	7.00
8.	Wayside amenity at Jhabua	8.60	1.00
9.	Tourist bungalow at Kankar	15.52	6.80

Sl. No	Name of the Scheme/project	Amount Sanctioned	Amount released
		(Rs. in lakhs)	
10.	Wayside amenity at Udaipura	5.98	2.00
11.	Camping side at Narwar	10.19	10.19
12.	Yatrika at Nemawar	11.75	2.00
13.	Tourist Bungalow at panna National Park	19.51	5.00
14.	Water sports equipment (Tawa Dam)	13.61	3.10
15.	Floodlighting of monuments	5.10	3.00
16.	Water sports equipment	11.20	5.50
17.	Kumbh Mela	19.50	19.50
18.	Printing of Kumbh Mela literature/ General publicity material	20.00	20.00
19.	Tented accommodation	6.00	3.00

Sl. No	Name of the Scheme/project	Amount Sanctioned	Amount released
		(Rs. in lakhs)	
20.	Tents & Water sports	3 10	0.87
21.	Purchase of A/C coaches	33.36	25.00
	Total	285.77	163.26

PROJECTS: SCHEMES SANCTIONED DURING 1992-93

Sl. No.	Name of the Project	Amount Sanctioned	Amount released
(Rs. in lakhs)			
MADHYA PRADESH			
1.	Tourist cottages at Mandu	21.43	1.20
2.	Pilgrim sheds and public facilities at Ujjain	4.66	2.50
3.	Floodlighting of Gauhar Mahal, Bhopal	4.98	3.00
4.	Fairs and Festivals	8.00	7.00
Total:		39.07	13.70

PROPOSAL RECEIVED FROM THE GOVERNMENT OF GUJARAT, RAJASTHAN, AND MADHYA PRADESH DURING THE YEAR 1993-94

	Estimated Cost	Sanctioned Amount	Released Amount
(Rs. in lakhs)			
Gujarat			
1.	-	19.68	10.00
2.	-	17.46	8.00
		37.14	18.00
RAJASTHAN			
1.	4.74	4.74	2.50
2.	4.74	4.74	2.50
3.	16.54	8.00	-
4.	40.00	-	-
5.	7.11	-	-
6.	10.35	-	-

	Estimated Cost	Sanctioned Amount	Released Amount
	(Rs. in lakhs)		
7. Tourist Lodge at Rajangarh'10.06	-	-	-
8. Tourist Lodge at Beawar	13.38	-	-
9. Purchase of Swiss tents (50 Nos.)	10.00	-	-
10. Floodlighting of Fort wall of Chittorgarh, Phase.III	22.98	-	-
	139.90	26.02	13.00
Madhya Pradesh			
1. Tourist complex at Orchha	29.53	-	-

[English]

Export of Minerals.

3757. SHRI RAJESH KUMAR: Will the Minister of COMMERCE be pleased to state:

(a) the details of minerals exported from Bihar during each of the last three years;

(b) whether the minerals are being exported by Government agencies through private exporters;

(c) the incentives being given by Government to private exporters; and

(d) the steps taken to boost the exports of minerals from the Bihar state ?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Iron Ore, Mica and Coal are the main minerals exported from Bihar, State-wise export statistics are not maintained.

(b) Exports of mineral are being effected both Government agencies and private exporters. Government agencies undertake exports directly.

(c) and (d) Apart from the benefit under Section 80 HHC of the Income Tax Act extended to export of processed minerals, exporters are eligible for the benefit of the unified exchange rate and reduction in interest rate on export credit.

[Translation]

Wages of Tea Workers

3758. SHRI RAJESH KUMAR:
SHRIMATISHEELA GAUTAM:

Will the Minister of LABOUR be pleased to state:

(a) whether the tea workers are getting lowest wages in the whole organised sector;

(b) if so, the reasons thereof;

(c) whether any survey has been conducted on this regard; and

(d) if so, the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI P.A SANGMA): (a) to (d) Occupational Wage Surveys are conducted from time to time to provide reliable data for planning and policy formulation. According to the results of Fourth Round of Occupation Wage Survey, the average daily earnings of occupation wage survey, the average daily earnings of workers in Coffee Plantations (Rs.11.58) and Mica Mines (Rs.15.68) was lower than those of workers in Tea Plantations (Rs.15.86).

[English]

Financial Assistance for Establishment of New Industries

3759. DR. ASIM BALA: Will the Minister of FINANCE be pleased to state:

(a) whether any financial assistance has been provided by the union Government to West Bengal for establishment of new industries during the last two years;

(b) if so, details thereof; and

(c) the financial assistance provided to other States therefor during the above period, State-wise?

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI M.V CHANDRASHEKHARA MURTHY)(a) to (c). Information is being collected and will be furnished.

SBI Rates to Customers

3760. SHRI BASUDEB ACHARIA: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India has started quoting below the cover rates to its customers by its foreign branches violating the norms prescribed by R.B.I in this regard;

(b) if so, the reasons therefor; and

(c) the action taken or proposed to be taken in the matter

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) State Bank of India have reported that they are not quoting below the cover rates to its customers at its foreign branches.

(b) and (c). Do not arise in view of reply to (a) above.

[Translation]

Assistance to State of Bihar

3761. SHRI SUKDEV PASWAN: Will the Minister of FINANCE be pleased to state:

(a) the total amount of extra financial assistance sought by the Government of Bihar during the last three years and the amount actually allocated;

(b) the reasons for not granting the extra financial assistance to the State during this period; and

(c) the extra financial assistance given or proposed to be given during the current financial year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.CHANDRASHEKHARA MURTHY): (a) and (b). The Government of Bihar requested for special long term loan of atleast Rs.400 crores during 1990-91 and special loan of Rs.757.36 crores during 1991-92. The above requests of the State Government could not be agreed to in view of resources constraint of the Centre.

(c) No extra Central assistance has been given or is proposed to be given to the state over and above the fund which is committed to be transferred to the State on the basis of the allocation made by the Planning Commission and recommendations made by the Ninth Finance Commission for the year 1993-94

[English]

Dumping of Chemicals and Drugs

3762. SHRI HARISH NARAYA PRABHU ZANTYE: Will the Minister COMMERCE be pleased to state:

(a) whether the Government have received some representations from various organisations companies regarding indiscriminate and huge dumping of chemicals and drugs by foreign countries affecting our domestic production;

(b) if so, the details thereof ;

(c) the remedial action taken in the

regard; and

(d) the policy of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) to (c). The Designated Authority, as provided under the Indian Customs Tariff Act 1975 as amended in 1982 and the Customs Tariff Rules thereunder, has received complaints from the domestic industry alleging dumping of certain Chemicals, petrochemicals, drugs and intermediates etc.

The Designated Authority initiated anti-dumping investigations concerning import of PVC Resin, Styrene Butadiene Rubber and Bisphenol-A. The authority has recommended imposition of anti-dumping duty on import of PVC Resin. In its preliminary findings concerning import of Bisphenol-A the authority found a dumping margin of 28.9%. The Designated Authority terminated investigation into the allegation of dumping of Styrene Butadiene Rubber as no injury to the domestic industry could be made out.

The Designated Authority is required to satisfy itself about prima face evidence of dumping, injury to the domestic industry and a casual link between the dumped imports and the alleged injury, before deciding to initiate an anti-dumping investigation.

(d). The Indian Customs Tariff Act, 1975, as amended in October 1982 empowers Government to enforce anti-dumping duties in those cases in which dumped goods are found to be causing material injury to the domestic industry. Before such

a duty can be imposed, an authority designated by Government has to make a finding on the existence of dumping and injury to the domestic industry; and a casual link between the dumped goods and the alleged injury to the domestic industry. The Designated Authority, under the Customs Tariff Act and Custom Tariff Rules, is normally required to initiate investigation only upon receipt of a written request supported by evidence of dumping, injury to the domestic industry and a casual link between the two by or on behalf of the affected domestic industry.

Stock Holding Corporation

3763. SHRI SHRAVAN KUMAR PATEL:
SHRI MANORANJAN BHAKTA:
SHRI MOHAN RAWALE:

Will the Minister of FINANCE be pleased to state:

(a) whether the attention of the Government has been drawn to the news item appearing in the Indian Express dated November 26, 1993 regarding use of shares by the Stock Holding Corporation Officials to illicitly raise funds and play in the stock market;

(b) if so, the facts and details thereof;

(c) whether the Government have conducted any inquiry in this regard;

(d) if so, the details of the findings thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR

AHMED): (a) and (b). Yes, Sir. Stock Holding Corporation of India Limited has, however informed Government and provided a details justification for the proposition, that it is not true that officials of the Corporation used shares in this manner and that a fraud took place in the Corporation.

(c) to (e). In view of (a) and (b) above, Government have not considered it necessary to conduct any inquiry in the matter.

Anti-dumping Duty

3764: SHRI PIYUSH TIRKEY:
SHRI UPENDRANATH
VERMA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government are contemplating to review the India Customs Tariff Act, 1975 which empowers Government to enforce anti-dumping duties to make it more responsive to the current needs of the economic environment as the threat of dumping has increased substantially in the recent pastel

(b) if so, the details thereof

(c) if so, the reasons therefor

(d) whether the Government have made any policy settle complaints regarding dumping and also by which imposing provisional duties in the interim period based on preliminary evidence;

(e) if so, the details thereof; and

(f) the time by which the said review is likely to be made?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) No, Sir.

(b) & (c) Do not arise.

(d) and (e). The Indian Customs Tariff Act, 1975 as amended in October, 1982 already empowers Government to enforce anti-dumping duties in those cases in which dumped goods are found to be causing material injury to the domestic industry. Before such a duty can be imposed, an authority designated by Government has to make a finding on the existence of dumping and injury to the domestic industry; and a casual link between the dumped goods and the alleged injury to the domestic industry. The Designated Authority, under the Customs Tariff Act and Customs Tariff Rules, is normally required to initiate investigation only upon receipt of a written request supported by evidence of dumping, injury to the domestic industry and a casual link between the two by or on behalf of the affected domestic industry.

(f) Does not arise.

Opium Production

3765. SHRI N.J. RATHVA: Will the Minister of FINANCE be pleased to state:

(a) the details of the opium production, opium collection and production of heroin and smack from opium in the country during each of the last three years;

(b) the acreage of and for which licences/permission for the production of the above items has been accorded for the current year, State-wise;

(c) whether the Government propose to provide licences/permission for the production of these items in some more State; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY): (a) Details of the opium produced/collected in the country during each of the last three crop years are as follows:

Year	minimum produced/collected at 70 (Degree)C (in tones)
1990-91	504
1991-92	635
1992-93	425

(provisional)

Manufacture of heroin and smack being clandestine activities, quantities of these substances produced cannot precisely be known.

(b) Area licensed for opium poppy cultivation for the current crop year, State-wise, is as follows:-

Name of State	Area licensed in hectares (provisional)
Madhya Pradesh	6784
Rajasthan	4357
Uttar Pradesh	2244
Total	13385

(c) No, Sir.

(d) Does not arise.

Bilateral Investment Treaties

3766. SHRI RAM KAPSE:
SHRI DATTATRAYA BANDARU:
SHRIMATI KRISHNENDRA KAUR (DEEPA):
SHRI VILAS MUTTEMWAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have signed bilateral investment treaties with the USA, U.K., Germany and South Korea recently; and

(b) if so, the areas of investment, total amount involved and the time frame fixed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) No, Sir.

(b) Does not arise;

[Translation]

Manufacturing and Trading Units

3767. SHRI MANIKRAO HODLYA GAVIT: Will the Minister of COMMERCE be pleased to state:

(a) whether the strategically located and highly industrialised canton of Neuchatel in Switzerland has invited Indian entrepreneur to set up manufacturing and trading units and make the canton the base for export of products and services to other

European countries USA and Japan;

(b) if so, the details thereof; and

(c) the reaction of the Union Government in this regard?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) No, Sir. However, delegations from the Economic and Trade Promotion office visited India to established contacts with Indian manufacturers.

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

Incentives to Companies.

3768. DR. D. VENKATESHAWARA RAO: Will the Minister of COMMERCE be pleased to state:

(a) whether the Government propose to introduce any scheme to reward those companies who have acquired IS9000 or IS 14000 or any other internationally recognised equivalent certification of quality;

(b) if so, the details thereof; and

(c) the time by which a final decision is likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION AND MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI KAMALUDDIN AHMED): (a) and (b). A scheme already exists which provides for the grant of special import licences as an incentive to the manufacturers exporters who have acquired recognition for ISO900 (series) or BIS14000 (series) certification. The details guidelines have been notified vide

Public Notice No. 120(PN)/92-97 dated 31.3.1993 a copy of which is available in the Parliament library.

(c). Does not arise.

Diversion of Share Money

3769. SHRI RAMESHCHENNITHALA: Will the Minister of FINANCE be pleased to state:

(a) Whether it has come to the notice of the Government that some private promoters of companies after collecting huge money from the public through shares, divert the money from the public through shares, divert the money to other areas;

(b) if so, the details of such cases; and

(c) the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c). Yes, Sir. There have been general allegations to this effect. However there is no requirement for Government or SEBI to monitor deployment of resources raised through public issue where the total issue size is Rs.500/- crore or below. In such cases, it is left to the discretion of the promoters/management of the company. The guidelines only provide that the offer document should contain the details of avenue of investment in which the management proposes to the deploy the issue proceeds pending utilisation in the proposed project. Where, however, there is financial participation by a bank or a financial institution, it is expected to follow up the progress of the project. Where the issue size excess Rs.500/- crores., size guidelines provide that the issuer should

voluntarily disclose the manner of proposed utilisation and make arrangement for monitoring by one of the financial institutions.

MESSAGE FROM RAJYA SABHA.

[English]

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha:

(i) "In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 22nd December, 1993, agreed without any amendment to the protection of Human Rights Bill, 1993 which was passed by the Lok Sabha at its sitting held on the 18th December, 1993."

(ii) "In accordance with the provisions of rule 127 of the Rules of Procedures and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 22nd December, 1993, agreed without any amendment to the Jute Manufactures Development Council (Amendment) Bill, 1993 which was passed by Lok Sabha at its sitting held on the 18th December, 1993."

(iii) In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No.5) Bill, 1993, which was passed by the Lok Sabha at its sitting held on the 21st December 1993, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

(iv) "In accordance with the provisions of the rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, am directed to enclose a copy of the Pay-ment of Gratuity (Amendment) Bill, 1993, which has been passed by the Rajya Sabha at its sitting held on the 23rd December. 1993"

PAYMENT OF GRATUITY
(AMENDMENT) BILL, 1993, AS PASSED
BY RAJYA SABHA

SECRETARY GENERAL: Sir, I lay on the Table the Payment of Gratuity (Amend-ment) Bill, 1993, as passed by the Rajya Sabha on the 23rd December, 1993.

[Translation]

SHRI HARI KISHORE SINGH (Sheohar): Mr. Speaker, Sir, I would like to know whether the Government have taken any action on the JPC Report or not?? If any action has been taken thereto, in that regard I would like to know the same. It will help me in the debate.

SHRI NITISH KUMAR (Barh): If any action has been taken, we should be apprised of the same before the discussion starts. Do the Government have taken any action or not? If the Government have taken any action, we would first of all, like to know the same the discussion could follow thereafter.

SHRI ATAL BIHARI VAJPAYEE (Lucknow): Sir, before we initiate the discussion. I as well as the House would prefer to know whether any decision has since been taken by the Government in regard to the report or the recommendations of the Joint Select Committee. The House should be apprised of the same. The House should

be taken into the confidence. The Government had enough time to consider the report and we came to know from the newspapers that the Government have already taken same decision.

Sir, I brought it to your notice also, that the following news has appeared today.

[English]

“ The Union Government has constituted a high-power committee comprising senior officers from the CBI, Income Tax, Enforcement Directorate and RBI in tracing funds involved and assets created as a result of the multi-crore securities scam.”

[Translation]

Now the House is in session. If the Government have taken any decision I think that the same would have been taken within the ambit of the recommendations of the report. You have taken a good decision in this discussion we demand that such an organisation should be constituted. But Sir, it is not proper from priority point of view if we come to know from newspapers about it. There should be a meaningful discussion and for that there should be no state of uncertainty in it. Now, everybody is in doubt whether the Minister of Finance has tendered his resignation or not. We have learnt from the newspapers that he has resigned, but we would like to hear this from him or let the Prime Minister say that he has resigned. If he has resigned, why the fact is being suppressed. A decision can be taken immediately in this regard. The entire debate is on a very important issue which is linked with the economy of the country. Our economy is totally shattered. It should not remain confined to certain persons and come to an end by revolving around them. The debate should not be confined only to this point

whether he should resign or not. Hence uncertainly on the resignation should end so as to pave the way for meaningful debate.

[English]

THE MINISTER OF WATER RESOURCES AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI VIDYACHARAN SHUKLA): Mr. Speaker, Sir, this debate relates to a serious and important matter. Therefore, the Government would like to hear the views of both the Houses of Parliament before taking any action in this matter and the Government's position will be amply clarified about the various points which have been raised in the Report of the Joint Parliamentary Committee. The views of the hon. Members will be respectfully heard and will be taken into consideration when the Government initiates the process of analysing the Report of the Joint Parliamentary Committee. After thoroughly and deeply analysing the Report actions would be taken by the Government.

But we would like to do that the debate in the two Houses concludes and we have the benefit of the views of the hon. Members in this regard.

MR. SPEAKER: Well, we have organised today's and tomorrow's sittings specially for discussing the Report. It would be useful to all of us in the House and the people outside also, if we discuss the Report and do not go away from the Report to other points. If it is approved, I think, we should go ahead with the discussion on the Report rather than going to the other points. The points which are raised may be important but the same points can also be made by the Members when they make their speeches rather than making a statement and going away from the main point.

SHRI SRIKANT JENA (CUTTACK): I am on a point of order.

The JPC has already given the report. It is a unanimous report. JPC is part of this House. The final recommendation of the JPC is available before Parliament. If we discuss this report without knowing what is the Government reaction on this, then the discussion will have not impact at all. The hon. Parliamentary Affairs Minister said: "The Government will only respond after getting the reaction and considered view of Parliament." The considered view of Parliament has been given in report itself because it is a unanimous Report. (Interruptions)

SOME HON. MEMBERS: We want a discussion.

SHRI SRIKANTA JENA: It seems, there is an attempt to dilute the thrust and the recommendations of the JPC which has given a unanimous report by just diverting this issue, "Let the Parliament discuss this issue."

My point of order is, this will create an unprecedented, unethical and improper thing without listening to the response of the Government.

[Interruptions]

I am just bringing this to your notice. The Opposition is not afraid of discussion. But the only point is, this discussion will be fruitless without just listening to the response of the Government to this report itself.

MR. SPEAKER: May I request the Members that let us not give the impression that we are not attaching importance to the report itself and we are going to the other points?

As far as the point of the order raised by you is considered, it relates to the procedure. You have not referred to any rule; you have not referred to any convention; you have not referred to any Constitutional provision also. So, it does not constitute any point of order as such.

My ruling on the point which you have raised, which may not be a point of order, is that what importance is to be attached to the report given by the Committee constituted by this House, is provided in our rules book, and is available in the conventions which are available to us. At the same time, if the report is given, the Government is expected to examine the report very carefully, discuss it in the Cabinet, get other reports and all those things and then declare what it wants to do. I think, we should allow the Government to take the action in a proper manner.

SHRI SRIKANTA JENA: Let the Prime Minister say as to what action they have taken on this report.

MR. SPEAKER: Let us attach importance to the debate. You will be given as much time as you want on the report itself.

[Translation]

SHRI DEVENDRA PRASAD YADAV (Jhanjharpur): Mr. Speaker, Sir, my point of information is whether a discussion on JPC's recommendations has been held earlier in the House without any response from the Government. I want to know about any such precedent. Is a new precedent being set up in the House.

[English]

SHRI SRIKANT JENA: Sir, there is an attempt to dilute the report of the Joint Parliamentary Committee. This is a unique

report and there is an attempt on the part of the Treasury Benches to dilute this report.

MR. SPEAKER: What is this, Mr. Jena? You are the Whip of your party. I expect some cooperation from you. Yes, Atal Bihari Ji, please...

[Interruption]

[Translation]

MR. SPEAKER: You may please sit down. I have heard your. If you want to express your views on a certain issue, you would be given time for that. But you are raising irrelevant point by digressing from the main point. You are giving an impression in the House and outside that you have not taken this Report seriously. We should not give such an impression.

[English]

(Interruption)

MR. SPEAKER: What is this, Mr. Jena? You are the Whip of your party. I expect some cooperation from you. Yes, Atal Bihari Ji, please...

(Interruptions)

SHRI SHRIKANT JENA: If there are many remarks on the JPC Report, will that be included in the proceedings?

[English]

MR. SPEAKER: You are the Whip of your party. You should know the procedure which is to be followed in this respect. In every respect you cannot expect me to teach you. Please sit down now...

[Interruptions]

MR. SPEAKER: This is going beyond a certain limit.

SHRI SRIKANTA JENA: Are we to discuss the functioning of the JPC or not? I want to know whether any comments can be made on the JPC or not?

MR. SPEAKER: You should know it. I am not expected to teach you everything.

11.14 hrs.

DISCUSSION UNDER RULE 193

Report of the Joint Committee to Enquire into irregularities in Securities and Banking Transactions

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Mr. Speaker, Sir, I rise to initiate a discussion under Rule 193 on the Report laid on the table of the House on the 21 December, 1993 by the J.P.C. that was constituted to inquire into the irregularities in securities and banking transactions. It would have been better if the discussion had been allowed under Rule 184. Under this rule, it is provided that after the debate is over, the House can also give its opinion. Now I will have to wait for some other opportunity for that. However, I want to utilise the present opportunity in the best way.

Sir, this report has been presented by the committee consisting of 30 members of both the House of Parliament belonging to different political parties after putting a hard labour for 16 months. As I said earlier, it is a historic document. Members of divergent views were in the committee. There were members of ruling party as well as opposition parties. The committee had to inquire into the security scandal and discuss the

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points on various ministries. The committee had to consider the points related to concerned Boards and Corporations also. In a way, the whole Government was prepared to face the investigation in connection with the said security scandal. There are difference in Joint Select Committees. In such reports, note of dissent is a common thing. But here, a new story has been written and a new chapter has been added. All members of this committee have finalised a consensus report in order to strengthening the parliamentary convention. It is in itself an important event and I call it an achievement.

Sir, by presenting such reports, the Joint Select Committee, which is an important institution of the Parliament, has regained its steel and glory. It had lost its glory when such a committee was constituted to investigate the Bofors issue. The opposition had refused to participate in it. That committee, under the chairmanship of Shri Shankranandji, had submitted a report. It was just an eye-wash. This institution of Parliament received a severe blow at that time. I am glad that this report is a concrete step in resurrecting the prestige of this Parliamentary institution. This Report will boost the image of Parliament. It will strengthen democracy and authority of the committee. It will also improve the reputation of Members of Parliament.

Mr. Speaker, Sir, I am hopeful and confident that the way this committee succeeded in arriving at a consensus despite members belonging to the different political parties, similarly consensus on some important issue would also be arrived at during the course of discussion. This securities scandal is one of the biggest scandals that the century has so far come across. If it could shake this House, this Parliament and the

country and awaken us towards our responsibility, we can expect some good sign for the country's future even from this scandal.

11.17 hrs:

[MR. DEPUTY SPEAKER *in the chair*]

Mr. Deputy Speaker, Sir, first of all. I would like to congratulate the chairman of the committee, Shri Ram Niwas Mirdha and other members for their hard labour and devotion to duty, but it does not mean that I am fully satisfied with the Committee Report. It is also not that I fully agree with the issue of serious disputes left out by the committee for arriving at a consensus. There are many omissions and commissions in the Report which are mainly related to the institution of the committee. Could a Parliamentary Joint Select Committee act as an effective device to examine such a complicated and delicate issue in which Ministers, Ministries, the Reserve Bank, Public undertakings, Banks, Nationalised Banks as well as Foreign Banks are involved on and recommend punitive action after conducting enquiry into failure of concerned agencies.

As I have said earlier, the Report submitted by the Committee is a unanimous report. I also thank the Members of the Committee for this report. But Parliament will have to consider this issue because we would not like that such a scandal secure in failure. I am not ready to underestimate the capability of all of us to commit scandal. God forbid if a new scandal is reported, how will it be inquired into? The experience of this committee should be born in everybody's mind.

Mr. Deputy Speaker, Sir, a committee is set up when the House constitutes a Committee, it is not decided where the chairman will sit. Nobody knows where the

staff will come from? Staff is arranged by picking up a few persons from here and there. I know that there is no shortcoming of staff. The staff has no doubt, done a commendable job. The staff and the officers working in all these Parliamentary committees are honest and devoted to their work. I am not concerned about that. But such type of committees have their own limits as sometimes CBI may not cooperate or any witness may refuse to divulge the whole thing. However, despite all these difficulties, this committee has done its jobs.

Mr. Deputy Speaker, Sir, during my parliamentary career of thirty years, I have raised issues on reports of many Select Committee and participated in their deliberations. Several scandals have come to my knowledge. But the picture of the whole economy and the whole Government which has emerged from this security scandal is shocking. I don't want that this issue be considered on party lines. Ultimately, where we are destined to go? What is going on in this country? Nobody knows how much money was involved. Different figures are being furnished, But Mr. Deputy Speaker, Sir, do not these figures shock us? Is not the amount involved in this scandal sufficient to disturb our sleep ?

I had earlier made a mention of Bofors. Bofors gun strike up to a long distance but bungling was committed in the gun deal nobody knows how long the inquiry which is still going on will continue. Its figure did not go beyond Rs. 162 crore. The amount of Rs.162 crore is just a drop in the ocean of the security scandal. As per the Report, public undertakings made available a huge amount extending up to Rs. 36,000 crores for security scandal. Please refer to page 114, para 14.21. I am quoting the Committee's note.

[English]

Para 14.21 : The committee note that the PSUs were the single largest source of surplus investable funds around Rs. 36,000 crores between April 1990 and December 1992 only.

[Translation]

The amount involved is Rs. 36,000 crore, whereas our defence budget for a year is only Rs. 18,000 crores. Here a single Public Undertaking has provided Rs. 36,000 crores for this security scam. Now they will say that they have not given this amount for the scam and it was invested to earn more profit instead. So that public sector could scale new heights. However, it was lost totally. An amount of Rs. 36,000 crores stolen. If one say that Rs. 36,000 crores is too much and the whole money would not have been lost, some money could have been saved or brought back, I would like to ask a question as to how much money was lost in this security scam ?

According to Jankiraman committee Rs. 4024 crores have been lost. The CBI estimates are much higher. According to them it is Rs. 8338 crores. Even if we take this amount to be Rs. 5000 crore, we have to accept the fact that the allocations made for social services like education, health, broadcasting etc. In the Central budget last year were less than half of Rs. 5000 crores involved in the scam. The total allocation Rs. 2373 crores only. I don't know why the budgetary allocation for education and health for the whole country has been clubbed with the allocation of broadcasting. Even if it is include in it, an amount of only Rs.2373 crores was earmarked for these items whereas an amount of Rs.5000 crores has been lost in the scam. Where did it go ? Now

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this committee has recommended to constitute another Committee to investigate as to where this amount has been gone. That committee will look into it and perhaps the Government have takes a decision in this regard. It is a right decision and the Government will have to take some more such decisions. Without constituting an Action Taken Committee, the Government will be required to respond to the recommendations of this report. It has to take concrete steps and this steps is one of them.

Mr. Deputy Speaker, Sir, the complaint was that the announcement of constituting a committee should have been made in the Parliament itself. But the bitter truth is that such a huge sum has been lost. Mr. deputy Speaker, Sir money is one aspect though it is an important one. In this country where more than 40 percent population is living below the poverty line, the people who are involved in this scandal of Rs. 5000 crores could only be termed as anti-social elements.

Mr. Deputy Speaker, Sir the question of honesty, credibility and morality matters more than that of money. Morality is such an asset that provides us strength to live and helps face pressures both from inside and outside. What is the inherent strength of this country? Even in the state of poverty we maintained our dignity because we had the strength of morality with us. Even being backward, we managed to command respect in the world. Because we had morality the test of our conduct. The most tragic aspect of this scam is that it hit that very mortality.

I would like to quote of that committees report

[English]

"What is extremely worrisome to the Committee. is an unhappy side effect. Amongst all the witnesses that appeared before the Committee, in all the many hours of evidence taken, the committee seldom came across an instance where responsibility for wrong was forthrightly accepted. Further and more worrisomely, the Committee found that as of routine through the entire apparatus of Governmental machinery, a very damaging approach seems to pervade, that of transferring responsibility towards this distressing lack of fibre in the apparatus of Governance can only debilitate the state. This persuades the committee to briefly comment upon the third dimension on of this entire matter. which is moral. No system can work through regulations alone. Of course, it cannot work if they be flouted: but much more than that, if a system be devoid of the moral quotient, of a commonsense appreciation of right from wrong. of a sense of public duty particularly when entrusted with public funds then it cannot work"

[Translation]

Mr. Speaker, Sir, should not there be a conscience to differentiate between right and the wrong? Should we play with the system like this? You go through the whole report, Each and every page of this report is full of such stories which shocks the heart deeply.

It is meaningless to say that it is a system, that has failed. The only logic being advanced is that it is a system failure. Who evolves the system? Are the persons not liable to make it successful? And in this case, system has not failed. warnings have been issued for years, regard 1986, Shri Augustin P. Kurias gave a warning in this

regard and pointed out certain things, I can quote some of them:

[English]

"The Committee have noticed that the kind of irregularities that have recently surfaced can be traced back to as early as October 1986. This had been pointed out in a letter by a joint chief Officer of the DBOD, in RBI, Shri Augustine P. Kurias, way back in 1986, on the basis of special scrutiny of securities then noticed were...."

[Translation]

If you go through these irregularities, you will find that these are those very irregularities that come to light later on ..(Interruption)

[English]

DR. KARTIKESWAR PATRA (Balasore) : It has already been said that it is a system failure.

[Translation]

SHRI ATAL BIHARI VAIPAYEE: We have Ministry of Finance, Reserve Bank of India, Banking Department and SEBI in the country, and they have been issuing circulars regularly. Those circulars have been referred to in this reports and it has also been pointed out that these were not complied with. Not to speak of implementing those circulars, there was nobody to see whether those are being followed or not. To me, it is a system failure. System says that there should be monitoring. System calls for a regular checking. However, there was no checking and monitoring circulars were sent but it appears that these were thrown into dustbin. Can the officers escape from this responsibility or should they be allowed to

go scotfree. What was the role of Ministry of Finance in the whole affair?

Mr. Deputy Speaker, Sir, our finance Minister and his colleagues were under the impression that the upward trend in the Rate of shares was the result of implanting new economic reforms. I had warned at that time. You may go through my speech. I said that the industries of our country which were working under restrictions have been liberated from these restrictions. It had to be seen that they do not turn anti-social and anti-human. Adequate precautions should be taken while introducing liberalization. The Committee has also said this. No scam can take place in the transparent system. Our Communist friends still fail to understand that transparency and scam cannot go side by side.

Mr. Deputy Speaker, Sir, our Finance minister who holds such views should have been careful and taken appropriate action. It has been mentioned in the report that the Finance Minister had convened a meeting of the presidents of Stock Exchanges. I have gone through its proceedings. There is no mention whether shares were rising at an abnormal or normal pace. Other items were discussed in the meeting but this particular point was not touched. Steps could have been taken at that time and circumstances could have been brought under control, but it was not done.

Mr. Deputy Speaker, Sir the facts revealed by the Committee while enquiring into the source of money invested into securities are quite startling. I have already stated that they got this money from PSUS and Foreign Banks. There is a mention of Rs.36,000 crore What was the objective behind setting up the PSOS? It was envisaged that national economy would be strengthened by the PSOS and self-suffi-

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ciency would be achieved. Was it ever thought that the PSOS would be involved in such a scam? You do not do your work but earn more and more profit through markets. Probably the union on Government might have been impressing upon these PSOS not to run into losses. But at the same time the Government ought to have instructed them that running into losses would do, but indulging in irregularities and earning profit would not do. After all, there exists public Enterprises Department and Banking Department too which could take notice of the money being drained out by these PSUS. It was being handed over to the speculators. The schemes formulated for raising additional funds were misused. The money went straight away into the hands of speculators as the rate of interest was lower. The report has mentioned that PSUS are meant for production but they have indulged in speculation at the cost of their production. Gambling is going on in the country and they were gambling not with the wealth of the nation but with its destiny. How the management responsible for running these PSUS could behave like this? Being short sighted and allured by short term benefits they behaved like this as they thought there was no one to check them. Words like this as they thought there was no one to check them. Words "emergence of the culture of nonaccountability" are used in the report.

Mr. Deputy Speaker Sir, a new culture of non accountability is emerging in the country. Could reforms work in such a situation. Can a state discharge its duty under these circumstances? How did this culture develop? The hon Finance Minister is not prepared to own this responsibility? He is not prepared to say that his assessment was wrong and he did a mistake. He is not even prepared to make atonement. I do not

know what transpired between him and the how Prime Minister. However he has taken a right step by tendering his resignation. He has followed the parliamentary tradition.

AN HON. MEMBER: But you people didn't do that.

SHRI ATAL BIHARI VAJPAÏEE: I am not levelling any charge that the Finance Minister has gained some monetary benefit out of it. His bonafides are not under cloud, but since he is the Finance Minister, he has to own the moral responsibility for the failure of the Ministry of Finance and R.B.I. as well as for the rotten system that existed.....and I hope the Hon Prime Minister will take a right decision though the whole Government is involved in the scam the picture that emerges is very horrible. I am not saying all this as all leader of a party.

But, in the present scenario the parties have become insignificant. You may go through each chapter. Though the Reserve Bank is issuing the circulars yet nobody is adhering to these. There is nominee of the Reserve Bank of India in each board, but the they do not attend the meetings. They are the Central Government Officers deputed to the Banking Boards but they do not participate in the meetings. They never asks for facts in the meetings, The Reserve Bank representatives attended 15 out of 49 meeting and that too, in a causal manner. What is this? Do you find any accountability in it? The officers attend the meetings of the Board as representatives of Reserve Bank; and in the meeting they do not take care to collect information as to what is going on. No one goes through the Bank's report after it comes. It seems as if a happy-go-lucky reign was prevalent. Can the Hon. Minister escape the responsibility? No Minister can say that since he did not have his role in the decision taken by his officers he can not be

held responsible. If your officer took a wrong decision you could have refused it, but you must bear the responsibility, since it is parliamentary convention we will have to prove our selves worthy of it.

I would not discuss the names mentioned in this report. Our Shankaranandji is capable of facing any charges boldly his capacity to swallow venom can not be under estimated. However, the churning of ocean had produced not only venom but also Lakshmiiji and 'Varuni'. Today he is openly asking, why at all should he resign. If Shankaranandji conscience does not prompt him to resign, I do not wish to comment on it. I can say only this much that had I been in his place. I would have, right away resigned. This is no time for sharing faults nor for calculating the bits. The entire system is being put on test and we just can not improve our future by failing in it.

Mr. Dy. Speaker, sir this report has raised a number of issues. I had never read textbooks so intently during studies as I have done with this report. Each page of this report speaks out a tale that leaves a bitter taste. It is difficult to decide, which issue is to be raised here.

However, I shall certainly raise the foreign banks issue. There is particular bank among these foreign banks and I shall not disclose its name. But after this scam came under discussion, some representatives of this bank met me with prior appointment. I was immensely impressed by their personalities their white complexion, 'Sahab' style their English pronunciation more accurate than the English could do. They were armed with documents and prepared for every argument. They also had the details of the phenomenal growth of the bank in such a short period. Besides, they carried diaries and video tapes, which were sufficient to

impress an ordinary man like me. I thought there have had been several scams, but on hearing the visiting gentle men it seemed that they had done no wrong. However, it was later revealed that this very bank was involved in the largest scam.

SHRI VILAS MUMTTEMWAR (Chimur): Atalji, you get impressed very soon.

SHRI ATAL BIHARI VAJPAYEE: Mr Dy. Speaker, Sir what is the role of these foreign banks ? what will be their modus operandi ? Will they comply with the rules or not ? Does violation of rules mean compliance of rules by them. They are openly defying the laws of this country. They are not following the laws of this country and at the same time, they are violating the laws of their own countries. The committee has passed very severe remarks against these banks. Their licences must be cancelled. The profit they have earned out of this scam should not be allowed to be taken to their countries. I am not in favour of withdrawing or closing of all foreign banks. There are several foreign banks, but a few selected banks are involved in the scam. this is very peculiar situation not only the banks but also their agents are involved in the scam. Selected persons, selected agents and selected officers, involved in it are having immense capacity to defraud.

People had faith on the nationalised banks and their financial agencies. People had faith on the share market. Thousands of people had invested their money in shares. When the Finance Minister declared that hike in share prices is the out come of economic reforms, people bought shares at the cost of their savings and even after selling their ornaments and utensils. They thought when, Dr. Manmohan Singh has declared, share prices must go up. The country is racing ahead with economic re-

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 form. Ultimately, people found themselves ruined. Some people committed suicide. Banks like Bank of Karad and the Metropolitan co-operative Banks became almost non-existent. What relief has been provided to those who had deposited their money with these banks. Even if they have fallen prey to the system, they must get compensation. But the fact is that they have not fallen prey only to the system, they have been struck also by the neglect and criminal indifference of big people. They have fallen prey to the policies of people who do not have any sympathy, any pain for public money.

Mr. Dy Speaker Sir, I am repeatedly coming to the same point. This is the most tragic aspect of this scam. The scam came to light and the details of action taken in the matter is given in the report. Junior officers and some senior ones involved in it have proceeded on leave or have retired or got themselves transferred. Their explanations had been called for, but no exemplary punishment was given to them. A cover up move is going on from top to bottom. It must stop.

Does this report make us conscious of this situation? I do not wish to read out all the names. There are some persons among these names who were found to have indulged in the scam at one place or the other, at some other place they become managing Directors and later on, Chairmen. With whom are these selected persons connected? With whom the agents are attached? How did they keep on playing so openly? Looting is going on in the country and there is none to put a check on it. Those who could do so have failed.

There is a Department of Public Enterprises which was previously a part of the Prime Ministers Secretariat. It was later on, shifted to Industries. Now Industries are

under the overall charge of the Prime Minister. The failure of that department is very evident. What exactly did the Public Enterprises do? What did it look after? Why did not it trace out the way money was being floated into the market? Why did not it ensure that money invested in the 'satta' market should be diverted for the development of the country and invested for the good cause of the undertakings? Did some one Looked into it and if so, who?

I was under the impression that SEBI is a good organisation and it must be doing something fruitful. But after going through the reports and also after discussion I came to know that SEBI was indulging in double talk. On the one hand, it was writing to the Ministry of Finance and the Reserve Bank that the extraordinary increase in share prices is unwanted on the other hand it was stating in the reply to Parliament that hike in prices was the result of economic reforms. After all, do the officers lack the courage of plain speaking? Will the senior officers too speak with an eye on the attitude of their higher-ups? Should the higher officers not have that much of moral courage to tell the Minister that his action was wrong. However, they shall comply with his orders? But the fact is that there are very few such courageous officers. Majority of the officers like to make hay while the sun shines, since they are on the verge of retirement.

Mr. Dy. speaker, Sir one is not certain about the steps likely to be taken by the Government. Is the Prime Minister going to take a decision courageously or not? We stand on a cross road. Now the position of the Hon. Prime Minister has improved in his party. He has won the elections. Now, he can take bold steps. It is right that recommendations about Gold Star must be examined thoroughly. If, Harshad Mehta can not prove that he is guiltless, action must be

taken against him too. If someone is found guilty and without proving that he is guiltless he goes in to oblinon then this practice should be checked.

The Administrative Reforms Committee had recommended for appointment of a Lokpal. There should be a system to enquire into the corruption changes levelled against prominent leaders occupying high offices. The ARC had recommended for a lopal—something like a high-powered authority like an Ombudsman, this dealings should be above board and he should be a non-inclined personality who can conduct enquiries against big people He should be competent enough to raise its own investigating machinery. Now, you cannot trust the C.B.I since its reliability has eroded. The C.B.I declined to respond to the committee and the committee could do nothing. The C.B.I. said that they cannot furnish information to the committee as it will affect their investigation. But what about the investigation being done by the Committee ? The C.B.I did not co-operate. It needs to be revamped.

But, I was referring to another point. If charges of corruption are levelled against a high rank person, there should be a definite machinery of investigation. That Ombudsman should have the power to call all people involved in investigation to one place. It is now possible to set up new mechanism for each and every enquiry. However, the system should be honest and find out facts appointment and promotions of that mechanism should not be dependent on the Government. There should be a few thousand honest people who may speak out the truth even at the cost that personal benefits. Only then, something can be hoped for the future of country.

I once again want to say that today we

stand on a three way crossing. This report is not only concerned with the scam in banks it is a very serious remark on our national character. It will put us in the dock. It calls for a reply from the Government. I want to mention once again that this report is unanimous.

My friend, Mr. Jena was raising the issue in fact with a view that a unanimous opinion can be formed about the unanimous report. I do not want to refer to the other notes and the facts mentioned therein, although they are important by themselves. But can not this House form a single opinion about the report that does not carry any dissenting remark ? The only opinion which can be formed is that action should be taken against those who have been booked in the report. If the concerned person is a Minister, he should resign and if he is an officer, he should be made to stand in the dock. This only can help in reviving the lost faith of people to some extent.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI SALMAN KHURSHEED): Sir, I have the honour to open the innings on behalf of our party and I am conscious of the fact that I have to play the tricky swing bowling of hon. Member, Shri Atal Bihari Vajpayee. I stand here to speak neither to oppose nor to defend the position taken by the Joint Parliamentary Committee, because such is not our position to do. It is true that when a Joint Parliamentary Committee makes recommendations, it would take the most courageous of Parliamentarians to question the basis, the evidence or the conclusions arrived at by the Joint Parliamentary Committee.

I join Shri Atal Bihari Vajpayee in con-

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gratulating the thirty Members of the Parliamentary Committee, headed by Mirdhaji, for the report that they have submitted. I wish to congratulate them for the Report that they have submitted, but I differ with Shri Vajpayee to the extent that I find it very difficult to write a gloss on the report that we are accepting. We either accept the report or reject it. It is not for us to add an emotional gloss on a report which I believe, and we must all believe has been written with complete objectivity and complete persuasion that whatever has been written has been written in an honest belief that it is true. It is not for us to now write a gloss about what should be done on the basis of that report. It is to be done in terms of conventions that have developed in our Parliamentary system. It is not for any individual Member to suggest that we should now create new convention. Conventions grow not by pressing an emotional argument at a time when we should be objective, keeping in mind the consequences of anything that we do on the findings and conclusions of this report.

I stand, Sir, to defend a dream that become a nightmare for the opposition of the day. I stand here to defend the economic legacy, a legacy of late shri Rajiv Gandhi which finds its living proof in the personality of the Finance Minister of the day, Shri Manmohan Singh. I stand without any reservation (*Interruptions*)

I am obliged that those who have been preaching to us Parliamentary conventions have shown another convention of interrupting the speaker who is making his case for his party.

I stand today to defend without reservation our belief in the new economic policy. Whichever way you may like to describe it, but we like to describe it as a national

rationale approach to globalisation of the world's economy and I believe that it is the results of the last two years which are now becoming a nightmare for our Opposition. And, therefore, it has become important for them to attack it. Not having succeeded in the electoral attack, they now want to attack it in the personality of the Finance Minister who represents the symbol of that economic policy.

1200 hrs

Sir, today, we are facing the second most important demolition that has been attempted by the Opposition. The first demolition was attempted on the 6th of December. (*Interruptions*)

I speak not of the demolition of a structure; I speak not of the demolition of a house of worship; I speak of the demolition of a structure on which this country was built; I speak of the demolition of the secular fabric of this country. Those who are preaching to us today about convention and responsibility. I hope certain sections of the Opposition will join us in this and those who are preaching to us about incredibility, about incredulousness, about doubts that had been cast on the ability of the CBI and other Government agencies for providing objective investigations and who have been casting aspersions and teaching us new conventions, must remember what happened on the 6th of December. What had happened to the convention of 6th of December?

SHRI HARINPATHAK (AHMEDABAD)
What is the connection between the convention of the 6th December and the JPC Report?

SHRI SALMAN KHURSHEED: I am not yielding, Sir, if they are so confident that m-

argument is an argument of non-sequitur they can, when they get a chance to seek an answer. All I want to say Sir, today is that the Leader of the Opposition is saying that for every administrative act that takes place in the Ministry of Finance, the Finance Minister should take the moral responsibility. For all that had happened in Ayodhya on the 6th of December, let them tell me, who took the responsibility for what had happened on that day. [Interruptions]

Sir, I had said that I stand to defend the Economic Policy because what is a stake today is not the future of Dr. Manmohan Singh, what is at stake today is not the future of this Government, what is at stake today is the aspiration of a young generation of Indians who want to take this country to the 21st Century with pride and with privilege. We have been obstructed and attempts have been made [Interruptions]

MR. DEPUTY-SPEAKER: Please do not interrupt unnecessarily.

SHRI SOMNATH CHATTERJEE (BOLPUR): Sir, at the Leaders' Meeting this morning, we expressed that there should be no heckling like this or interruptions like this. Therefore, I request Mr. Vajpayee and the hon. Members on the other side to see that it does not happen.

SHRI SALMAN KHURSHEED: I am very obliged to Mr. Somnath Chatterjee. I believe that it is in the highest traditions of Parliamentary practice that even if you disagree on Economic Policy, you must first hear what the other person's policy is. We have said that there had been serious differences on Economic policy and you have and you must make full attempts to obstruct whatever we try to do in the field of Economic Policy because it is certainly true that your vision differs from ours but your vision

may well have the same, high level of nationalistic feeling that our vision has. But I just want to point to the main Opposition of the House and the main Opposition in the country today that so long as left front has a disagreement with us on liberalisation of economy, we expect this as an important nationalistic difference between two points of view but we have not been able to understand the economic difference, difference in Economic Policy of the BJP and our Party.

They speak of liberalisation and they have spoken of liberalisation for 40 years. But when we were able to introduce liberalisation, when we were able to introduce globalisation of the Indian economic policy, we find that they have an objection. They want us to export, but they do not want us to import. They want a free market to stop at the boundaries of India. I hope, they have some economist among them, who will tell us of a model that works only on one way traffic. You can travel from here to Ayodhya but you cannot travel from Ayodhya to Delhi.

Sir, I would like to pay tribute to Shri Atal Bihari Vajpayee, who has tried to make good argument of a bad case. I do sympathise that hard cases make bad law and it is my concern that a hard case that was placed before the Joint Parliamentary Committee may not end up in making bad law, bad law in the form of bad parliamentary convention.

Here, with the greatest of respect for a person that, I believe, is a friend, philosopher and guide not only to me but to millions of young Indians and people aspiring for the national cause, Shri Manmohan Singh, I respectfully disagree with him in his having perceived his moral responsibility and parliamentary convention that he should tender his resignation. This will not just be the resignation of Shri Manmohan Singh, this

will be the shattering of a dream of thousands of young Indians. *[Interruptions]*

SHRI SALMAN KHURSHEED: I have learnt all this from you.

MR. DEPUTY SPEAKER: If you want to say something, you please get up and if the Minister allows you then only you are at liberty to speak, otherwise kindly oblige.

[Interruptions]

SHRI SALMAN KHURSHEED: Since the hon. Members are so beefed at my defence of the Finance Minister, I would just like to shift gears a little bit and speak of an anecdote that I believe is as appropriate for the occasion. This is something that happened and which related to proceedings in the British Parliament and British Courts.

Sir, some years ago, an outstanding judge of the British judicial system. Lord Denning, was faced with a difficult situation involving once again a degree of disagreement between different political groups in the country. A post-office workers strike had been proposed against Mayors being sent to South Africa, something with which certainly we, from our point of view, would have sympathised. However, the law took a different opinion and the law said that there cannot be a strike of essential matters, especially of mail, because the mail may be carrying important matters to people concerned, including perhaps medical reports, important financial transactions, and that would thus be obstructed.

Therefore, the matter went to the Court. Lord Denning sitting in the Court of Appeal had passed strictures on the Government of the day, on the Attorney-General and had imposed permanent injunction. The other two judges sitting with Lord Denning had disagreed mildly and said, "we will give an

injunction but we will give injunction only temporarily till such time as the Attorney-General is able to appear before us on behalf of the Government and explain what exactly the Government's position is."

That evening, as you know the British Parliament meets in the evening, the Attorney-General was called upon to make submission to the house of Commons to explain what exactly had happened in the judgement. The Attorney-General stood up and said, "there is no problem really, there is only one judge who is against me and the other two judges are for me. On Monday, we will sort this matter out."

That evening, Lord Denning was asked to comment upon the Attorney-General's intervention in Parliament. He looked meaningfully at his audience and said, "they do not understand cricket. Do they? This Attorney-General and his colleagues, I have bowled their middle stump and they say they are not out because the other two are standing." This exactly is the position in which this opposition stands today. This Finance Minister has bowled the middle stump and this finds little pieces in the JPC report to say. they are not out because the other two stumps are still standing. What is it, after all that the JPC report has found?

I am sorry, Sir, those who do not play cricket and only football will not understand this. *[Interruptions]*

SHRI RAM NAIK (BOMBAY NORTH): Sir, he is insulting football.

SHRI SALMAN KHURSHEED: Sir, I appreciate the hon. Member's concern for football but football jokes unfortunately are of the sort that I cannot repeat on the floor of the House.

I wish to draw your attention to page 7 of the report submitted before this House because that is really the germ and that is really, I believe the understanding of the JPC itself of the conclusions that it has reached. I do not wish to analyse the evidence, I do not wish to analyse the submissions, I do not wish to add gloss on the conclusions except to pinpoint what the JPC itself has said by way of conclusions and to say that the best that we do is to interpret to the best of our ability what the JPC has done. It is not for us to add anything further, not a word further to what the JPC has done even if we feel that their work has been inadequate.

Para 2.7 reads as follows:

"The scam is basically a deliberate and criminal misuse of public funds through various types of security transactions with the aim of illegally siphoning off of funds of banks and PSUs to selected brokers for speculative returns. The latest irregularities in the securities and the banking transactions are manifestations of this chronic disorder."

Those who understand the word 'chronic disorder' and who understand 'disorder' will understand what the JPC has meant. There is no specific reference, there is no specific responsibility of any individual and it cannot be of an individual if we are talking about a chronic disorder.

If Shri Atal Bihari Vajpayee's understanding of this Report is correct, that the JPC has rejected the Finance Minister's contention that this was a systematic systems failure—if that is the understanding of Shri Atal Bihari Vajpayee's and also of the Members of the Opposition,—then I would know what 'chronic disorder' means. Any person acting in a negligent manner, any

person failing to exercise the responsibility, any person being callous and cavalier in the discharge of his public duties, could not possibly lead to what can what can be described in national terms as 'chronic disorder'.

"A chronic disorder, since that involved not only banks but also the stock market, the financial institutions, the PSUs, the central bank of the country, and even the Ministry of Finance and other economic ministries in varying degrees."

We are talking about a serious problem. We are not talking about an individual, no matter how competent he is, no matter how qualified he is, holding responsibility for something which is endemic in our system.

It is here, not just in this Parliament but in this country that every public figure, not once but a thousand times in his career has repeated that here is something wrong with the system, that there is something wrong with the criminal justice if we cannot bring people to trial for ten years in a row. There is something wrong with the inquiry system in this country where every judicial or extra judicial inquiry needs to go to the Supreme Court hundreds of times before the procedure is clarified. There is something wrong in the system when you find that an hon. member like Shri Antulay had to fight for ten years to get his name cleared all the way to the Supreme Court hundreds of times and that he had to have a constitutional court judgment of five judge overruled by a constitutional court judgment of seven judges. Who would answer for that? Have we, sitting in this House, who are the protectors of the law, the framers of the law, ever asked ourselves the question that there is something rotten in our system? If there is something rotten in the system, it will not be settled with the resignation of two or three

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Ministers, it will not be settled with the resignation of the entire Government, it will not be settled by changing of a Prime Minister, but it will be settled if hon. Members of the Opposition, with a nationalistic approach sit down with us and tell us how this matter has to be solved.

We are prepared to accept that some of the Members of the Opposition raised a voice against corruption and this party is just as committed to ethical standards and to the elimination of corruption as they are. If we were not, then believe me, that we would not be sitting on this side of the house. The whole country has judged us to be so.

Today you might want to make a fresh judgement on the JPC Report and its findings. But do not forget that the JPC Report and its Draft had been in the newspapers all these months when we faced electoral battle. Do not forget that it was in your manifestoes; do not forget that it was in your speeches. And yet you know the result of the elections that took place. That was the election which you described - we did not describe - as a mini general election, which you said would be a prelude to a midterm election in the country and you said would be a prelude to your walk to Delhi. Now you noticed how long the distance to Delhi is. Perhaps you should now advise your policy-makers, in the inimitable words of the great king of the country: "Dilli door Asta"

Sir, I will now proceed to page 8. At the bottom of page 7, last line, again paragraph 2.7, says:

"During the period from July 1991 to May 1992, the most glaring proof of the nexus between the irregularities in banks

and the overheating of stock market which came to light is explained by the graphic representations of the BSE Index; and the fact that there was a sharp increase in securities transactions during the corresponding period of the banks involved in serious irregularities related with the scam. What is more apparent (this is important) is the systematic and deliberate abuse of the system by certain unscrupulous elements...."

Why do we not find out who certain unscrupulous elements are, instead of asking for head hunting in the Government of the day? This is what I urge.

(Interruptions)

SHRI HARI KISHORE SINGH (SHEOHAR): How the failure systemic of this great proportion from July 1, to May occurred? In July 1991 this Government came to power and this New Economic Policy was introduced. *(Interruptions)*

SHRI SALMAN KHURSEHEED: If the hon. Member would allow me, during the course of what I have to say, I will refer to this point and hope to satisfy the hon. Member if at all happened why it had happened during that time.

I may now turn directly to the chapter on the Ministry of Finance, which is going to be my concern. I will leave it to my colleagues to deal with other areas in this Report because I would not like to take too much time of the house before other people have their say.

Paragraph 16.8 is the basic finding of the JPC against the Government on the Finance Ministry if such is the case. It says:

"The Committee have examined this matter in depth (for which we are grateful)

and the Finance Minister and the Ministry during evidence have termed the scam as a "system failure". In the context of the banking sector, the Government being the owner (or trustees on behalf of the people of India) of the entire nationalised banking industry and given that there exists various methods and mechanisms of information and control, the MOF failed to (a) anticipate the problem; (b) respond to it purposefully when it first surfaced; (c) manage adequately thereafter the consequences of it; (d) apply the needed correctives with despatch; and (e) punish the guilty in time and resolutely."

Sir, there was a very important word, which was used by Shri Atal Bihari Vajpayee, and that word was described as 'negligence'. But, now here in the Joint Parliament Report, the words 'negligence or cavalier fashion in handling by the Ministry in the discharge of its responsibilities' have been mentioned by anybody. The words mentioned in the Report are; "anticipation of problem; responding to it purposefully; manage adequately; apply needed correctives; and punish the guilty. Punish the guilty is not the Finance Minister's job. But certainly anticipating the problem is his job; responding purposefully is his job; managing adequately is his job; and applying needed correctives is his job. It is for him, the Finance Minister, and for the Government to judge on each of these counts, he is supposed to do.

And when you are on the job, it is not for thirty people or even for the entire Parliament to tell you. I think, on this the parliamentary procedure is very clear. The Parliament cannot in its wisdom tell a Finance Minister on how he should have anticipated something, on how he should have responded, on how he should have managed and how he should have applied correctives. It is the prerogative of the Government of

the day to decide what to do. It is the prerogative of the Government of the day to decide what to do. It is possible that the assessment with all the hindsight and wisdom which is available to the JPC including the disclosures and explanations given by the officials of the Finance Ministry and the Finance Minister himself, they have come to the conclusion that the anticipation was inadequate or the response was inadequate.

Sir, in my limited knowledge and limited understanding of parliamentary procedure, I have not heard of any precedence that we should have ever created or we should now create by which inadequacy of anticipation and inadequacy of response are to be taken as a matter of great moral import because of which the entire Government should be made to resign. I think, this is trifling. This is trifling with the system of parliamentary democracy to find and it also indicates the lack of earnestness and seriousness in the Opposition to address important issue that will ensure that these things at least in the financial sector do not happen in our country again.

Sir, I will now speak of an adequate response. It is not something that I have acquired independently, this is something which is available in the Report and it is only to be judged by you whether it is right to say that the Finance Minister did not respond or managed adequately.

The steady rise in share prices according to the JPC has been established to be around the period of July, 1991. The Finance Minister's instructions to the RBI in matter of speculative investment was in September, 1991, in the normal course of functioning as Finance Minister.

The Credit Policy of the Government keeping all these in mind, was announced

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in October, 1991. Further rise has been noticed from January to March, 1992. Again a caution against speculative boom was given specifically by the Governor of the Reserve Bank on 10th March, 1992, having been kept back till 10th of March to ensure that the Budget was through and the Budget was not affected by any dire warning against speculative boom. Then, a letter from SEBI cautioning against repercussions of the continuing rise came on the 31st January, 1992. The Finance Minister addressed the Presidents of the Stock Exchanges on the 28th March, 1992. The grievance of Shri Atal Bihari Vajpayee is that in the meeting where the source, the causes of unhealthy speculative boom have been mentioned, have been discussed and have been initiated were not enough. There should have been specific mention of unhealthy boom. Again, we cannot dictate to every individual Minister and Administrator exactly how he must put his message across to the people that he is dealing with.

Questions in Parliament were across on the 27th March, 1992 and on the 31st March, 1992. The Janakiraman Committee was appointed on the 30th April, 1992. The Finance Minister made a statement regarding these matters on the 4th May, 1992. The ordinance was promulgated appointing special judge and special court on the 6th June, 1992. The discussions on the Jankirama Committee Report took place on 8th July 1992. The Prime Minister's statement that the JPC would be advisable and such a request is being made to the Speaker was made on 9th July, 1992. The JPC Resolution were passed on 6th and 7th August, 1992 respectively, in the Lok Sabha and Rajya Sabha, where going by the Indian standards, where going by the standards that are familiar to us, where going by the

systems and institutions that we are familiar with, where can anyone pinpoint to inordinate delay in the action which was to be taken, which was going to affect a large number of institutions in the financial sector in the country?

Sir Rome was not built in a day and those who say that it is the policy of liberalisation; it is the policy of opening up which has created this problem should also consider that whenever you change over from a strict system to an open system whenever you change over from security to transparency. Whenever there is a change from one system to another, vested interests try to take advantage. And that is why in sociological terms we call this as 'withdrawal syndrome'. whenever withdrawal syndromes take place, correctives are necessary. But correctives should not mean that you deprive the person who is attempting to change the system from the very ability and the very commitment to change the system.

I have great disagreement with the interpretation that is being placed on the JPC report by Members of the opposition saying that any of these grounds have been clearly established. The Committee itself has found on page 211, in paragraph 16.16 that:

"The Committee are inclined to conclude that despite the Ministry of Finance being aware of what was happening in the stock market, did not address themselves seriously to check the unhealthy trend, believing this phenomenon to be a beneficial consequence of their policy. Even after holding the market behavior as unreasonable, the Ministry of Finance did not act decisively in the matter."

So, they have said 'unreasonable be-

havior', 'did not act decisively in the matter', 'did not seriously check', but nowhere in this Joint Parliamentary Committee Report has any attempt been made to say that the scam was contributing entirely to rise in share index of that time. The Share index is rising even today...[Interruptions]. I am not yielding.

Is the entire edifice of economic policy that has the approval of this country and that has the applause of the world going to fall on the word 'unreasonable behavior of the market'? The Finance Minister repeatedly in his interventions and in his replies to the questions posed both in the Rajya Sabha and Lok Sabha, has said that amongst the constituting factors, liberalisation of the economy is also one factor. He always said that, *inter alia* it is this factor that is contributing to the rise of the share market. Now, if liberalisation does not help in the rise of the share market, then what does liberalisation help in? This is what I want to ask the Opposition. If an attempt has been made and if the JPC has said that they have been able to apportion the extent to which the callousness or the lack of attention to the unreasonable behavior was the cause of the rise in the stock market, the extent to which the scam was the cause of the rise in the stock market, we could then have apportioned the blame. But no such thing has been said. It has been left vague, it has been left as general, it has just been left as a sober warning that we need to put our system right. This warning is coming from the Parliament today but this warning came from the Finance Minister when he presented the first Budget to this House and he said that we have to make important changes, we have to make important improvements in the financial institutions and the financial system of our country. So, today what are we going to hang, draw and quarter a man for the very warning that you

want to give today. We want to hang, draw and quarter a man for the fact that he is competent, for the fact that he understands the market, for the fact that he understands the economy, and for the fact that he has given you today an economy that not just you but the whole world is applauding as an economy which is in the process of a major take off.

In the end, at page 222 in the general comments on the responsibility of the Minister of Finance, the following important conclusions have been drawn:

The Committee, having examined all aspect, conclude as follows:-

For the Minister of Finance to have asserted that the rising share prices in early, 1992 was among other things, a consequence of the liberalisation policies was misplaced.

Absolutely no basis for this conclusion has been given. It is true and we will accept that it must have been contributed to by the fact that there were liberalised policies.

The liberalised policies contributed to the rise of the share index and perhaps allowed for the kind of scam that took place, but simply because somebody misuses your attempts to reform your system must not make us so timorous as not to reform our system at all. The Report further says:

"Moreover, for the Ministry of Finance to have dealt in terms of relative unconcern with excessive speculation on stock market is not appreciated by the Committee."

Is the lack of appreciation by the Committee going to be the basis of a moral responsibility on a Financial Minister? The committee further states:

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"Effective regulation was hindered by the prevailing atmosphere in the Ministry that what was happening, far from being bad for the economy, was a reflection of the success of the new policies. Its failure to ensure adherence to its own instructions contributed significantly to irregularities in the securities and banking transactions."

It says: "significantly contributed". Is that all going to be the basis of a moral responsibility? The Committee goes on to say:

"The Committee regret to observe that the Ministry of Finance could have exercised much closer supervision of the entire securities and banking transactions. Had that been done, the subsequent disorder in our economy, could have been avoided."

Sir, "disorder" here is a very important word. I am not sure whether anybody even in the Opposition can seriously argue that our economy, suffered from disorder or continues to suffer from disorder. But what is important is, how the Committee having come to these summaries and conclusions have finally suggested what need to be done. The Committee says:

"The Committee agree with the contention of the Ministry that the solution does not lie in increasing the control of the Ministry of Finance, but in having greater professionalism of the Boards. One way of doing it would be to replace the Government Nominee Directors who are not at present from the civil services with persons possessing professional qualifications and experience".

This is the crucial finding the base finding, the most important principal finding of this Committee that what you call for is greater professionalism and no public figure

in this country can stand up and throw the first stone in saying that: "I have been upright in my career in ensuring that only professionalism and professionalism of merit has secured the places in this country." We are all subject to the pressures, we are all subject to our constituencies, we are all subject to the atmosphere in which we have survived this politics and we have, all of us, been guilty of promoting lack of merit, of promoting individuals, of promoting corporations, of promoting persons and of promoting forces that, we believe, will support us politically. Let us make a decision here today, collectively that India is going to function as a professional country. India will function as a country that believes in merit, India will function as a country that believes in justice and not as a country that believes on reward being given on the basis of party politics. Let us take this decision, a lot of us will go into oblivion if we take this decision, but, it will take courage, because a lot of us will lose our elections if we take this decision, but we will go down in the history and we will save this country. If they have the courage, the opposition should stand up today and request our Prime Minister by saying: "Let us meet to decide how we can give India greater professional profile." *Interruptions.*

Sir, two very important observations have been made. I would like to refer to those observations and I will then also refer to a precedent in this very Parliament where a Minister had taken responsibility and has resigned. The Committee felt strongly about the role of the foreign bank and then finally it said:

"In the light of the above, the Committee feel the responsibility and accountability of the Finance Minister to Parliament cannot be denied."

And this exactly why we are proud of this Finance Minister. He stood up and took responsibility. He did not shy away and say that this is a responsibility of the officers who were advising me. That is the highest traditions of parliamentary behaviour that you stand up and say: "It is my job, it is my Ministry and I will take the responsibility." Then the Committee says:

"The Finance Minister has raised a point to which the Committee feel it should react. In his written submission the Minister has stated, as regards the functions of the Finance Minister, he oversees the work of the Ministry and provides overall policy guidance to the officials. Revenue and expenditure decisions are the direct responsibilities of the Finance Ministry. As such, the Finance Minister has more direct responsibility in these areas. He is also responsible for broad policy decisions affecting the financial system where the Finance Ministry is involved."

However, FM cannot be held responsible for administrative failures or management deficiencies in the case of individual banks and other financial institutions. The Committee feels that such a distinction cannot be sustained by the constitutional jurisprudence under which the parliamentary system works. But the Committee does not tell us anywhere at all what does it by accepting this distinction in terms of Constitutional jurisprudence entail.

A time has come when we must seriously think about what moral responsibility entails. If a train crashes, if a railway driver goes to sleep in the train travelling from Delhi to Calcutta, should the best Railway Minister resign? If a plane fails to make a correct three-point landing on tarmac, should the best Civil Aviation Minister resign?

SHRI RAM NAIK: Both of them have earlier resigned. Mr Lal Bahadur Shastri had resigned when there was a rail accident. Your colleague, Mr. Madhavrao Scindia had also resigned when the aircraft crashed.

SHRI SRIKANTA JENA: Why did Mr. Chidambaram resign?

SHRI SALMAN KHURSHEED: I will tell you why Mr. Chidambaram resigned. I am grateful to the hon. Member for pointing out the important precedents of resignations that took place taking the moral responsibility. I think, it is now time that Parliament establishes a convention that moral responsibility should be taken and expected to be taken only where there is moral turpitude or there is something reflecting upon somebody's ability to handle and discharge the duties that have been assigned to him as a Minister of State or Minister of the Union. That is an important matter that we now have to consider—moral turpitude as well as one's ability to discharge his functions. Otherwise, in a complex world where computerization failures can take place, in a complex world where you now have hundreds of aircraft flying, any crash of any plane would not possibly be seen as unproductive exercise towards leading to resignation of outstanding Minister. Let us not leave the governance of the country to the chance of a bird-hit of an aircraft. Let us now decide on what stable foundation, conventions of this Parliament are to be established. Those who speak of convention that exist earlier, would recall—I am sure, they are well versed in the parliamentary history—what was said at the time when the hon. Minister T.T. Krishnamachari resigned because I know several Members will draw attention to this. He said:

"I do not propose to deal with the finding

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of the Commission in regard to the conduct of the officers of the Life Insurance Corporation or of the principal secretary to the Ministry of Finance. I shall not also touch upon the principles which the Commission has suggested to be established at the conclusion of the report except to say that it would be impossible for any Minister to accept the dictum that he must take full responsibility for the acts of his subordinates without being permitted to say that his subordinates did not reflect his policy or acted contrary to the wishes or directions expressed by him, as the quantum and character of his Ministerial responsibility has not been defined. I shall, however, confine myself only to the findings as they relate to me which fall into two parts."

That speaks of his personal involvement and responsibility. If you are personally responsible, if you are personally involved, it is another matter. But if you make an error of judgment, a professional error of judgment, it does not go either to your ability to do the job that has been given or go to your moral character. I see no reason why anybody should even expect that those people should resign simply because you hope the resignation will derail the policy that this Government has propounded two years ago.

In conclusion, I only want to say to my friends on the other side, something which cannot be said in the English language and here I bow to Shri Atal Bihari Vajpayee that sometimes you get to the kernel, sometimes you get to the soul and sometimes you get to the heart, only when you speak your own language. It is in two little couplets with which I shall present my case. I speak of this little picking that you have made from the

JPC report hoping that they will push us to the brink.

[Translation]

"Tum Nahok Tukde Chun Chun Kar
damen Mein Chhipaye Baithe Ho, Sison Ka
Masiha Koi Nahin, Kyon Aas Lagaya Baithe.-
Ho

[English]

Finally, before I rest my case, I have a personal tribute to pay to the Finance Minister and I pay it in the words of another poet:-

[Translation]

"Girte Hein Shah Sawar Hee Maidana
Jang Mein
Wo Tiff Kya Girenga Jo Ghutano Ke Bal
Chalen"

[English]

SHRI SOMNATH CHATTERJEE
(BOLPUR): Mr. Deputy Speaker, I sympathise with my very good friend Dr. Manmohan Singh because he has to protect himself by his friends in his party

We are discussing today the biggest financial scandal of this century, if not of several centuries, that country has seen and I cannot begin without first congratulating the Chairman and Members of the joint Parliamentary Committee for submitting a unanimous report and a historic report, for that matter, after very elaborate discussion and study.

This JPC was constituted by Members from all the political parties in this House and, in that sense, the House itself is a party to this report.

1244 hrs

(MR.SPEAKER *in the Chair*)

Though the report bears, as its Chairman has said, scars of compromise, yet JPC has indeed done a very commendable job which has enhanced the credibility of the parliamentary system of Government in this country. Now it is for the Parliament to redeem itself. The people are looking forward to us as chosen representatives of the people, on the face of the findings of this report whether we will fail this country not or whether honesty, accountability and transparency in public and financial dealings in this country will continue to be at the mercy of financial marauders and diabolic economic adventurers and also puppets dancing to the tune of international financial brigands, making this playground of multi-nationals and manipulators.

I wish to raise a very fundamental issue before I go to the specifics. How could a responsible Government in a parliamentary democracy react to unanimous reports of Joint Parliamentary committee like this where in all Parties have been represented? what will remain of the dignity and the prestige of parliament and of accountability to the people through Parliament if the Government treats unanimously JPC reports casually and with scant respect as if it was a note of probably a mere Section Officer whose implementation will depend only on the partisan political judgment or the ipsodixit of the Prime Minister of the time? This is a very fundamental issue and I would request the Government to make its position very clear and about this, I request you as the Speaker, the custodian of this House and of the parliamentary democracy in this

country to indicate your views.

I should have thought that accountability is the basic feature of Parliamentary Democracy. We are accountable to the people and the Government of the day is accountable to this House. I cannot think of any Governmental activity in a Parliamentary Democracy for which there will be no political accountability. But what do we see here today? I cannot but refer to the reported news, information, that our Finance Minister has tendered his resignation. We have openly and I have openly said that we appreciate the stand taken by the Finance Minister in upholding the highest Parliamentary tradition in tendering his resignation in deference to the unanimous report of a Parliamentary Committee. It cannot be said that it is a partisan report. It is not always a question of direct personal responsibility but there has to be a moral response also and if those who are the political masters try to use bureaucracy as the shield, as Shri Salman khursheed has been propounding, then the political accountability loses all significance in this country.

Occasions in the past have been there in this very country. Pandit Jawaharlal Nehru, whose name is not uttered by the Congress party these days, said when the question of Shri Lal Bahadur Shastri's resignation came and I quote:

"The ultimate responsibility that happens in this country is certainly the responsibility of the Government of India."

Shri Salman Khursheed, the young Parliamentarian, may kindly read, sometimes occasionally, Jawaharlal Nahru's speeches! It would be good for him. I continue to quote:

"We do not wish to shirk the responsibility. It is true, we cannot control the ele-

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ments and we cannot control many other things. But it is the Government's responsibility. We fully accept that responsibility."

Shri T.T. Krishnamachari resigned when there was misappropriation of Rs. one crore of LIC funds, not Rs.4000 crores like this! He had to go. He pleaded his innocence. But Maulana Abul Kalam Azad was there. He said: "No. He must go." They were made to accept that decision. Shri Keshav Dev Malaviya had to go. While resigning, what did he say? I quote: "My conscience is clear." Of course, we had the privilege of having Shri K.D. Malaviya in this House. said and I quote:

"I can only assert my innocence and impartiality. I offered my resignation believing in certain basic values for which we in parliament stand, for which we are trustees for the people who have elected us."

Now, a new theory is being propounded by the Congress party through the mouth of our young parliamentarian-Minister. Pandit Jawaharlal Nehru's response to Shri Malaviya's resignation was this and I quote:

"Even though I am not personally convinced that Shri Malaviya has done anything which casts a reflection on his impartiality and integrity, yet I accept his resignation and in doing so I have followed- and I must follow - the high principles of parliamentary Democracy by which the office of the Minister is Governed."

Those days are gone and there are no Nehru either. Today, we are told that moral responsibility must be moral turpitude. That means today a new theory of accountability in parliamentary Democracy has been propounded solemnly by the opening batsman of the congress party who is targeting

somebody's middle stump. But you are not looking after your off-stump or the leg stump which has already gone.

SHRI ANNA JOSHI (PUNE): Now clean bold. (Interruptions)

SHRI SOMNATH CHATTERJEE: Sir, I yield to none- not even to those so-called friends of the Finance Minister- in my respect for him, personal respect for him. I respect his erudition; I respect his learning; I respect his expertise as an economist of world repute. And I have indeed personally a soft corner for him because he always refers to my late father in very endearing and respectful terms from whose hands he got his degree, he tells me. I may not agree with him in so far as his economic management of our country is concerned. But I do not impute any personal motive at all. All of us highly appreciate his role in the south-South Commission. He has removed himself far away from that. If at all I have to fight him, I fight him politically on the floor of this House. And he knows my respect for him because I have already invited him to go and open a very important industrial unit in West Bengal and whether he remains as the Finance Minister or not, my invitation remains. Dr. Manmohan Singh. But what I see today, the congress Party and most amazingly even some diplomats have joined the orchestra bed campaign that today whatever may happen to this country, Dr. Manmohan Singh must continue as the Finance Minister. Has the Congress lost, if it ever had recently, its commitment to morality and accountability? I was thinking whether the Prime Minister or his party was fair to Dr. Manmohan Singh as he has been made a subject matter of controversy now. We felt that in the context of the findings of the JPC which the Congress spokesman today has accepted without demur, whether Dr. Manmohan Singh has had any alterna-

tive but to put in his papers. Let not a good example be spoiled by the contrived projection of indispensability of any individual in this country. And if that is the object, that is the purpose, then it will give credence to the belief that our Prime Minister is acting under a pressure.

I very humbly raise a question; What is the role that we are playing in parliament today when we are considering the JPC Report? Are we sitting on judgment over it? Are we trying to question the unanimous decision of the Members of the JPC representing all the political parties in this House, almost the combined wisdom of this Parties have laboured very hard for over 16 months, 18 months.. They have gone through the records and various documents, heard evidence and they have prepared their Report. Can we overrule their findings during a few hours of discussion on the floor of the House? Can we come to a decision contrary to the findings of this Committee? Are we, sort of, a court of appeal that today we shall dissect the Report and try to find out some loopholes in it?

I have had the privilege of being here for some years. Therefore, I shudder to think, what will happen to the Parliament as an institution, what will happen to its credibility outside. If all these deliberations today go waste, what is the use of saying for the sake of speech that we accept the Report and then you make all sorts of comments on its findings, are not as if, some of the findings acceptable?

Therefore, Sir, I would also request the Leader of the House to tell us that his perception is about the effect of Reports like the one that we have today and which we are discussing. The Prime Minister had gone on record to say that, and he has assured the House that no one will be

spared, "whatever high position one may occupy, he will have to face the consequences". Now, it is for the hon. Prime Minister to be true to his assurance. No, one from the Minister downward, who have been found to have been guilty of remissness in dealing with public affairs and financial business of this country should be spared. If those who are guilty, do not go, they should be made to go and all disciplinary and remedial action must be taken in all earnestness, with all comprehensiveness, with sincerity and expedition.

Mr. Speaker, Sir, what has been most disquieting, while one goes through the Report, is the facility and openness with the huge fraud and loot was committed in this country of thousands of crores of rupees, not by only one officer or one functionary but, by a large number of people, who had been entrusted with the well-being of this country, who had been entrusted with the financial management of this country. We have no surplus funds to squander away. We are always told that we lack resources. The whole object of privatisation is to infuse more funds in the system from outside. But, whatever we had, had been allowed to go away, siphoned away. We have the entire paraphernalia of Minister and what not, and today, we are told: "Well, if some supervisor does this or some Under Secretary does this or some secretary does this, what shall I do?" The disquieting aspect of the matter also is of the presence of a diabolic politician, business man and bureaucratic nexus and that along has made this scam of gigantic proportion possible.

Sir, I cannot help but going into some of the aspects in as brief details as possible, you will also recall, Sir, that many well meaning persons in this country and some of us inside the House, had expressed

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serious reservations when the index of share prices had shown" quite an unusual and unexplained increase "to quote the words of the JPC. In December 1991, the index reached 1915.12 points while it was 554.9 in April and 571.3 in June 1991. There is no doubt about it; it has been admitted by them also that initially the Government took credit for such a rise and was almost euphoric that the boom was the result of the new fiscal measures and the liberal policies of the Government. Today, we hear that this was the result of the withdrawal syndrome.

Sir, I have to take the liberty and tax your patience for a while in reading out certain portions of this Report.

13.00 hrs

'In Para 1.1, the Committee noted:

"...the Economic Survey of 1991-92 presented by the Ministry of Finance in February 1992 reflected, The market sentiments gathered further bullishness following the new fiscal measures announced in the Union Budget for 1991-92 and the new policy initiatives of far-reaching consequences in July 1991, and the Trade Policy Statement in August, 1991."

In para 1.3 it is stated:

"In reply to Unstarred question No.4969 in the Lok Sabha on 27.3.92, the Minister of State in the Ministry of Finance, stated, The share prices have shown rising trend during the last nine months due to market factors including the recent liberalised policies of the Government The increase mainly on account of expectations of investor generated by the rise in the level of foreign exchange reserves and the improvement of overall economic environment"

This is not one stray observation; that was the considered reaction of the Government of India at the highest level. The Finance Minister has stated in Parliament on 4th May 1992:

"...the increase in prices shares of companies listed on the stock exchanges was on account of several factors including the expectations of the investors generated by the improvement of overall economic environment and the level of the foreign exchange reserves."

To quote him further, he said:

"... the Indian economy and the capital market are quite large and capable of absorbing fluctuations in prices on the stock market. There is no cause for undue alarm, Government is keeping a close watch on the situation."

And he said his sleep was not disturbed. Therefore it was not a stray observation. Repeatedly the Government has been taking up the stand that this is the benefit of our policy.

If you kindly come to para 16.16 about the Committee's finding of what is wrong:

"The Committee are inclined to conclude that despite MoF being aware of what was happening in the stock market did not address themselves seriously to check the unhealthy trend believing this phenomenon to be a beneficial consequence of their policy. Even after holding the market behaviour as unreasonable, the MoF did not act decisively in the matter."

Because this is now being said. Otherwise I would not have gone to these details.

Please see Para 16.61:

" For the MoF to have asserted that the rising share prices in early 1992, was among other things, a consequence of the liberalisation policies was misplaced."

Than Please see the Committee's observation in sub-paragraph (c):

"Effective regulation was hindered by the prevailing atmosphere in the Ministry that what was happening, far from being bad for the economy, was a reflection of the success of the new policies. Its failure to ensure adherence to its own instructions contributed significantly to irregularities in the securities and banking transactions.

(d) The Committee regret to observed that the MoF could have exercised much closer supervision of the entire securities and banking transactions. Had that been done, the subsequent disorder in our economy, could have been avoided."

This is the unanimous report and let us not forget that amongst the Members of this Committee, there are very strong proponents of the new policy. Here, I find Shri Murli Deora, the hon. member from Nariman Point, representing what Nariman Point represents in this country.

In this Committee, there have been very strong supporters of the new liberalisation policy; I am sorry, even then, they have agreed to this report. They could not find any fault with the findings of the Committee. Liberalisation cannot be a *mantra*, ... that like a *mantra*, you utter, "liberalisation and globalisation", and all your difficulties will be solved. We have not been told anything according to the Govern-

ment, except the so called systemic failure. Till today, we have not been told as to what were the reasons for this magnitude of loot, magnitude of financial dacoity or robbery. Everybody failed to do it; and the Committee, in spite of the Government's reluctance to explain anything, had laboured hard to find some basis for this; and now you decry the report and say, " Well, no, no; I was not guilty of moral turpitude; therefore, it was just a withdrawal syndrome or symptom". It is a very dangerous theory that is being propounded on behalf of the Government of India. Then, everybody is exonerated, from the Ministers downwards, on the basis of the withdrawal syndrome and nobody will be responsible. Then you can ask, " What can we do, because we have introduced liberalisation into this country and because we have introduced globalisation in this country? Therefore, it will inevitably result in this type of scam. Sir, God should save us, if you believe in God. I do not know whether he can even do that.

THE MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI KAMAL NATH): Do you believe? (*Interruptions*)

SHRI SOMNATH CHATTERJEE: No. I do not. I am asking him on your behalf. (*Interruptions*) Unfortunately, you are still there. (*Interruptions*) That is why, the Committee was compelled to give this unanimous report. I cannot help reading it. They are dealing with the hon. Finance Minister, Sometimes, he is very graphic in this observation. He has control over his language. I quote and he said:

"Our strategy has been two fold. First to release the entrepreneurial spirit and animal energy of our businessmen, industrialists and entrepreneurs to create wealth...."

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To this the Committee's response is this and I quote:

"The predatory instinct inherent in a system of free enterprise, does release the entrepreneurial and animal energy."

If properly directed, it can do a lot of good to the economy.

But, to make the process of liberalization a success, it is necessary to have strategic checks and effective implementation of regulations. While the mood of the Government is upbeat on liberalisation their orientation towards strict enforcement has yet to manifest itself. Deregulation without effective checks and balances would be an unmitigated disaster."

And, Sir, this is precisely what has happened.[*interruptions*] I will have something to say about him a little later.

We would like to know Mr. Salaman Khursheed obviously has been very carefully selected to be the opening batsman. He has accepted the report. I take it that the Government of India accepts this part of the report unhesitatingly. If you do that, then you must take the necessary follow up action. But, not one word has been said about that.

By May, June or July, 1992, the Government of India was forced to admit, particularly in view of the Janakiraman Committee Report, that unscrupulous brokers in collusion with certain bank officials had manipulated securities transactions of banks. This was the Hon- Finance Minister's admission. He had lost some of the euphoria and had to come and admit that it was due to some collusion. There was unscrupulousness in the securities market and the bank officials has also taken part in manipulation.

pulousness in the securities market and the bank officials has also taken part in manipulation.

In paragraph 1.11, this was a clear admission by the Hon. Finance Minister. On this basis, there is a reference to the Finance Minister's statement. It said:

"The 'unscrupulous brokers' in collusion with certain bank officials had manipulated securities transactions of banks and financial institutions for their own purpose in a variety of ways and in clear violation of the established rules..."

This is most important :

"...clear violation of the established rules, guidelines and prudent business practices."

Because of that, there was a demand on the floor of this House on our side that there should be a Joint Parliamentary committee to go into this. We congratulated the Prime Minister then for having come to the House and accepting this demand—almost unanimous demand of the Opposition in spite of love of the party of Mr. Advani for the new economic policy. I quote the hon. Prime Minister:

"I feel that there is a need for a comprehensive inquiry through the instrument of Parliament which not only fully establishes parliamentary supremacy but also provides an effective safeguard to protect the country's interests. I am requesting the hon. Speaker to proceed with the formation of a Joint Parliamentary Committee and entrust it with the task... I would like to assure this august House that my desire and purpose remain as they have been so far to a vibrant economy in the larger interest of the nation."

Now the cause of the scam has been identified. The dramatists personal have been identified. Apart from those, who are personally involved, have direct responsibility. There is a question of political accountability. There is question of moral responsibility. Now how does this Government propose to fulfil this? How does our hon. Prime Minister propose to fulfill his assurance on the floor of this House where he talked of parliamentary supremacy? Will parliamentary supremacy be maintained by denigrating the findings of this Committee, by denigration all the work that has been done by the unanimous report with all the difficulties? I cannot but congratulate this Committee. With all the difficulties- lack of machinery and lack of information being given- they have done yeoman service for the maintenance of parliamentary democracy in this country. We shall be failing in our duty if we do not repeatedly acknowledge it.

Now that the JPC has given its report and many important recommendations have been made, the least this Government can do as to accept the same and implement the recommendations seriously, sincerely and as expeditiously as possible.

A group of most important findings relate to the role of the foreign banks. Mr. Vajpayee has rightly referred to that. Now I should have thought foreign banks are here not on their own right but they should be allowed to play here in our own interest. It cannot be the interest of the foreign countries, the foreign institutions. But does the presence of foreign banks help our cause, help our economy? That should be a crucial test. But it is found now that these foreign institutions have indulged in questionable deals.

Knowingly, they violated the laws of land. As I said, all these were done under

the very nose of the Reserve Bank of India and the Ministry of Finance. Should this country be open, in the name of liberalization and globalization, to the escapades of these foreign institutions who are interested only in repatriating money from this country, making profits by hook or crook? What is their credibility so far as our country is concerned? What is their attachment to our country's interests? I would like the hon. Prime Minister and other Ministers to tell us.

I am reading the summary portion on how the four foreign banks behaved. I am not naming them; they are already mentioned. Let me read para 8.5.

Some of these foreign banks have been deeply involved in irregularities in securities transactions. They have acted in an unbecoming manner, indulged in large scale security deals highly disproportionate to their normal requirements and in the process not only violated RBI guidelines, but also their own set procedures and *prima facie* the laws of the countries of their origin. In the process, they have thrown overboard all principles of prudence and safety in management of funds of constituents who have reposed faith and confidence in them. The Committee know that the foreign banks indulged in the issue of BRs without receipt of money or securities, exchanged BRs, issued consolidated BRs, indulged in issue of BRs even where SGL facilities were provided, etc."

Let me now quote para 8.15:

"All the four foreign banks examined by the Committee have entered into large scale ready forward deals with nonbook clients in non SLR securi-

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ties, any securities which are prohibited in the country."

Now I come to paras 16.38 and 16.39:

"Examination by the Committee has revealed that many of the foreign banks have been deeply involved in irregularities in securities transactions. With their tremendous resources, there undoubted clout..."

Here every word is extremely important.

"With their tremendous resources and there undoubted clout, there aggressive policies and posturing, they can, if they choose, play havoc with the economy.

The very fact that such an important indicator as non-achievement of target of lending to the priority sector has been taken up by the Ministry with the RBI only on 18th January 1993, clearly brings out the deliberate lack of action on the part of the Government to bring the foreign banks in line with the policy of the Government."

The JPC have necessarily recommended that penal action should be taken against these foreign banks if they do not fall in line with our banking policies.

Now, when all this was happening what has been attitude of the Reserve Bank of India? I may read another para:

"The committee have noted that the foreign bank have treated the RBI in a casual manner. Even our Central

Bank is treated in a casual manner. Exchange of correspondence between a particular bank and the RBI provides an illustrative case."

Now I come to para 15.79:

"while it is obvious that the Central Bank of the country has been taken lightly by the foreign banks, there are unfortunately no traces of strong action against them."

Now I would like to put a question. Who was ruling this country? Is it the foreign banks or the Ministry of Finance or the Reserve Bank of India?

Who had the authority and who was in the driver's seat?

Now, you come to the attitude of the Reserve Bank. In paragraph 15.80, it is said and I quote:

The Committee have to comment upon the casualness with which a particular foreign bank persistently responded to the queries of RBI. It prevaricated, answered partially or inadequately, perhaps deliberately and never had a ready response to the requirements of the Central Bank of the country. Unfortunately, the Committee have also to observe of the loss of authority that the RBI has brought upon itself. The Committee have no doubt that no foreign bank would have responded with such indifference to directions, queries from the Central Bank of the country of its origin."

I again quote:

"It is the excessive accommodation show to foreign banks by top management of RBI that imparted arrogance to these banks to describe as

'market practice' what was in fact a blatant flouting of RBI guidelines, directions. The foreign banks eventually emerged as the originators as also the biggest players in the scam."

The Committee note finds that because of the fragile foreign exchange situation and the BOP crisis, the RBI had not been assertive enough in the action taken against the foreign banks. Both the RBI and the Ministry of Finance by not taking deterrent action against them early enough enabled the foreign banks to exploit the situation and commit large scale irregularities in total violation of the guidelines laid down by the RBI. In fact the Governor, RBI has gone on record to say that for the past failures we have to take action against them. The Committee recommends that such deterrent action be taken without any further delay. I would like to know what would be the response of the hon. Members to this finding.

We are led by the nose by the foreign banks. They have become arrogant. They are dictating terms to us. They care two hoots, I wonder whether it is a Parliamentary expression or not. About our Central Bank's directions and decisions, they did not even bother to respond to their queries. According to the powers that be, our new 'messiah', we cannot afford to ignore the foreign banks. They will bring in dollars for us. This is the subservience of the kind which strikes at the very foundation of our economic sovereignty, our prestige and dignity as an independent nation that we have to depend on the good wishes of some foreign banks to implement the so called policy of liberalisation and globalisation.

Sir, I shall be failing in my duty once more if do not repeat my great admiration

for the excellent findings that all the Members of the Joint Parliamentary Committee have unanimously arrived. On this basis a recommendation has been given, which is given at paragraph 8.72. I quote:

"The Committee desire that special scrutiny may be carried out by the RBI in all foreign banks involved in the recent irregularities and the question of disallowing repatriation of profits through irregular securities transactions and other malpractices be considered. It is necessary that stringent penalties, including suspension of their licences, are imposed on these banks keeping in view the extent of irregularities indulged into by each of them. Legal action should be pursued both in India and the foreign country concerned."

I would like to ask the Government, as Shri Salman Khursheed has said that his party accepts the Report, will it not implement is recommendation of the JPC?

Mr. Speaker, Sir, I will try in my imperfect way only to stress on some of the glaring findings in a sense, that the way the industrialists are functioning, is an eye-opener to us.

Sir, there is no more important organisation in our country so far as our economy is concerned than the RBI. This is what the Committee says and I quote:

" Paragraph 15.9: The Committee are astonished to note that the Board, overloaded with representatives of industries and business, is still continuing well beyond its normal term of four years and a decision on its replacement is still to be

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taken.”

Whose job is this? Is it the job of the Under Secretary or the Section Officer to take a decision about filling up the vacancies in the Reserve Bank of India? Whose obligation is to find out that there is adequate representation of persons other than the industrialists, who are monopolising the benefits of our banking system?

As already read out by Mr. Vajpayee, that out of 49 meetings of the Central Board, the Government nominee, who is no more than the Secretary (Economic Affairs), he only could find time to be present in 15 meetings. So, what is the good of keeping the Secretary (Economic Affairs) in the Board of the Reserve Bank of India? What is supposed to be his role? Was his role just to remain away from the meetings by not caring of as to what is happening in the Reserve Bank of India and by not keeping the Government posted with the happenings in the Reserve Bank of India? We are told that at that level there was a “systemic failure”.

You see Para 15.10 and I quote:

“The Committee notes with concern that the irregularities in securities transactions in banks that have surfaced as early as in 1986 did not engage the attention of the Board despite the fact that the scrutiny Reports, the efforts of banks etc. some names of the banks have been mentioned and the Annual Reviews in 1990-91 of the foreign banks have brought out serious irregularities in the operations, malpractices in securities transactions and violations of Reserve Bank of India guidelines.”

It is very good to say, that the New Economic Policy is supposedly the nightmare of the Opposition. Sir, we have said that if the country prospers or benefits, do it. You are in power. We cannot stop you. You are also not listening to us. Sometimes there is a pretention of listening to us but you do not generally listen to us. You do not act according to our suggestions. You are having your own way. Mr. Prime minister and Mr. Finance Minister we would like to see where you have prospered. We would like to know how many jobs have been restored in this country or how many foreigners have come here from whom we are going to purchase what we eat in the morning sometimes - I do not eat it but Mr. Murli Deora sometimes does the corn flakes. These are the people who are being welcomed in the country.

That is why, the JPC came to a finding that the Central Board has failed to discharge the responsibility ensured on it to see that the Reserve Bank of India functions properly.

Then, Sir, I come to Para 15.32. I quote:

“By not taking concerted action in the bouncing of the SGL forms of two important Departments of the Reserve Bank of India headed by two Deputy Governors principally concerned with the SGL displayed insufficient concern in the matter contributing greatly to subsequent damage to the system..”

“....It is this gross dereliction of duty in PDO and DBOD which greatly contributed to this scam.”

Who is responsible? Am I or the Members of Parliament responsible for this? Then what is the good of having Ministry of

Finance? Leave it to them in the name of autonomy. Who is responsible for the over-seeing of the functioning of the Reserve Bank of India in this country or of the nationalised banks in this country?

Sir, we are being told of a dream. Pt. Jawahar Lal Nehru also had a dream, Shrimati Indira Gandhi also had a dream, we also have a dream. Those dreams are all forgotten. Now those dreams are nightmares for them. The dream of a nationalised banking system, the dream of a nationalised insurance system, the dream of a nationalised core industry system in this country have become anathemas to you. But those are the dreams also.

Now these new messiahs have come and these messiahs are now putting this country into this position where the Parliament of India have to have a special session to discuss this scam report. You do not feel ashamed of it. Not a word of regret has been expressed so far. For 6-7 days, newspapers and the media are speculating as to what is happening in the Prime Minister's house, what is happening there. After all, what can we say, we are too small. Who takes us into confidence? Although it is a Joint Parliamentary Committee report, the opposition is not taken into confidence. Did you discuss with the opposition as to what has happened to this country? How can this report be given effect to or what are the things which should be looked into immediately? But the country as a whole, the nation as a whole, Parliament as a whole, you do not do that. You treat it as a partisan issue.

You are talking of 6th of December, Mr. Salman Khursheed. Where were you for eight hours when that structure was being demolished piece by piece? Where was your Prime Minister? Where was your

army? Where was your BSF and CRPF? [Interruptions]

SHRI P.C. CHACK of (Trichur): Real assessment of the JPC Report.

SHRI SOMNATH CHATTERJEE: Yes. Look into yourself. We have condemned them. They stand condemned before the bar of history. But you are abettors of that crime, therefore, do not lecture to us.

Sir, in paragraph 15.59 the Committee says:

"The committee finds that in almost all cases of follow-up of inspection report by the RBI that have been examined by them, there have been inordinate delays in finalising and forwarding the inspection reports and pursuing them with the banks for compliance.... The Committee are highly perturbed over the fact that while junior officers of the Bank have been pointing out numerous irregularities in their reports, the top management of the Bank failed to act over a period of several years."

Then it says:

"No one at the level of the Central Board, the Governor or the Deputy Governor appears at any time between October 1986 and March 1991 to have addressed the problem with the seriousness it warranted. As things went the country had to pay a heavy price in thousands of crores of rupees for the lapses on the part of the RBI top management during the crucial years."

I am trying to be as brief as possible. In paragraph 15.149, it says:

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"The Committee are constrained to observe that it was the top management of RBI which was wholly responsible for RBI's contribution to the scam. If the RBI had not turned a blind eye to the massive irregularities in the banking transactions between the period July 1991 to April 1992, when thousands of crores of bank funds were diverted to the stock market it would not have been possible for some brokers to play havoc with the system..."

"...The Governor of the Bank during this crucial period must be held no less responsible. The suggestion to treat the foreign banks differently, the delay in the issue of the Circular of July 1991, failure to incorporate all the deficiencies noticed even in this circular, and the absence of any follow-up action subsequently, the delay in the issue of the discounting circular for 22 months, his recommendation to appoint people in top positions is proved to be a liability, the subsequent display of unusual interest in the account of HSM — Harshad Mehta — his acts of omission and commission cannot be overlooked in any of their ramifications."

Then, I am quoting para 15.150:

"The RBI has signally failed as a regulatory and supervisory agency necessitating a thorough overhaul to restore the position and authority of RBI at the pinnacle of banking system. And that is why this Committee is constrained to make a recommendation that a separate board of financial supervision should be created under aegis of the RBI to ensure effective supervision

of banks.

Will nobody be responsible for this? Is there no political accountability; is there no moral responsibility for anybody? And, Sir, I most humbly request the Prime Minister that he cannot avoid now intervening in this debate, because certain theories are being propounded on behalf of his party and by a Minister, for that matter. When we read direct moral turpitude of the person concerned there is no question of accountability.

Well, one can indulge in many cover ups to avoid disclosure of moral turpitude, I do not know how to find it out.

Sir, in this context, when the Report has found that the RBI was responsible for this scam and had largely contributed to it, let us come to the Finance Ministry's role now.

Before I come to the Ministry of Finance, one more sentence, I am sorry, I omitted, is with regard to the banking sector. The Committee finds:

"The irregularities in the banking sector have revealed that there has been a large scale violation of RBI guidelines and instructions. For these violations it is possible to impose penalties under the Banking Regulation act."

That is their recommendation. We are waiting to see what happens.

Now, let us come to the Ministry of Finance. Sir, the Joint Committee has said in its unanimous finding:

"The Ministry of Finance failed to anticipate the problem, to respond to its very purposefully when it first sur-

faced, failed to manage adequately thereafter the consequences of it, failed to apply the needed correctives to despatch and punish the guilty in time and resolutely."

These are very damaging findings. Today, what is the response? This Report was submitted on the floor of the House on the 21st of December. Of course, not many days have elapsed. Eight days have elapsed. But in the face of these unanimous findings eight days should be sufficient. When we appreciated the gesture - I hope it is not only a gesture- of Dr. Manmohan Singh to submit his resignation, the Prime Minister is doing injustice to him in asking him to continue. I am sure we can use his expertise and talent in many other fields. but at least the moral accountability will be restored. People's faith in Parliaments supremacy which the Prime Minister stressed on the day the JPC was decided to be constituted, that Parliamentary supremacy will be enshrined. That is why I salute Dr. Manmohan Singh. Please do not give him a colour which he does not deserve, that he is a shirker. Do not make him a shirker, for the sake of him, and for the sake of the country as a whole. I do not have any particular pleasure in seeing him go away from the Finance Ministry. Somebody much worse may come, because there is a dearth of talent there, I know, unless the Prime Minister thinks otherwise; we are hearing some names.

Dr. Manmohan Singh can sufficiently give suggestions and advice to whoever may be the new Finance Minister, if at all. *(Interruptions)*

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): I was Finance Minister for three years. Do not forget. *[Interruptions]*

SHRI SOMNATH CHATTERJEE: What?

SHRI K.P. UNNIKRIISHNAN (Badagara): He said that he had been the Finance Minister for three years. *[Interruptions]*

SHRI PRANAB MUKHERJEE: That is enough.

SHRI SOMNATH CHATTERJEE: Very good. Sir, I am obliged to the Commerce Minister. Enough was enough for you. Now, enough is enough for us.

Sir, I was once again reading the South-South Commission's Report. Of course, he has been made to forget. I do not know, for what?

Sir, serious comments have been made about the Finance Ministry's role. They had expressed the hope, they had expressed their wish that when cataclysmic changes were taking place, some alarm would ring to disturb his slumber. It may not have been very fair. But I am sure, he takes it in the spirit with which it was given.

Then, paragraph 16.16 says:

"The Committee are included to conclude that despite the MOF being aware of what was happening in the stock market did not address themselves seriously to check the unhealthy trend believing this phenomenon to be a beneficial consequence of their policy. Even after holding the market behavior unreasonable, the MOF did not act decisively in the matter."

What more condemnation can there be?

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Then, paragraph 16.18 says:

"A perusal of the reply given by the Ministry to a query of the Committee reveals inordinate delay at various levels, total indecisiveness and utter lack of urgency in dealing with a matter of such importance. The Committee has expectations of some remedial action even at this stage."

Then, paragraph 16.19 says:

"The Committee must also commend that this existing Board as a predominance of representatives of industrial sector."

Then, it has been commented that the MOF did not fill up 28 vacancies for the posts of Chairman-cum-Managing Director and Executive Director since July 1991. And out of them, only 16 had been filled up as on date. Out of the remaining 12 vacancies, six are of CMDs and six are of EDs. This is the position.

Then, I come to National Housing Bank. It is a wonderful situational. Paragraph 16.42 says:

"The Committee takes serious note of the inordinate delay in the constitution of the Board of NHB, which was affected the functioning of the bank and resulted in gross misuse of the funds of the bank as discussed elsewhere. As of date, NHB is saddled with claims of more than Rs.1200 crore by several banks/financial institutions. The reasons advanced by the Ministry for the inordinate delay of almost three years in

the constitution of Board are not convincing. This is another instance where the Ministry has displayed lack of seriousness.

The Committee find that no inspection has been conducted of NHB since its constitution. In fact it is noticed that there exists presently no system of inspection of financial institutions. Since these institutions are entrusted with huge public funds, it is imperative that a mechanism for periodic inspection of these institutions be desired by the Government."

Then, paragraph 16.45 says:

"...the Committee cannot but comment adversely on this practice in which everyone from the MOF to the parent Ministry of the PSU, the undertaking itself and the management, and of course the banks have engaged in a make believe exercise of raising funds from the public for meeting development requirements but did nothing of the sort. It is such systemic deficiencies that have allowed irregularities to surface, persist and remain unrectified."

The Committee says in para 16.46 and I quote:

"This hoax was perpetrated on a number of occasions and over the years."

It is a hoax and this country is being taken for a ride. I continue to quote:

"The Committee find this as a serious transgression by the Government in the discharge of its supervisory responsibilities, as indeed in the fiscal management of the nation's

economy. Further the Committee have sufficient reason to believe that placement of PSU funds became the single great contributor to the Scam. What the Committee finds as condemnable is that all this was public money and all who were playing with it were public servants."

Sir, I quote para 16.49:

"The Committee are of the view that by disposing of the shares before their listing on stock exchanges the condition 15 imposed in the guidelines by the DPE has been violated."

The hon. Finance Minister had made a distinction that he has found direct responsibility in the areas of revenue and expenditure. The Committee says in para 16.62 that the Finance Minister cannot be held responsible for administrative failures or management deficiencies in the case of individual banks and other financial institutions. The Committee feel that such a distinction cannot be sustained by the constitutional jurisprudence under which the parliamentary system works.

I would like to know what is the other theory you propound that has a scope and ambit of the parliamentary system functioning that the Government Ministers have no responsibility whatever may happen to the banks which are under the direct control of the Ministry of Finance. Whatever may happen in the Reserve Bank of India, you have no responsibility and that is why the committee has not been able to agree to that.

The para 16.63 says and I quote:

"The principle of constructive ministerial responsibility is equally applicable to other Departments and Ministries where

acts of omission and commission have taken place in the discharge of function and duties at different levels."

Therefore, the failures of the Ministry of Finance cannot be denied. That is my humble submission. This is very clear from the Report of the Joint Parliamentary Committee. Well, certain consequences follow inevitably, they follow, what can be done? But, please do not put all these things under the carpet. Please do not ignore all these things. Please do not trot out a new theory of accountability which will strike at the root of the parliamentary democracy in this country and the functioning of Parliament in this country.

Well, somebody may have to make sacrifice as Keshavev Malviya had made sacrifice as Lal Bahadur Shastri had made sacrifice and as even Madhavrao Scindia has made sacrificed. And now just because you have to make a sacrifice that does not mean that the parliamentary democracy in this country will come to an end. Do not make yourself inviolable; do not make yourself indispensable. No individual can be above the country; no individual can be above this Parliament. I am sorry to say all these things because a concerted attempt has been made to put some individuals however expert and talented they may be to put them above everything in this country. Supposing tomorrow Dr. Manmohan Singh has change of heart and says that he does not wish to be in the Government and he does not like these politicians. Sometimes, he has expressed that he is nouveau politician. Therefore, supposing he has a change of heart then this country will go to dogs. Sir, I should have, of course, said further also.

Then about the public sector under-

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takings, Shri Vajpayee has referred to some of them- the great contribution this sector has made. Nobody seems to be accountable when they have been functioning under the overall control of the Prime Minister of India.

And here also it seems as if some scars of compromise are appearing. These are some scars of compromise. You could not mention the name of the hon. Prime Minister anywhere. You have not referred to many Ministers. You could not refer even to the issuance of shares in FFSL which were issued to the then Minister at a lower price... [Interruptions].

I wanted to avoid a more explicit reference but since it is being challenged, I shall read out para 6.60. Probably Mr. Chacko has forgotten what he has signed. I quote:

"The Committee wish to underline that FFSL seem to have perfected systems to circumvent all the rules and regulations. It sought to influence public servants-which includes Government Officers and Ministers through inducement including that of offering its high value shares at face value. FFSL provided the perfect conduit for collusive activities between broker and banker."

Does this cap fit anybody's head? You are a signatory to it...[Interruptions].

So far as public sector undertakings are concerned, para 14.5 says:

"The examination of various PSUs by the Committee revealed serious irregularities in their investment

transactions. For instance, as against the Government instructions to make investments only in Government securities, public sector bonds, treasury bills, PSUs through banks/finance companies in the guise of PMS entered into ready forward deals without taking physical possession of securities on at least the details thereof with banks/financial companies at market driven rates. In many cases, the funds of PSUs have been diverted to brokers and used for purchase of shares of private sector companies in violation of Government guidelines. PSUs had also entered into such transactions with foreign banks prior to January, 1992 i.e. before they were permitted to have even normal banking transactions with them."

The Committee are surprised to note that while the Director of Public Enterprises played an active part in permitting PSUs to have banking transactions with foreign banks, they did not consider it their duty to monitor them. Then, in para 14.21, they say:

"The Committee note that the PSUs were the single largest source of surplus investible funds around Rs. 36,000 crores between April, 1990 and December, 1992 only. In the investment of these funds guidelines and instructions were routinely flouted and no norms were observed. Neither DPE nor the Ministries concerned took any steps to ensure the compliance of their guidelines."

"The committee are of the view that it is the duty and responsibility of Ministries who issue guidelines to ensure their implementation, Further, nodal Ministries who have been entrusted with the overall supervision of the various agencies under it are

also expected to monitor the guidelines/instructions issued through them. The Committee feel both DPE and the Administrative Ministries have failed in their duties and this failure permitted certain individuals to play with the funds of PSUs by irregularly investing them with foreign banks etc. in contravention of all Government guidelines/decisions."

Then, Sir, para 14.81 says:

"The Committee find that there have been large scale contravention of statutory provisions and rules/regulations regarding financial matters, it is regrettable that these contraventions were not detected in time by the top management and the Government nominees on the Boards.

"At least now an enquiry should be held and responsibility fixed on officers who indulged in these malpractices and irregularities."

The Government Directors did not discharge their responsibilities as expected. In a large number of cases, funds of PSUs given under PMS had been used for purchase of shares of private companies and funds of PSUs were irregularly used in call money market through banks or passed on to brokers for speculative purposes.

Sir, I believe Mr. Pranab Mukherjee will reply and I request him to kindly listen. In paragraph no. 14.121, the Committee says:

"After examining these cases, the Committee have been driven to the conclusion that these irregularities were not occasional aberrations, but had become an integral part of the system. The irregularities were known to the authorities and yet not corrected. Inevitably and not surprisingly the unscrupu-

lous elements exploited the situation for their illegal enrichment. In the process, it was the common man and the economy of the nation that have paid an enormous price."

Sir, I cannot avoid reading out the names of PSUs. They are, ONGC, OIBD, Air India, Vayudoot, PFC, IRFC, KRIBHCO, IFFCO, etc. We all know who are the Ministers and we would like to know the responses from those Ministers also. In this context, what Mr. Rameshwar Thakur has done is a flea-bite, I agree. Therefore, in unison with the hon. Members of the JPC that all persons connected with these PSUs including the Ministers in the nodal Ministries are liable to be proceeded against and should be held responsible; sooner this is done, the better.

SHRI ABDÚL GHAFOOR (Gopalganj):
Who are the persons who are left out?
Please tell them that.

(Translation)

THE MINISTER OF STATE IN THE
MINISTRY OF HUMAN RESOURCES DE-
VELOPMENT (DEPARTMENT OF YOUTH
AFFAIRS AND SPORTS) AND MINISTER
OF STATE IN THE MINISTRY OF PARLIA-
MENTARY AFFAIRS

SHRI MUKUL WASNIK: If you are not willing to tell us then atleast tell uncle Abdul Ghafoor.

[English]

SHRI SOMNATH CHATTERJEE: At least we can exclude Chacha from this.

Sir, another blot is the functioning of the investigating agencies in this matter. This is a tragedy. Many people swear by the CBI saying that they are the last word

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in the matter of investigation, in the matter of enquiry, detection of crime and punishing the guilty. This is the role of the CBI and this is such an eye-opener. In paragraph 17.11, the Report says:

"The Committee have observed instances of inordinate delays in making preliminary enquiries and non-registration of regular cases by CBI in spite of enough evidence to support it."

All the big names, all the big industrialists' names were involved in this. Then, in paragraph no. 17.41, the Committee says:

"The Committee regret to note that the CBI has taken a long time to register P.E. against the suspected individuals/officials who are involved in the leakage of information regarding coupon hike rate and disinvestment of PSU shares in advance."

By this process, crores of rupees were earned. These coupon rates were disclosed, but the CBI was sitting quiet.

Then, para 17.97 says:

"The Committee regrets to note the inordinate delays in investigation of the cases and lack of proper follow up action by CBI in scam related cases. In the case of HSM Group, searches were first carried out in September, 1990. Follow up action was, however, admittedly tardy. The Department failed to launch a single prosecution for various defaults and levied only a paltry penalty of Rs. 6.4 lakhs. No action was, however, taken against the officers responsible for

various lapses. Even after the second raid on this Group in February, 1992 there was lack of coordinated approach and no serious efforts were made."

The Committee had reluctantly come to a conclusion that there was lack of support and help and disclosure to the committee. The CBI has not cooperated with this committee. I should say, what is the hurdle? How do they dare to do that? JPC is sitting and asking for information. CBI which is just an ordinary investigative agency of the Government of India, functioning under the overall control of the Prime Minister of India does not even bother to supply necessary information on the specious plea that it would hamper the investigation. This House has given to the Committee the important duty of investigating into the matter. Some sort of snide remarks were made that "You have not been able to find out all the guilty persons. You have not been able to find out who are the ultimate recipients." How can do they that? Even all of us sitting together would not be able to do that without the assistance of expert agency like the CBI. Here, we find the hand of the big multinationals, big industrial houses in this country. CBI tardiness is to their benefit and not to the benefit of the common people. The beneficiaries are only those big business houses against whom charges have been there, complaints have been there. By the tardiness, by the inaction, by the dilatory process adopted by the CBI, which is supposed to be the most important investigative agency in the whole of this country, those persons have gone scot free. Either it is avoidance of foreign exchange regulations or avoidance of income-tax or avoidance of other direct and indirect taxes. The beneficiaries are not the common people but these big business houses. At the expense

of the common people, the most important investigative agency under the overall control of the Prime Minister of India, has acted to the interest of these persons who have brought our country to ruin. What more damaging comment can be made on the performance of this Government as a whole. Of course, I do not consider that this Government has any sense of prestige. It does not have. Otherwise, there would have been different reaction, different response to this matter.

Therefore, we demand in the context of the findings that there should be some independent audit agency like the CAG for the purpose of auditing of banks etc. Immediate follow up action should be taken; exemplary punishment should be given; and responsibility should be fixed. Without that, people will think that this Government is encouraging all these indiscretions, all these violations of law, all the crimes that have been committed in the name of changing the face of the Indian economy. Of course, political matters cannot hide themselves under any screen. They have to also lay bare.

There are some other very important issues which the Committee has mentioned but could not deal with it, I find

These are tracing of end-use monies to their final destination. It is no good blaming the Committee. They wanted to find out. But they could not get the support of help of any agency. Therefore, this most important thing, one of the most important things, tracing of the end-use money to the final destination, the recommendation of the Committee in this regard must be accepted and implemented.

Then about this change in the coupon rate hikes, how they come to know of it ?

this is also immediately to be looked into.

In the Goldstar affair, the Committee recommended that the matter should be inquired thoroughly by a joint team consisting of CBI, CBDT, SEBI, The Department of Company Affairs and RBI. This is the most wholesome recommendation that has been made. I do not know. I have a suspicion only why this could not be pursued more logically inside the committee. However this is the recommendation which should be accepted because there are sufficient indications of some *ghotalas*.

The Committee have come across various instances of close nexus between prominent industrial houses, banks and brokers.

This is the last paragraph, I believe, of this Committee's report. These must be looked into.

There is also another gentleman who is now under the cover of an important constitutional position he is now unfortunately occupying. He should not be also spared because he tried to subvert evidence and tried to procure false affidavits. This gentleman is referred to. I am not using his name [*Interruptions*]. This has to be looked into. It is also very important. As I said earlier, he is occupying unfortunately a constitutional office at the moment in a Far Eastern State of the country [*Interruptions*]. I do not wish to quote further but there are many other important subjects which have been dealt with by this Committee. I feel that ultimately, not this Parliament, but this Government is on trial. Never before this country had witnessed financial scandal of this magnitude.

As I said, we are told of lack of financial resources. when we went for Rs. 6,000 crores for IISCO's modernisation, our hon.

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Finance Minister could not oblige us. We were shown the door [*Interruptions*]. We are suffering supposedly from lack of funds and resources although the whole financial system in this country is flooded with money but our Government is supposedly bankrupt.

We have to borrow Rs.232 lakh crores from foreign funds for the development of our industries etc., for which we have compromised our economic sovereignty. We are unable to provide working capital to many of our public sector undertakings. They are closing down. Workers are not being paid salary. It has almost become a ritual for us and for some of the Members of Parliament to go to the Ministers for at least providing some money so that this concern can run, some money as working capital, some loans, some allowance, to be given by some financial institutions. We are told "Go to the BIFR and persuade them", the Bureau of Industrial Financial. When people are losing jobs and facing starvation on closure of industries, when the Government cannot provide food and jobs to all, a massive loot has gone on and our Government of India, with all its Ministers and paraphernalia, there is no dearth of officers, employees and agencies and, in some cases, with active participation, they successfully denuded common people of this country of their life's savings. Thousands and thousands of people have lost over Rs.3,000 crores, not the big industrial houses.

As Shri Atal Bihari Vajpayee has said, many of them withdrew money from their Provident Fund; took loan from their Gratuity Fund; sold ornaments, whatever little they had because they were told; "Look here! A boom has come. You will continue

to go on making money. why do you restrict yourselves to National Savings Certificates, for ordinary deposits, Investments ? Go to the Stock Exchanges; make money. Make hay while the sun shines!" But the sun has set too soon for the lighting of our Government

Sir, now I am putting this question: Should not anybody be responsible for this? should not the responsible suffer for this? Should not the Government of India and its political wing suffer for their active and passive responsibility? I sincerely feel that parliamentary Democracy and accountability will be reduced to a mockery if the guilty in this case go unpunished. Let not a handful of-I am sorry to use this strong expression - cheats and their cohorts under the cover of ministerial and bureaucratic authority enjoy their ill-gotten gains by misappropriating funds and assets belonging to the common people.

Mr. Speaker, Sir, we are no longer at the stage of mere complaints and allegations. Thirty hon. Members of Parliament, after laborious and painstaking exercise have come to certain findings which disturb the nation's conscience because of the nexus that it has disclosed with the powers that be. For the sake of honesty and probity in our national life, for the sake of credibility to the world at large, for the sake of maintenance of Paramilitary supremacy in this country and for our own accountability to the people, let those responsible be punished and those who are fountainhead of corruption perish.

MR. SPEAKER: Now I call Shri Chidambaram to speak.

SHRI SHARAD YADAV (Madhapura): Sir, what about lunch break?

MR. SPEAKER: I think it was decided in the meeting that we may not have Lunch break today.

SHRI LAL K. ADVANI (Gandhi Nagar): It is just a proposal.

MR. SPEAKER: Well, let us have a brief Lunch interval. Maybe, we re-assemble at 3 p.m.

The House stands adjourned to meet again at 3 p.m.

14.12 hrs.

The Lok Sabha then adjourned for launch till fifteen of the clock.

15.02 hrs.

The Lok Sabha re-assembled after Lunch at two minutes past Fifteen of the Clock.

[MR. DEPUTY-SPEAKER *in the Chair*]

DISCUSSION UNDER RULE 193

Report of the Joint Committee to enquire into irregularities in securities and Banking transections- Contd.

[English]

MR. DEPUTY-SPEAKER: Shri Chidambaram to speak.

SHRI P. CHIDAMBARAM (Sivaganga): Mr. Deputy-Speaker, Sir, about 18 months ago, when the Joint Parliamentary Committee was set up. I was a part of the group which was called to draft its terms of reference. In the 18 months that have passed, may of us have, I am afraid, for-

gotten the terms of reference. In fact, the JPC itself or at least its Publication Wing - I say this in a lighter vein - seems to have not attached to of much importance to the terms of reference. I do not find the terms of reference anywhere in these two volumes.

SHRI SHARAD DIGHE (Bombay North Central): They are there in the Appendix, in Volume-II. [Interruptions]

SHRI P. CHIDAMBARAM: I stand corrected. It is there in Volume II.

Therefore, Sir, I think, this debate should now focus on what were the Terms of Reference to the Committee, what did they find and what is the Government expected to do.

Sir, we have heard Shri Vajpayee, the hon. Leader of the Opposition; we have heard Shri Somnath Chatterjee; both made thoughtful speeches but, I must say that my dear friend made one or two uncharacteristically thoughtless and careless remarks. The burden of the song appears to be to destroy the credibility of the Government and the credibility of the policies that it has declared and is determined to implement. In the case of Shri Somnath Chatterjee, I would have thought that his opposition springs from an ideological position; that I accept. But, sometime, I suspect, it also springs from an extreme prejudice against reforms and reformers; to that, I object. He took us in to great details in tothe Report and left us rather hungry.

SHRI SOMNATH CHATTERJEE (Bolpur): Sorry.

SHRI SAIFUDDIN CHOUDHURY (Katwa): Did you want more?

SHRI P. CHIDAMBARAM: I will not take the same amount of time as he took but, I would also have to refer to some details. And now that we have had lunch, I think there will be a greater sense of equanimity and tolerance.

SHRI SOMNATH CHATTERJEE: Let it not be sophomoric.

SHRI P. CHIDAMBARAM: Sir, look back at what happened in the eighties. The better part of the eighties was ruled by the Congress Party. But, there were also two Governments which followed the Congress Party and again, there were elections in 1991, when the Congress came back to power. In the eighties, in a decade, from 200 companies listed in the Stock Exchange, the number went up to 6,500. Our companies would raise, on any average, about Rs. 90 crore in the capital market every year. But, at the end of the decade, to be more specific, in 1991-92, they raised Rs. 5,741 crore. The number of people investing in stocks and share rose from 20 lakhs to 1.4 crores, a seven-fold increase. The daily turnover in the stock market rose from Rs. 15 crore in the first year of the decade to Rs. 332 crore, on an average. The capital market, those who are active players in the capital market, those who invested in the capital market, the volume of transactions, the scale of transactions, simply exploded in the eighties.

Who is responsible for this explosion? Surely not liberalisation. Indiraji suggested that we reform our economy; but she did not take the process very far. Rajiv Gandhi took a few hesitant steps: but he was stopped in his tracks. So what happened in the 1980s cannot be blamed at the door of liberalisation; that happened in a controlled economy, in a regulated economy under Governments which proclaimed that the

commanding heights of the economy must be controlled by the public sector; in a day and age when we all supported nationalisation of banks and did our best to ensure that nationalised banks rendered service to the people commensurate with the expectations of the people and when we had a plethora of laws.

In 1991 this Government announced a new economic policy. I am not going to debate the merits of it here; we have had a debate on it before and I myself had joined in that debate. In 1991 we opened up the economy, deregulated trade, delicensed industry, injected an element of competition in the financial sector, gave back large funds to the banking sector which was preempted by the Government under SLR and CRR. It now transpires that the system could not quite cope with the pace of liberalisation; the system collapsed.

Our case as very ably presented by my dear friend Salman is that the system collapsed. Mr. Chatterjee charges and I believe he has a right to make that charge; the system did not collapse, it is individuals who were guilty, individuals were culpable, individuals were dishonest, individuals guilty mind, individuals were driving by greed and cupidity. There is a difference in the approach. But is it a difference which cannot be bridged? Is it a difference which cannot be explained and is it something that the JPC ignored? Presently I will show to you that JPC did not ignore this. The JPC admitted that as it was a systemic failure. The Government told the JPC, be that as it may, individuals who are guilty and culpable will be punished and the JPC accepted that statement of the Government also.

Let me spend a few minutes trying to track the origins of the scam and to estab-

lish before this House and the people of this country that the scam is not a by-product of liberalisation; the scam is the result of a systems failure which goes back many years before the advent of liberalisation. Take the Augustine Kurias report. When was it given? It was given in October 1986. It is referred to in two paragraphs - paragraph 4.9 and paragraph 15.66.

The report said that the guidelines were issued in 1987 and 1988 regarding ready forward transactions, but the banks systematically flouted these guidelines even before the ink on the paper on which these guidelines were written had not dried. This was in 1987 and 1988.

Please consider, Sir, as to what the Committee said in paragraph 15.66. The Committee says.

"The manner in which the Augustine Kurias report has been dealt with is not an isolated instance of the way the RBI has been functioning. It is inconceivable that a relatively junior official of RBI should have been able to unearth such a long set of malpractices, unless there was a general knowledge in the system of the existence and persistence of these malpractices."

The malpractices not only existed, but they were persisted. Sir, who is responsible for the banks' flouting the guidelines in 1987 and 1988? What is it, if it is not system failure, going back seven years before the scam burst upon the Indian scene?

Take for example the Bank of Karad. When did the Bank of Karad begin to indulge in irregularities? The answer is given in paragraph 5.6. It says :

"As pointed out in its successive inspection reports of RBI since 1986 Bank of Karad had been guilty of several irregularities and malpractices".

That was in 1986. Take the Metropolitan Cooperative Bank for example. It had two clients. One is Dhanraj Mills Private Limited which opened a current account on the 15th of March 1991, before this Government assumed Office; and the other is Excel and Company which opened it as account of 13th of December 1990, long before this Government assumed Office and long before liberalisation. This is what the Committee has to say on the Metropolitan Cooperative Bank. This is in paragraph 5.11.

"MCB had unauthorisedly issued 30 BRs on behalf of its two clients who were dealing in shares and securities, viz. Dhanraj Mills Private Limited and Excel & Company...Dhanraj Mills Private Limited and Excel & company on whose behalf the BRs were issued and the transactions put through, had opened current accounts with the Bank on 15.3.1991 and 13.12.1990 respectively. Before opening the accounts and before agreeing to issue BRs on their behalf, the Banks had not even cared to ascertain as to how long they were in business, who were their bankers, what was nature of their business resources and standing, etc."

This was in 1990 and in early 1991, long before liberalisation. Take for example the cases of non-banking financial companies, the subsidiaries of our nationalised banks.

I will give you just one or two examples. Guidelines were issued on the 2nd of May 1989. SBI Caps, a subsidiary of the State Bank of India, India's premier Bank in the

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public sector, during the period 1st April 1990 to the 31st of March 1991, in the year 1990-91, put through 13,930 transactions, in violation of these guidelines. There was no liberalisation then. During the period 1st of April 1991 to 31st of March 1992, preceeding liberalisation and after liberalisation, in the financial year 1991-92, 13,930 transactions multiplied to 34,953 transactions. The malaise was there. It deepened and continued.

There was an audit report in June, 1991 before this Government took office and nobody paid attention to it. I will give the example of another subsidiary - Canfina. There was an RBI inspection in March, 1991. Before that, on the 22nd of September, 1989, Canfina wrote to the RBI assuring the RBI that all its guidelines will be observed. The Committee has to say this in paragraph 6.21:

"The Committee have observed that CANFINA had been violating the guidelines of RBI in regard to PMS for long. It had been pointed out by the RBI who inspected it in March, 1991, that the Managing Director of the company had given a false assurance to RBI in terms of his letter,.... dated 22.9.1989, that the company had been accepting funds with lock-in periods of one year and over only. In many cases, it was observed during inspection that funds for a shorter duration had been accepted The RBI had, *inter alia*, pointed out several other irregularities.

Let me deal with another aspect of the scam which contributed to the scam- Portfolio Management Schemes. The first irregu-

larity surfaced in 1986. RBI scrutinised them in 1986. In August-September, 1989, RBI scrutinised the accounts of five banks; Canara Bank, Citibank, Vijaya Bank, American Express and ANZ Grindlays.

Substantial blame has been laid rightly at the door of foreign banks. But equally, blame must be laid at the door of Indian banks. Five banks were scrutinised in August-September, 1989. The bills of Vijaya Bank were specially scrutinised in January-February, 1990. What does the Committee have to say? The Committee's statement is in paragraph 7.21:

"The foregoing paragraphs make it abundantly clear that the misuse of PMS began in the mid-eighties and progressively increased to climatic proportions in 1991-92. In order to circumvent the RBI guidelines, Schemes under various nomenclatures were devised."

It started in mid-80's and reached climatic proportions in 1991-92.

Allow me to take a look at the foreign banks. They were doing ready forward deals. We have learnt about all this abracadabra about BRs, SRs, SGL and ready forward deals thanks to the JPC.

SHRI AMAL DATTA : Before that.

SHRI P. CHIDAMBARAM : Ready forward deals of the foreign banks were adversely commented upon by RBI for the first time in March, 1990 long before this Government assumed office, long before liberalisation. On the 1st of October, 1990, the Department of Banking Operations and Development submitted a special report on bill discounting. That is referred in paragraph 15.111.

On the 25th of March, 1990, there was an inspection of the Citibank.

On the 18th January, 1991, RBI issued a warning letter. On the 1st of February

1991, the Bank assured the RBI: it will not violate the guidelines.

All this was long before liberalisation, long before we opened up the economy.

What does the Committee have to say about brokers? The Committee says, banks colluded with brokers. There were several inspections, at least since 1986. This is what the Committee has to say in paragraph 12.55:

"The foregoing paragraphs make it abundantly clear that the banks, in general, colluded with certain unscrupulous brokers in a big way. They failed to evolve any clear-cut policy regarding the role of brokers... Regrettably, this had not been done even after the matter was raised by RBI during the course of inspections conducted in several cases in the past at least since 1986."

15.25 hours

[MR. SPEAKER *in the Chair*]

Collusion between banks and brokers started at least since 1986. What about the stock exchange- another major player in the scam? The Committee has two very pertinent remarks to make. The first remark is in paragraph 13.27:

The Committee are actually not the least surprised to find that even after a decade, functioning of Stock Exchanges are still characterised by the very same malpractices that had been prevalent earlier.

Indeed, it has been observed by SEBI, in an extraordinary coincidence of phraseology, 'that the BSE is functioning as a private club of member brokers', and is characterised by 'lack of financial management, non-enforcement of market regulations, chaotic market operations and absence of proper marketing control.' The evidence before the Committee clearly indicates that the successive Finance Ministers and other supervisory/regulatory authorities have done little in the last decade to bring about the orderliness in the operations in the exchange held out as an objective to the present Chairman of JPC more than ten years ago."

Successive Finance Minister over a period of ten years could not bring about orderliness in the stock exchanges. That is the finding of the Committee.

There is another very pertinent remark in paragraph 13.40. And this is what the Committee says:

"The Committee note that irregularities in the Stock Exchanges are not of recent origin. They have been prevalent for quite sometime now.

Finally about SEBI, Non-statutory power were conferred upon the body when it was created in 1988. For 3-1/2 years, it was not given statutory status. This Government - this Finance Minister - promulgated the ordinance on the 30th of January, 1992 giving it the statutory status. The Committee noted this.

On the functioning of the RBI Board, Mr. Chatterjee mentioned that in 1991-92, the Government nominee found it possible to attend only 15 out of 49 meetings. There is record of worst performance. In 1988-89, the Government nominee attended six

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out of 28 meetings; 1989-90, three out of 36 meetings. on 1990-91, four out of 65 meetings, and in 1991-92, two out of 40 meetings. This malaise was a deep-seated malaise which goes back five years, six years, ten years.

If this is not systemic failure, what else is it? Is it the failure of an individual? Is it the guilt of an individual? Is it the culpability of an individual Minister? Is it the greed or cupidity of any individual which gave rise to this Malaise which goes back 10 years? I will take a few minutes to demonstrate that in page, after page, paragraph after paragraph, the JPC recognises the systemic failure.

Sir, let me quickly refer to the pages and paragraphs where the system failure is acknowledged. The famous paragraph 2.7 which is being quoted repeatedly says:

"The scam is basically a deliberate and criminal misuse of public funds through various type of securities transactions with the aim of illegally siphoning of funds of banks and PSUs to select brokers for speculative returns."

The Committee further says:

"The state of the country's system of governance, the persistence of non-adherence to rules, regulations and guidelines, the alarming decay over time in the banking systems has been fully exposed."

Paragraph 2.8 says:

"It is the view of the Committee, as detailed in subsequent chapters, that there are several dimensions of

this entire episode: the functional once concerns the banks, brokers, PSUs and Ministries, etc.

The Committee then blames accountability, failure of the supervisory mechanism and the absence of the moral quotient. In the chapter on banks, in paragraph 4.32, the Committee says:

After examination, the Committee are led to the conclusion that the BR system has been considerably misused."

In the chapter on non-banking financial institutions, in paragraphs 6.72, 6.73 and 6.74, the Committee says:

"Yet again the Committee do find it necessary to underline the self-admitted or the self-evident. Officials managing this fund were negligent, derelict in the discharge of their responsibility and committed breach of trust with investors. Apart from CMF, irregularities were also observed in the working of other mutual funds. The irregularities revealed during the course of inspection conducted by SEBI from August 1991 onwards were mainly as follows:-

- (i) Sale of units after the closure of schemes.
- (ii) Loans to brokers thereby exposing investors to avoidable risk:
- (iii) Poor maintenance of books of accounts and other records;
- (iv) Deliveries for purchase and sale of securities outstanding for long period;

- (v) Investment were made without any records of the basis of the investment decisions.
- (vi) Concealed lending to companies."

What is it if it is not a system failure. when the entire system of mutual funds, lending and borrowing had collapsed over a period of time ? In the chapter on portfolio management, let me refer to just a few paragraphs like 2.21, 7.22 and 7.23.

"The foregoing paragraphs make it abundantly clear that the misuse of PMS began in the mid eighties and progressively increased to climatic proportions in 1991-92. The Committee also deplore the gross negligence and persistent failure of RBI to ensure effective compliance with its guidelines. Evidence led before the Committee makes it abundantly clear that these irregularities were a matter of common and general knowledge, in fact, this was defended as a normal market practice by banks. Little or none of this was done. Red alerts were ignore, ignored, reports consigned to the backburner, and market intelligence treated with disdain.

The Committee recommend that an indepth study be made of the whole system of PMS operation, so as to identify the weakness and remove the flaws ."

In the chapter on monitoring and internal control of banks and subsidiaries, in paragraph 9.27, the Committee has summed up the deficiencies. Then in paragraphs 9.45 and 9.47, this is what the Committee says:

"The committee regret to note the serious weaknesses in the internal control systems of the banks.

The Committee find that there is no satisfactory mechanism in most of the banks to examine and follow up the observations /suggestions made in the reports by the internal inspection department, Vigilance Cell and Internal Auditor, etc.

Can go and on and read paragraphs pages and chapters to point out that in place after place after place , the Committee recognises that this is a failure of the system which dates back to ten years, to seven years and long before liberalisation .

Sir, there is one interesting paragraph, which I think I should read. [Interruptions]

AN HON. MEMBER: It is a halfhearted defence!

SHRI P.CHIDAMBARAM: If you are a little more patient and tolerant, you will get more information.

I refer to the chapter on PSUs. Sir, all of us continue to believe that the public sector plays an important part in India's economy. But our experience has given rise to some amount of disappointment, some amount of thinking and some amount of introspection. I do not find fault with Mr.Chatterjee and people of his line of thinking who still believe that public sector can play a major role. We are more inclined to think now that without Competition, without accountability, with Government appointing public sector Managers and the public sector preempting large amounts of resources, it is bound to breed inefficiency as it has and it is bound result in inefficient production of goods and services as it has. Yet, there is an effort to save those public sec-

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for organisations which have done well or which can do well. How did the public sector organisations behave during this period? What did the public sector do? The Committee have pointed out that on the one hand public sector companies were demanding and drawing budgetary support and on the other hand, they were investing their cash surplus in PMS with banks and even with foreign banks! How does one explain this behaviour? Why is it that years after cultivating and nurturing the public sector undertakings, the public sector behaved in a manner which can only be described as irresponsible and in a manner which flouted every guideline and every instruction given by the Government? What has the Committee got to say on the way the public sector behaved during this period? Look at para 14.56:

"The Committee have to, therefore, conclude that the mechanism of decision making in such an important area was most unsatisfactory. It is obvious that this needs reform immediately."

Again in para 14.80:

"It is, thus, noted from the above stated cases that the general control and direction which the Boards were expected to exercise were absent. There was neither a proper system of reporting such transactions to the Board, nor are the Boards directives implemented in letter and spirit."

And again in para 14.85:

"It was, thus, seen that the Government Directors who were appointed as nominees of the Government for

overseeing the work of PSUs in accordance with stated policies did not discharge their responsibilities as expected and remained passive witnesses to irregularities. In sum, the scheme of appointment of Government directors does not appear to have worked as envisaged."

Was the Government Director driven by cupidity? Was he driven by greed? Was he guilty, guilty in a criminal sense? We built a system. We failed to monitor it. And the system collapsed over a period of ten years. My friend, Shri Salman Khursheed has said there is something rotten. He has mentioned that there is something rotten. Go out to the people and ask them and they will tell you that there is something rotten in the system that we have followed the system that we have nourished in the system that we have cultivated and the system that we have supported.

Sir, in Chapter 15, the Report deals with the RBI. RBI comes in for severe criticism. I am not here to defend the RBI. Those who were in supervisory position in the RBI must take the responsibility. For what happened within the RBI is a revelation, is an eye-opener. It is a commentary on what happens in an institution which simply gets ossified over a period of years without fresh winds blowing, without new blood being injected into it and without new ideas challenging the conventional wisdom. What happened to an institution as revered and as respected as the RBI? There are three paras in the Committee's Report which I think are worth referring to.

The first is paragraph 15.49:

"The draft amendment to the Public Debt Act was submitted to the Government after a delay of six and a

half years in August 1992. The Public Debt Act in this country could not be amended for six and a half years from 1986 to 1992! This draft amendment also became unavoidable in the wake of the malfunctioning of the PDO becoming public knowledge."

And this is the Comment!

"There is something terribly wrong with a system of governance which recognizes as far back as 1985 that the Public Debt Act has been rendered obsolete, but requires such a long period to rectify obsolescence."

Do we blame ourselves for this? Do we blame the Parliament? Is the Parliament to blame itself that for six-and a half years, Parliament does not amend or the Government does not move Parliament to amend the Public Debt Act? There have been three governments during that period! We recognize obsolescence. But the system takes six-and-a-half years to rectify obsolescence!

You may please look at paragraph 15.110. I quote:

"When asked as to what action was taken by DBOD once the irregularities in Bill discounting came to its notice, the Chief officer stated, "We had prepared the detailed programme of action. We had put it up to the top management somewhere in October, 1990." Can there be a more telling commentary on the way we function? Irregularities are notice. An officer puts up a note. He is asked in 1992, "What did you do?" He says "We put up the note to the top management somewhere in October 1990." The organisation is in deep slumber. The organisation sim-

ply is not alive and alert to what is happening around it. The organisation is incapable of responding in a meaningful manner to what is brought to its notice. Is an individual responsible, Sir or is it a collapse of the system? You might laugh away but the people of this country recognise that all of us who are a part of this system have let down the system for the past 10 years.

In Paragraph 15.150 the Committee recommends a Board of Financial Supervision and what does it say:

"The Committee find that despite an elaborate machinery available with the RBI for conducting inspections, scrutinies, reviews of the banks and a detailed mechanism to follow up shortcomings noticed in their working, the RBI has signally failed as a regulatory and supervisory agency necessitating a thorough overhaul to restore the position and authority of RBI at the pinnacle of our banking system."

Sir, who failed? The management audits failed, the statutory audits failed. Chartered Accountants, who are supposed to do audit failed. CVOs in the ranks of General Managers failed. Inspection reports were ignored. Circulars were ignored. Guidelines were ignored, SEBI failed. The RBI Board failed. All these failures are not and cannot be attributed to one point of time or to one person.

Sir, if people wish to glamourize the past, if there are people in this honourable House who wish to glamourize the past they are welcome to do so. I do not have to glamourize the past. In 1991, when this Government took Office, we recognised that there must be a thorough overhaul of our economic system and our economic policy. We com-

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menced a thorough overhaul. Shri Somnath Chatterjee asked, "What have you achieved?" He will not recognise on what we have achieved but the people recognise on what we have achieved. The people today, Sir, vote with their purses, vote through telegrams and vote through letters. You might say all this has to be ignored. The JPC has pronounced its verdict and that is the final word.

I do not accept all that the JPC has said. I speak today, as an individual Member of this House, as a Member of my party. The Government will say as to what Government's response to JPC is. I do not accept all that the JPC has said and I will come to it in a moment. But glamourizing the past, to say that everything was all right, everything was working well until Dr. Manmohan Singh came on the scene, is not correct. If people thought that the JPC Report will set the Indus on fire or Ganges on fire, I am afraid they will be disappointed.

If Shri Chatterjee thinks that at least the Hooghly or even the Caery will be set on fire, I am afraid he will be disappointed. The people are today voting with their purses, voting with their views. No sooner than Dr. Manmohan Singh announced his resignation, which I think was unnecessary and wholly unwarranted - and I have great respect for his views - people expressed their unanimous view that he should continue. I can understand a his sense of hurt. More than anyone else in this House, I can understand the sense of hurt of Dr. Manmohan Singh. More than anyone else in this House, I can understand his sensitivity in the matter but the people of this country - butcher, baker, candlestick maker, cyclewalla, shopkeeper - who have sent telegrams, letters and who met us said that

Dr. Manmohan Singh should continue because he symbolises the economic reforms and our progress.

This is a matter between the Finance Minister and the Prime Minister. It is no part of my business to comment upon the resignation or the decision which the Prime Minister will take but I am speaking today as a citizen. I am speaking today as an elected Member of a constituency. I speak today to articulate the views of the people of my constituency and I can say without hesitation Members on my side of the House, who will speak after me, will surely express their view. I can say without hesitation, I can say without any sense of weakness, any trepidation, and I say this most humbly to you, Mr. Speaker, Sir, that nobody in the country believes that Dr. Manmohan Singh is guilty of any culpable offence. I will deal with paragraph 16.61.

SHRI SOMNATH CHATTERJEE: You have said that the whole institution like the RBI and the whole system has failed. I would like to know whether according to you the system of Parliamentary democracy has failed or not.

SHRI P. CHIDAMBARAM: I will answer that. The system of parliamentary democracy has not failed and the fact that after Christmas and before the New Year, what is normally a period of vacation, normally a period of celebration, we are sitting here in this august House debating the JPC Report which has taken 18 months to produce what according to me is a remarkably insightful document.

The fact that we are debating is a fact that the system of Parliamentary democracy has not failed but the system of parliamentary democracy will fail if this JPC Report is used - mark my words - and if Minis-

terial constructive responsibility which the JPC has identified is mistaken as the trigger for a witch hunt or head hunt. *(Interruptions)* I am not running away. I am going to deal with that paragraph. I will deal with that paragraph separately. We shall deal with the Constitutional issues. We shall deal with the jurisprudential issues. We deal with the very issues which the JPC has referred. *[Interruptions]* Sir, my learned friend is as much a part of the system as I am. In fact he is an older Member of the system than I am. If any one of us has to bear the responsibility, all others have to be equally responsible for not protecting the institutions of this country, not reforming the institutions of this country and not keeping them on their toes. For ten years we have neglected the institutions. We have debilitated the system and today what we have done is to re-invigorate the Indian economy and to find new instruments and institutions which can take our policy forward.

Sir, there are two paragraphs in the Report which of course are perhaps the most crucial ones from Mr. Somnath Chatterjee's point of view. Let me deal with the paragraph in which I believe the JPC accepts the proposition which I am expounding here paragraph 16.59, before we come to paragraph 16.62. I realise, Sir, that I must choose my words very carefully because we are dealing with a very profound Constitutional principle. I do not claim to have any special expertise in the subject, certainly no more than what Mr. Somnath Chatterjee has. But I wish to plead with this House to approach this question with dispassion and with a great deal of objectivity. What did the Ministry of Finance tell the JPC? Asked about their assessment of the causes of the scam, the Ministry of Finance stated:

"It had been a systems failure. in-

adequate internal control systems and the RBI not having been alert to the clues that became available as early as 1986."

No exception can be taken to that statement. That is a statement backed by hard facts and I have read to you Chapter and verse which will show that these facts are contained in this very Report. The Augustine Kurian Report, the Inspection Report the Circulars, the Guidelines, the Collusions, the Assurances, the Letters all are there between the two covers of this Report.

"During the course of evidence, the witness of the Ministry informed the Committee in this regard as follows:

I have to recognise that is really what is meant by system failure. I can only say that we should have taken decisions earlier in doing the system review. It is a pity that we did not do that. A lot of what we are doing now should have been done five years ago."

Sir, I commend this sentence to the consideration of this House.

"If that had happened, it would have been much easier to get rid of it. The underlying problem is that we were trying to run a rickety, over-regulated and under governed system. The answer does not lie in putting yet another policeman somewhere, thinking one policeman is better than the other. The answer lies in recognising that when the financial system reaches a certain level of maturity the rules that are made for the rest of the world, we had better learn from them. I can only say that we learnt it too late."

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"He further added:

" The Finance Minister never said that there was no individual failure. It is definitely our view and we have continuously said that there has been a collusion on one hand between the brokers and the other within the banking system..."

There is absolutely no doubt about it. I would not like to say here as to who was responsible. It is not just the system is fine, but some people were crooked and they were incompetent."

And the Committee has this to say:

"Whatever may be the view about the system the Committee urge that the guilty must be punished."

Sir, I fully endorse this. Let us first recognise that the system was rickety, over-regulated, and undergoverned. Let us recognise that the system could not cope with liberalisation or the pace of liberalisation. Let us—please—recognise that we have a period of ten years, neglected our institutions, which became ossified and which simply could not reach the level of maturity necessary for dealing with liberalisation and the consequences of liberalisation. Having recognised that, I fully endorse the view recommended by the Committee, that the guilty must be punished.

Guilt here can only mean culpability, guilt here can only mean greed, guilt here can only mean cupidity, guilt here can only mean aggrandisement, guilt here can only mean personal advantage and guilt here

can only mean personal gain. Where there is no personal gain where there is no personal aggrandisement, where there is no culpability, where there is no guilty mind, where one is trying to reform the system during the period one has to attend to a thousand other duties. It would be, in my most humble submission a travesty of justice, a travesty of truth and a complete miscarriage of justice to describe ministerial responsibility as culpability.

Sir, let us look at paragraph 16.62. My friend Salman Kursheed has correctly and repeatedly pointed out that the word 'negligence' does not occur in paragraph 16.62. Let us read 16.62 together again. Shri Somnath Chatterjee is familiar with this method. It is good that we read it together. As lawyers we ask judges to read it with us. Let us read it together.

We are sitting here today in the sovereign Parliament of India. The JPC was no Star Chamber. The JPC was not a prosecutor. In fact, if you want to look upon the JPC it was political body which combined in itself the role of prosecutor, judge and jury in order to find what the facts were. We are sitting today in the sovereign Parliament. We are not the last word. There is someone more sovereign than us, the people of India. In law we say, "However high you may be, the law is above you." However omnipotent, however omniscient and however sovereign we think we are, the people of India are more sovereign than us. The people of India are the final judges. What does paragraph 16.62 say? Let us apply our mind to that para 16.62:

"The FM has raised a point to which the Committee feel it should react. In his written submission the Minister has stated:

As regards the functions of the Finance Minister, he oversees the work of the Ministry and provides overall policy guidance to the officials. Revenue and expenditure decisions are the direct responsibility of the Finance Ministry. As such FM has no direct responsibility in these areas. He is also responsible for broad policy decisions, affecting the financial system where the Finance Ministry is involved. However, FM cannot be held responsible for administrative failures of management deficiencies in the case of individual banks and other financial institutions.'

The Committee feel.."

I read it with a sense of regret....

" The Committee feel such a distinction cannot be sustained by the constitutional jurisprudence under which the parliamentary system works.'

One must give the greatest weight and the greatest respect to this observation. But speaking today not for the Government, but as a member of my party, I must with utmost respect express my disagreement with this conclusion.

16.00 hrs.

Sir, what is our constitutional jurisprudence? I think, it recognises only two principles. The first principle is, the Government is collectively responsible to Parliament. The second principle is, a Minister holds office during the pleasure of the President, which in political terms means the Prime Minister.

Sir, the JPC has done remarkable job.

One can disagree with an aspect here of an aspect there. One can disagree with the procedure followed here or the procedure followed we there. One can disagree with the procedure followed here or the procedure followed there. One can disagree with some things which are not recorded in the Report. I know, there is a large volume of evidence, which is not reflected in the Report. If were assailing a judgement of a Court, we would say that the Court has not applied its mind to the evidence on record. But we are not assailing a judgement of a Court. The JPC was not a Court in that sense. And the JPC cannot be expected to function as if it was a judicial tribunal, dealing with the evidence, each witness and each document. There is a mass of evidence, which has not found reflection in the Report. And I am sure, when other speak, when the Ministers speak, they will refer to the document and the evidence placed before the JPC.

But, Sir, today we are dealing with a very grave constitutional principle, the principle as propounded by the JPC or the principle as I, in my humble inadequate way, understand from my reading of the Constitution. Sir, the JPC says, again I attach the greatest weight to that observation, that there is no distinction between direct responsibility for policies and constructive responsibility for administrative failure and management deficiencies in one of the organs or bodies under the control of a Ministry. Sir, even if this comment had not been there or even with this comment, we owe deep debt of gratitude to the JPC and I salute the JPC and its Chairman, Mr. Mirdha, for giving this Report. I also salute Dr. Manmohan Singh, however much he disagrees with the conclusion, for accepting what the JPC says and tendering his resignation. But I also salute the people of India. I also salute those who have written letters

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and sent telegrams. I also salute the common man of India, who had unequivocally said, and in the clearest terms said, even if he is not involved with macro economic policies and management. Today the hopes and aspirations of that common man of India are inextricably intertwined with the policies declared and implemented by this Prime Minister and by this Finance Minister. And the people of India understand that.

Sir, if we are humble, I as believe we should be, if we are humble, as I sincerely submit we should be, we cannot ignore that there is a larger constituency outside this House. It is that constituency which will eventually judge us collectively and as individuals. Pay heed to that constituency, lend your ear to that constituency. I have been, in my constituency as I am sure that every one of us had been to his or her constituency in the last two days. If you lend your ear to that constituency, if you pay heed to that constituency, that constituency resolutely and resoundingly says that there is no guilt; there is no culpability; there is no gain; there is no aggrandisement; there is no fault on the part of Dr. Manmohan Singh and this comment is, therefore, unacceptable.

Sir, let me conclude with these remarks. I can understand the target of Mr. Chatterjee.

I cannot quite understand and I am trying to understand who Shri Vajpayee's target was or what Shri Vajpayee's target was Shri Chatterjee is clearly targeting not an individual but a philosophy. He is not targeting Shri Manmohan Singh. He is targeting liberalisation and reform. He does not even hide his prejudice against reform. He does not hide his opposition to reform. He does

not hide his opposition to the new Economic Policy. The question that I wish to ask is how many in this House share that philosophy; how many in this House share Shri Chatterjee's philosophy? *(Interruptions)*

SHRI SOMNATH CHATTERJEE: How many in Delhi follow your philosophy?

SHRI P.CHIDAMBARAM: How many in Madhya Pradesh follow our philosophy? How many in Himachal Pradesh follow our philosophy?*(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura): How many in Uttar Pradesh follow your philosophy?

SHRI P. CHIDAMBARAM: How many anywhere in India except Bengal follow your philosophy?*(Interruptions)*

SHRI SOMNATH CHATTERJEE: Many people. I am not claiming what you are claiming.

SHRI P. CHIDAMBARAM: How many in Bengal will follow your philosophy, if elections are held under the new regime of Seshan in Bengal next time.*(Interruptions)*

SHRI SAIFUDDIN CHOUDHARY (Katwa): There will be no election. That is the order given by Shri Seshan in West Bengal.

SHRI P. CHIDAMBARAM: The target is liberalisation. The Member on our side of the House, I think, are fully aware of what and who the target is? The Janata Dal or the multifarious pieces into which it has been smashed will, I hope, recognise the target is liberalisation. The BJP and I want to address this Sir, through you, most sincerely to Shri Vajpayee....*(Interruptions)*

I took your speech at face value. I made no effort to read in between the lines. I was looking for signals. I found none. I was looking for the kind of anguished cry that you make from time to time who in my party listens to the voice of sanity. Today, I ask you, Sir, what are we targeting? We are trying to change a system here. We are trying to usher in a new model of growth to governance. We have rekindled hope in the people of this country. We have made them realise for the first time that their aspirations are not beyond their reach today. For the first time in five thousand years, I believe, my generation believes that it is possible to abolish abject poverty, as we know it for five thousand years now. We will never become as rich as the United States or Switzerland. We will never achieve a per-capita of 33000 dollars. but, it is possible to lift this country from the depths, where the per-capita is less than 300 dollars and our neighbors have a higher per-capita income. It is possible to lift this country and abolish poverty, as we know it for five thousand years - abject poverty, degrading poverty, debilitating poverty humiliating poverty, the poverty which forces our women to seek privacy before dawn or after dusk; the poverty which leaves one-third of our urban population living on streets, the poverty which has left 1.1 lakh childrens on the streets of Delhi and the poverty by which the poorest in this country are to forage in dustbin for food.

That kind of poverty can be abolished in twenty years. In twenty years, this country can become one of the major economies in the world. Our GNP will be among that of the top six countries of the world. In terms of purchasing power parity, India will be equal to China in twenty years. But we must grow. As we grow, we must find new institutions. We must reform old insti-

tutions. As we grow, we must find new instruments. As we grow, we must recognise what was rotten in the last ten years and what is rotten in our institutions. The Prime Minister and the Finance Minister together have ushered in an era of reform and an era of liberalisation. There is a new wind blowing across the country. There is a new hope. There is a new aspiration. There is a section in this House which believes out of ideological prejudice that liberalisation must be stopped and the way to stop the reform is to stop the reformer. The way to destroy reform is to destroy the reputation of the reformers. There is not yet a critical mass in this country for reform. There is no critical mass in any party for reform today. That critical mass has to be built brick by brick person by person. A whole generation outside is expecting us to deliver on the promises that we have made and that can be done only if there are reformers in each party, only if they believe that on we have taken is the right path. We can go for. We can take this country if they stand firm and resist this attempt to destroy reform by destroying reformers, by destroying the reputation of reformers.

The JPC took eighteen months. It has found people guilty. It has named people. It has said: take action. I am sure, the Government will take action. If the Government does not take action against anyone of those name found guilty, found culpable, surely this Parliament will call people to account. But let us not carry on a campaign of innuendo and insinuation..[*Interruptions*].

SHRI SOMNATH CHATTERJEE: Who is carrying on the campaign, Sir. He is imputing motives on us.

SHRI P.CHIDAMBARAM: I am not imputing any motives on anybody.

SHRI SOMNATH CHATTERJEE: Who asked him to resign? He has himself resigned. I have not asked him to resign...*[Interruptions]*. Ask him. Let him explain...*[Interruptions]*.

SHRI SRIKANTA JENA: Why did you resign? why don't you explain that...*[Interruptions]*.

SHRI P.CHIDAMBARAM: Sir, it is possible to wake up a sleeping man but...*[Interruptions]*.

[Translation]

SHRI NITISH KUMAR: Please say something above the Fair Growth, We are tired of listening to your speeches. Please also tell us the market at which you purchased the shares?

[English]

SHRI P.CHIDAMBARAM: I am not yielding to you...*[Interruptions]*.

MR. SPEAKER: Please sit down. We are discussing a very serious and important issue. Unless he yields and I allow you to speak, you should not get up and start speaking. And if this is done, it will not go on record.

SHRI P.CHIDAMBARAM: Sir, I approach this debate with a great deal of seriousness and I believe that they also...*[Interruptions]*.

SHRI RAM NAIK (Bombay North): Shri Chidambaram, just a minute. You have spoken about parliamentary jurisprudence. There is a remark in paragraph 16.61 of the report of the Committee and I quote:

"In the light of the above, the Committee feel that the responsibility and accountability of the Finance Minister to Parliament cannot be denied".

Do you have you anything to say on this?

SHRI P. CHIDAMBARAM: I have already spoken on this. I answered it.

MR. SPEAKER: Let me say one thing. As far as the interpretation of the Constitution is concerned, it is not allowed by the Parliament also. It has to be done by the Supreme Court.

SHRI P. CHIDAMBARAM: I have already given my view.

[Interruptions] *

MR. SPEAKER: It will not go on record.

SHRI P. CHIDAMBARAM: I think the Government is collectively responsible to Parliament. I have also said ministerial responsibility, as defined here, will mean only when there is guilt, when there is culpability, when there is gain, when there is aggrandisement. That is my view.

I have approached this subject with a great deal of seriousness. I have carefully considered and I have read every word of this report. I have tried to glean from it what lessons it has for us in the future. I think one of the lessons it has for us in the future is that we cannot do reforms piecemeal. In fact, there is a danger in reforming only one sector of the economy or even only the economy without carrying reforms horizontally across the entire polity and the social systems and institutions of this

country. *[Interruptions]* Because reforms opened up opportunities, predators exploited the opportunities opened up by reforms and misused institutions and the systems for gain.

There are lessons to be learnt and I am sure valuable lessons have been learnt. These lessons must be absorbed. These must be implemented. These must be translated into policies.

I sincerely seek the cooperation of this House. Please extend your cooperation to the Government to carry through the policies and the programmes as corrected and as modified by the lessons that we have learnt in the last year and a half. *[Interruptions]*

Sir, as I said, there is a mass of evidence before the J.P.C. It is not reflected in this report. The J.P.C. has 18 months. The J.P.C. has done its best under the circumstances. There is more to be done. This is not the last word on the subject of reform. There is much more to be reformed in this country. Institutions have to be reformed; bodies have to be reformed; Acts have to be reformed; Acts have to be re-drafted. More new instruments have to be found. New problems will arise. New challenges will come. But let us not in our mistaken zeal to find fault, in our mistaken zeal to hunt for heads, in our mistaken zeal to destroy reputations, in our mistaken zeal to destroy the credibility of the Government do those very things which will put paid to the hopes and aspirations of the people of this country. The aspirations of the people of this country, as I said are intertwined with economic liberalisation and reforms.

The Prime Minister and the Finance Minister today are the two most powerful symbols of that reform. *[Interruptions]*

Therefore, if we believe in reform, if parties in this country believe in reform, if parties in this House believe in reform, if there are sections and individuals who believe in reform this is the time to take the process forward; not to abort it, not to disrupt it two years after the reform process has started.

I would like to conclude by saying that we are really answerable to a larger constituency a constituency of 850 million people. That is the constituency to which, I believe, I am answerable. I speak in this House because I speak through this House to the people of this country. We all speak in this House because we speak to the people of this country and that constituency today stands firm behind this Government; stands firm behind the Prime Minister; stands firm behind the Finance Minister to carry through the reforms.

[Translation]

SHRI HARIKISHORE SINGH (Sheohar): Mr. Speaker, Sir I thank you for allowing me to put forth my views on this important issue. I was listening to the speech delivered by Mr. Chidambaram with utmost patience. After listening to his speech, it seemed as if theft was going on in someone's house and the owner of the house was unwary of it for long and when the thief was caught, an advocate like Shri Chidambaram came for his defence and advocated that the thief had been caught but he should not be punished. The theft tradition was going on. That is why the thief could not be punished for long time. By attributing this scam to the failure of the system, efforts are being made to cover it up. It has come as a slur on the parliamentary democracy.

Mr. Speaker, Sir the Members of the treasury benches and Shri P. Chidambaram

[Sh. Harikishore Singh]

, in particular, are trying to impress that as such no scam has taken place. Today Dr. Manmohan Singh is in the dock and the members of the opposition are indulging in witch-hunting. As far as Dr. Manmohan Singh is concerned, his character, integrity and gentlemanly qualities are beyond any doubt and no member has questioned his integrity. Everyone respects him. As an individual Dr. Manmohan Singh is thoroughly honest and the present Government wants to hide its misdeeds under the noble character of Dr. Singh. Now, this is not the main question but the question is that if this is system failure then do we have faith in Parliamentary democracy or not?

Which tradition do we want to follow in the Parliamentary democracy. By attributing it to the failure of called system do we want that one more committee should be constituted. We want to constitute a new Enquiry Committee just to make on eye-wash. After that, the term or Parliament will come to an end. No one knows who will win and who will lose. Today it is the question of the dignity of democracy as well as of those liberal traditions following which many big leaders of the Parliament like T.T. Krishnamchari, Keshav Dev Malviya and Shri Chidambaram himself tendered their resignations.

Mr. Chidambaram talked much about Janta Dal. He said that Janta Dal has split. Their identity is not known. If he wants to know honestly the real story of its split, I would make a mention of two persons. One is Parliamentary Affairs Minister, Shri Vidyacharan Shukla and the other one, who is not a member of this House but very prominent figure..* if is the talks to them

then he would be able to know a lot about the split in the Janta Dal.

[English]

MR. SPEAKER: The specific name will not go on record.

[Translation]

SHRI HARI KISHORE SINGH: He is a controversial and so called religious man who has high links in the Government. I wanted to say something about him.

When the scam was cooking up in the share and share market prices grew up, my friend Shri. Chidambaram naturally talked too much about the success of the new economic policies. I just do not understand as to the euphoria with which he was hoping for the success of new economic policies. At the same time with that very spirit he was discarding old policies of their own party and the old manifesto. If this scam had been brewing up for the last 10 years, then I would like to congratulate Dr. Manmohan Singh that this scam got exposed during this tenure of Finance Minister and a parliamentary Enquiry Committee has been constituted for the purpose.

Dr. Manmohan Singh has tendered his resignation. It is for the Prime Minister to accept it or not. But I want to know from him if it was the failure of the system, then why did he resign and more than that if it was the failure of the system then why the Prime Minister has accepted his resignation. The nation wants to know as to who will reply to this question-the Prime Minister or someone else. It has been said that lacs of telegrams were received. Common people like rickshaw pullers and Pan walas

consider. Dr Manmohan Singh as an honest person, I too consider him honest. There is no doubt about his integrity and it is not being questioned. Our colleagues had been repeatedly saying that the honest person has resigned but all others are still sticking to their chairs and are running the Government. The country wants to know the reply in this regard also.

He has said many times that he is speaking on behalf of the people of his constituency and echoing their views in the House. He also made an appeal to us and has delivered sermons to us. We are also speaking on behalf of the people of our constituencies and the people of this country who are looking to Parliament with a hope. Such a big scam has taken place. It is the biggest of its kind not only in our country but no such scam has ever occurred in the financial system of any country in the world during the century. Where would this scam end? Will learned people like him play with the language on this issue in such a way that the country and the Parliament would be stunned and no one will be punished. Then how to improve the system. Will a separate Enquiry Committee be constituted for this purpose? This is my question.

With reference to financial institutions, we are discussing the hard earned money of the people. I would like to quote para 4.18 at page 16.

[English]

The gross problem exposure mentioned above represent banks' investments which are difficult to recover because, as against the money already paid out by them, either they do not hold any security or they hold BRs/SGL transfer forms of doubtful value and because of imperfect

contracts/documents they may not be in a position to enforce the contracts and recover the money.

[Translation]

This is not a question of a small amount. This is about Rs.4024 crores. This amount of Rs.4024 crores may not be a big amount for Shri Chidambaram or the Congress Party when frauds of billions are going on. I want to talk about the poverty and the sorrows of those common people about which Shri Chidambaram has talked much. What will happen to those common people and the middle class people whose Rs. 4024 crores have been lost in the share market. Because J.P.C. has very categorically written that there are no chances of this amount being recovered. The J.P.C. has further stated about Banks that:-

[English]

"While in the case of NHB, SBI and SBI Caps the ultimate exposures will be on Shri Harshad S.Mehta, in the case of Stanchart, Canfina and CMF, it will be mostly on Shri Hiten P. Dalal, Shri A.D. Narottam and in case of ABFSL, it will be on Fairgrowth Financial Services Ltd."

[Translation]

I understand that Shri Chidambaram must be having good knowledge of the fairgrowth...[Interruptions]...He has since left. These people cannot face the truth.

Mr. Speaker, Sir, today it is not the question of system failure but of the dignity of Parliamentary democracy and this supreme institution. A little while ago our learned friend Salman Khurseed had concluded his speech with a couplet. I would like to ask him through a couplet.

[Sh. Harikishore Singh]

[English]

"Tu idhar-uthar ki bat Na Kar, bata ki karwan kyon loota, Muzhe Rahbaron ki Garaj Nahin, Tesi Rahbari Ka Sawal Hai."

Today it is not the question of Bhupen Dalal, Hiten Dalal or Harshad Mehta. It is also not the question of four thousand or eight thousand crores of rupees. Today the question is what message from this apex institution of parliamentary democracy is being sent to public? Today the question is whether this institution is competent enough to check it or not. Today the dignity of parliamentary democracy is at stake.

Mr. Speaker, Sir, this is a big scandal. There are may irregularities in it. I want to cite a small example. B.R. was done under Banker's cheque -J.P.C. in its report on page 17, para 4.24 say

[English]

....."The examination of securities transactions by the Committee revealed serious irregularities. One of these was the gross and wide-spread misuse of BRs. It was observed that the guidelines of IBA and the circular of RBI dated 26.7.1991 for the use of BRs issued were observed more in their breach than in their adherence. In many cases, the BRs issued were not even in the 'format' prescribed.

[Translation]

BR is issued. What is this? Where does it go? J.P.C. on the basis of facts has come to the conclusion that BRs are not issued under proper format. Further it states about Banks—

"Thus use of BRs which was intended as an "exceptional method" of delivery of security in certain special circumstances became a popular/common method for securities transactions. Further as already stated, the inter bank transactions were invariably routed through brokers, Gradually, the banks omitted to mention in the BR even the name of the "counterparty" bank with whom the deal was struck so that the BR could be utilised by the broker towards sale to bank. In many cases, BRs issued favouring one bank, came to be discharged by it and passed on for further use in respect of another bank for a transaction named by the brokers. Thus BRs which were "non-transferable" receipts became quasi-negotiable, bearer bonds representing the value of securities mentioned therein."

It is astonishing at the BR and the Public money are openly being looked yet the Government in silent. If this is called system failure, only God can save it.

[Translation]

The Finance Minister, Minister of State for Finance and former State Minister of Finance are present here. How BR is used, they know better than.

Mr. Speaker, Sir, I would like to make a mention of a few banks. Mr. Chidambaram has discussed enough about the economic policy of the Government. There can be no 'Eldorado' in our country without this policy.

We also held the impression that foreign banks are better than the banks of our country. Their working system is good, they work more efficiently. It also seems so from their outer paraphernalia. They very quickly dispose of the work related to chèques etc. But no one is aware as to what is going on in these banks? I would like to cite paragraph 85 of page 48 of JPC Report about the foreign banks.

[English]

On p.48 para 8.5 it is stated:-

"The examination by the Committee of securities transactions in banks has revealed that some of the foreign banks have been deeply involved in the irregularities in securities transactions, they have acted in an unbecoming manner, indulged in large scale security deals, highly disproportionate to their normal requirements and in the process not only violated RBI guidelines, but also their own set procedures and Prima Facie the laws of the countries of their origin. In the process they have thrown over-board all principles of prudence and safety in management of funds of constituents who had reposed faith and confidence in them. The Committee examined in particular the securities transactions of four foreign banks viz. SCB Chartered Bank, (SCB) ANZ Grindlays Banks, BOA (BOA) and Citibank."

[Translation]

Mr. Speaker, Sir, one of the criticism against the new economic policy is that the foreign banks would enjoy full liberty in our

country. When Dr.Manmohan Singh presented his first Budget, I asked him to clarify whether he would allow foreign banks to operate in the country in a big way. But I could not get the reply till date. Is it justified if foreign banks violate the guidelines of RBI But the Government of India and the RBI do not take any on action against them. Why it should be called system failure when the people sitting in the Government over look it.

Mr. Speaker, Sir, I would like to cite some more facts about the foreign banks from the report. On p 49 para 8.10 it is said:-

[English]

On p.49 para 8.10 it is stated:-

"These banks also indulged in issue of BRs without receipt of money on securities, exchanged BRs, issued consolidated BRs, indulged in issue of BRs even where SGI facilities were provided etc. Similarly, they have also grossly misutilised the SGL facilities and permitted large scale bouncing of SGIs. During the period October, 1990 to June, 1992 a total 612 SOLs of these banks bounced. The banks hardly cagited to verify the abilities of counterparty banks issuing BRs of high value to perform, despite the fact that some of them were known to have very small resources like BOK and MCB (both now in liquidation)."

[Translation]

Mr. Speaker, Sir, can the foreign banks operating in a country play with its economy in such a manner? These are very large and famous banks. It is being said today that in case these banks are touched the capital

[Sh. Harikishore Singh]

investment from foreign countries which is likely to be made in the country will not be done.

I disagree with it very politely. Today, if action is taken against the banks involved in the scam, it will not only give a boost to the Government of India's but also give it will credit to our parliamentary system abroad. It will also remove the stigma that is being cast on us by the world that we are becoming slaves and followers of World Bank and the International Monetary Fund. Do the Government propose to cancel the licences of these banks or not? Was the Government waiting for the JPC Report even when these facts had come to light. I hold the Prime Minister, not the Government responsible for it. Not only the Finance Minister but the Prime Minister is also responsible for it being the head of the Ministry as his ministry is also linked with it. For example what happened to the money of Nalco and public undertakings amounting to more than 44000 crore? What action will be taken in this regard? Will the hard earned money of this country be spent through budgetary provisions or disposed of by any other means? Will someone be held responsible for it. Foreign banks and our banks are responsible for it. Much has been said about this. The responsibility of our banks has been exposed more elaborately and several people have also committed suicide in this case. The Reserve Bank of India is the sole owner of the State Bank of India. What was it doing at that time? I hold Dr. Manmohan Singh responsible for it because he took the side of the Governor of Reserve Bank of India. Once at the time of clarifying on this issue. I, in the Consultative Committee of Ministry of Finance....[Interruptions]

[English]

MR. SPEAKER: Please do not do that. Please avoid that.

[Translation]

SHRI HARI KISHORE SINGH: I requested him to disclose the names of the Ministers, who are involved in it but he replied that no Minister was involved. When you say that none of your colleagues is involved in it, then why resignation of one or the other is coming up. I am sorry that he has resigned. Mr. Chidambaram says that common people like hotel owners, rickshaw pullers etc. say that an honestman has resigned and others are safe Honest people will be punished for this. Does not Mr. Chidambaram know that there is a system failure? Besides this question has also been raised against the Prime Minister as he was not only the Minister in charge of the concerned department, the undertakings which have invested the money but the members of his family also own Andhra Financial...[Interruptions]

The JPC has not taken Gold star into consideration. So it becomes necessary for the Parliament to take up a discussion on it. So the Janta Dal has demanded that in case the Prime Minister is innocent, I do not give weightage to Harshad Mehta's statement. I will accept whatever the Prime Minister says about the Gold star. We have a tradition and I am surprised as to why Shri Vajpayee did not cite the tradition which is connected with Ayodhya. A common citizen could blame Lord Ram Who consequently banished Sita. His action was wrong. But Shri Vajpayee did not mention it. He forget it. Since they have lost the polls in U.P., he forgot this and the Ayodhya incident please do not do so. Today the Prime Minister

should clarify his stand before the people of this country. It is necessary for him to clarify his position in regard to his relation with the Goldstar before the leader of the opposition parties, before the panel of prominent opposition leaders of this House so as to prove himself immaculate. How his family members got the benefits of his personality? Who will take the responsibility of the capital investment that was made in this security scam? Mr. Speaker, Sir, Parliamentary tradition has not been established within a span of a day. It has a long history of its liberal tradition in which several good people were made scapegoats. It is not necessary that even today someone should be sacrificed for this. So it is very necessary today that the Prime Minister should clarify his position in this regard. I should deem that he is involved in Gold Star and the Andhra Bank Financial Services and he should resign. This is not concerned with only one Ministry but several ministries are involved in it. Same is the position with the Ministry of Energy. A heavy amount of this ministry is involved in the security scam. Shri Kalp Nath Rai was the then the Minister of Energy. He should resign. He was associated with the socialist movement of Dr. Ram Manohar Lohia. Giving due respect to his tradition he should resign today. Some more people are also involved. The Prime Minister cannot get rid of it easily. He cannot get rid of it on the pretext of system failure only. No system is successful today. The system which he is running today is a failure. It is a failure of those people, failure of the Government, failure of those corrupt businessmen and other institutions which have influence on power. So the country cannot be punished for this. Mr. Speaker, Sir, Economists are of the view that only Rs. 8000 crore. are not involved in this scam if no proper investigation is made this case, it is likely to cross even 88000 crore. Several people have become poor, several people

have sold their house and several people have committed suicide due to this. It is not related to the faith of Parliamentary democracy which is at stake. With these would I demand the resignation of the Government.

[English]

SHRI SHARAD DIGHE (Bombay North Central): Mr. Speaker, Sir, already five speakers have spoken on this Report of the Joint Committee to enquire into irregularities in Securities and Banking Transactions. Stalwarts have already put their different points of view. The Report has also been read extensively and different paras have been quoted in support of the arguments advanced by the hon. Members.

The discussion which is going on is on a very serious subject and I should say that some delicate parliamentary issues are also involved in this discussion. It has been stated, on the one side, that it is only a systemic failure, it has been there for some years and therefore, the present Finance Minister alone is not responsible. It is also stated that the parliamentary democracy or parliamentary jurisprudence, if properly understood, does not demand or does not require the resignation of the Finance Minister. The opposition Members have been at pains to point out that this is not a systemic failure but, it is the deficiency of the department itself, and, therefore, the Finance Minister is directly responsible. Taking advantage of a particular paragraph in this Report, at page 223, it is, again stated that the distinction cannot be sustained by the constitutional jurisprudence under which the parliamentary system works. So, these are some of the issues which have to be broadly discussed as far as this JPC Report is concerned.

Sir, in the first place, I would submit

[Sh. Sharad Dighe]

that this Report brings to light several shocking facts as far as the banks' transactions are concerned. Everywhere, the facts have been spread over and they have been referred to by the opposition leaders also. Really speaking, this Report was to be confined to the scam, though the Terms of Reference are in broader words. And the word 'scam' itself was defined here as "basically a deliberate and criminal misuse of public funds through various types of securities transactions with the aim of illegally siphoning of funds of banks and public sector undertakings to select brokers for speculative returns."

So, from this definition point of view, we shall have to find out, what are the different findings of this Committee. As I said, several shocking facts have come to light and, therefore, many of the recommendations of this Committee are very serious and should be taken very seriously; Government should take action as far as those departments are concerned. No doubt, it is an unanimous Report of the Committee in which all the political parties are party to the Report. And, therefore, I would submit and urge upon the Government that the various deficiencies which are pointed out and the recommendations made for correcting them should be very seriously taken and prompt steps will have to be taken as far as those recommendations are concerned.

For example, at page 87, I would not go into all the details because many paragraphs have already been quoted by different speakers, there is a reference to the appointment of brokers.

There are no brokers at all. The whole system of empanelling of brokers of banks,

especially the public sector banks, needs to be examined in detail. Brokers are appointed without interview, without any qualifications and many persons find favour as far as this system is concerned. Similarly as far as the public undertakings are concerned at Page 115 it is surprising to read that the budgetary funds which are given to the public undertakings are utilised for this speculative purpose. It is stated at para 14.27:

"Several PSUs invested their funds, while they continued to receive budgetary support. Total funds received by some of the PSUs for the last 3 years were as given on the following page:"

The figures are given and the Committee has found out that PSUs, instead of utilising the funds for the operational requirements, have made huge investments with banks, financial companies, etc. Thus depriving the PSUs of these funds for considerable periods.

These are some of the things which require immediate attention. Because the public funds which we are allocating to such institutions are being used for speculative purposes and perhaps they are being siphoned in a criminal manner by certain brokers and certain other interested persons.

The main point, as I was saying, which has been crucial as far as this report is concerned is at Page 223. That is the main controversial paragraph as far as this discussion is concerned. There the Finance Minister's point of view has been quoted:

"As regards the functions of the FM, he oversees work of the Ministry and provides overall policy guidance to the officials. Revenue and

Expenditure decisions are the direct responsibility of the Finance Ministry. As such FM has more direct responsibility in these areas. He is also responsible for broad policy decisions affecting the financial system where the Finance Ministry is involved. However, FM cannot be held responsible for administrative failures or management deficiencies in the case of individual banks and other financial institutions."

Here the Committee differs from the Finance Minister and says that:

"The Committee feel that such a distinction cannot be sustained by the constitutional jurisprudence under which the parliamentary system works."

Dealing with this point another aspect that has been put before this House is that these deficiencies arose out of the liberalisation policy adopted by the Finance Minister. Shri Chidambaram has dealt with in detail how it was only a systems failure and had nothing to do with the present liberalisation policy of the Finance Minister. He has quoted several instances from the Report itself and shown that this aspect of the matter is not correct at all. We must remember one thing that in the whole Report itself, it is clearly stated that this is going on for number of years, particularly since 1986.

17.00 hrs.

The system has decayed recently to a great extent. This rise in the share market is also a phenomenon since 1990. But, it had its peak level in the years 1991 and 1992; and the highest level was on 22nd April 1992, when the figures stood at

4467.32 as against 100 in 1980. The peak reached in April 1992; it started somewhere in December 1991 for a very very steep rise, as far as the capital market phenomenon is concerned.

As I was saying other hon. Members have also stated that this has not come suddenly. This is a decay of the whole system. It started from 1986; and during that period, even the Governments of the parties other than Congress party were also in power. If at all the Ministers are to be held responsible, then those Ministers should also be held responsible for not attending to the decay of the system in the Reserve Bank as well as other banks, as far as this was concerned. The portfolio management system was decaying and the funds were being siphoned off even in all those years, though it reached its peak during the period of 1991-92.

Therefore, firstly it cannot be said that the present Finance Minister is alone responsible for this. If you want to hold him responsible for this decay in the system, then, several Finance Ministers who were in charge of this Ministry will have to be held responsible [*Interruptions*]

SHRI HARI KISHORE SINGH: You punish them. [*Interruptions*]

SHRI SHARAD DIGHE: We cannot punish the people retrospectively. That is the whole difficulty. You can catch those persons and ask them. [*Interruptions*] Therefore, with this background, we must consider the decay in the system. [*Interruptions*] Therefore, this malady on malaise cannot be attributed only to the Finance Ministry. Then, we can also say that this has happened in your period and therefore, you will have to resign. But, that is not a correct and good argument at all.

[Sh. Sharad Dighe]

Secondly, as soon as it was detected, the present Finance Minister has promptly taken several steps. If you see it, you will find his perception; and it was this that there were other trends also which were responsible. When he answered the Unstarred Question in Lok Sabha on 27th March 1992, he has stated that the share prices have shown rising trend during the last nine months due to market factors including the recent liberalisation policy of the Government. So, those hon. Members who were trying to say something, should understand that even the Finance Minister was under that impression. His perception was that because of the liberalisation policy, the prices of the shares in the stock exchange were rising and that it was something good. But, that was not so. He has stated that other market factors were also responsible which also included the recent liberalisation policy

Then, in Rajya Sabha on 31st March 1992, while replying to a Starred Question, he has again stated that the increase was mainly on account of the expectations of investors generated by the rise in the level of foreign exchange reserves and the improvement in the overall economic situation.

In the beginning, he had some perception that because of his policy also, this was rising. But that was not the only factor. He was seeing that there were other factors also.

He held a meeting with the Presidents of the stock exchanges on 28th of March 1992. He has clearly hinted there with respect to the other factors also. It is a record note on Finance Minister's meeting with the Presidents of major stock exchange on 28th March, 1992. In volume II, on page 2, he has stated there:

"Steps must be taken very quickly to streamline operations, as any slackness on the part of stock exchanges could jeopardise the fate of the liberalisation process and hamper economic reforms."

He had warned that stock exchanges and asked them to take steps against these things. He had also assessed that because of various liberalisation measures introduced and the policies announced by the Government on trade, industry and capital market, the stock exchanges has been growing at a rapid pace.

Then, he had further assured his support. At that time only, he had announced the statutory status to SEBI. Therefore, the Finance Minister was aware and alert as far as this position was concerned. He had taken prompt steps to arrest the things which were within his control. Therefore, while replying to the calling attention notice in Lok Sabha on 30th April, 1992 also, he had said:

"RBI had been asked to set up a group to look into the system and procedure from the point of view of strengthening monetary supervision and detection and to take suitable steps."

Thereafter on 30th April, 1992, he instituted an inquiry under the Deputy Governor of RBI, Shri R. Janakiraman. All the prompt steps have been taken as soon as this malady was detected by the Finance Minister. What I submit is that he was alert about what was under his control. He acted promptly as far as his Department was concerned.

Now we must also appreciate that when these things started coming in the Lok

Sabha and the Rajya Sabha and also references were made in the Press first time on 23rd April, 1992, discussions were held here under some head or the other, say, calling attention notice, questions, etc. Ultimately, the Government itself came forward to appoint this JPC. The Government also acted very promptly. Not only the Finance Minister but the Government also came forward and immediately appointed this JPC to inquire and find out the reasons for this malady. That also will have to be appreciated.

Then, on 6th June, 1992, an ordinance was promulgated establishing a special court relating to these securities transactions. Justice S.N. Variava was appointed the Judge for this purpose.

What I submit is that we cannot blame the Finance Minister or even the Government as far as these failures are concerned. This system was decaying for a number of years. And several people were responsible as far as this decay is concerned. As soon as symptoms were noted, this was brought to the notice of this House or brought to the notice of the Government.

When symptoms were brought to the notice of the Government by democratic means, by this House as well as by the Press, prompt steps were taken by the Finance Ministry as well as by the Government to arrest this decay and the Government also announced that whoever might be found guilty would be punished. These assurances are also there. I would like to further speak as far as the responsibility of parliamentary accountability is concerned. As has been hammered by all the speakers relying upon page 223, I would submit two points. Firstly, many of the speakers are utilising the instances of Shri Lal Bahadur

Shastri, Shri T.K. Krishnamachari and also Malviya. As far as Shri Lal Bahadur Shastri is concerned, may I ask with all humility whether there was any other Railway Minister who resigned because there was an accident? All parties have been in Government....[Interruptions].. But we use Shri Lal Bahadur Shastri's name when it suits our purpose only and if anything happens, we cite the name of Shri Lal Bahadur Shastri's name but whenever other parties are in Government, they forget about the instance of Lal Bahadur Shastri and they go ahead without resigning. I know about so many opposition leaders who had been Railway Ministers and they never resigned when accidents had taken place. We should not use the solitary instance of Shri Lal Bahadur Shastri when it suits our purpose. Therefore, my submission is that is not the final test so far as the present parliamentary system is concerned. As far as Mundhra's case was concerned, extracts from the speeches of Nehru were read. It is a known fact and I think senior Members will agree with me that even at that time the Prime Minister was reluctant to ask for the resignation of the then Finance Minister on that issue itself. And it was only when Maulana Azadji intervened, ultimately that resignation was taken. But that also cannot be ideal and followed always. You know about the third instance where it was personal and therefore, it was a different matter all together. I do not want to justify all these things but I want to ponder over all these things that since 1952, the functions of the Government have changed to such an extent that if, for some small happening in their department, the Ministers are expected to resign, I do not think that the Government can run at any time at all.

SHRI RAM NAIK: Is it a small happening?

SHRI SHARAD DIGHE: I will come to that. Now, the functioning of the Government has been more and more complicated. Several functions are added and if, for the failures of some section or the other of the department, the Ministers are held responsible to the extent of resigning, then I do not think that will be good for any of the parties who are there as far as this House is concerned.

Therefore, we must take a practical view of the matter. Really speaking, if we find that the Finance Minister could have been guilty of all these things during his regime and had failed to act because of his negligence or because of his lack of integrity, because of any selfish motive or because of his utter inefficiency, then I agree that he must be asked to resign. But if these things are a result of the systems failure in the banks and because of RBI's failure or to supervise properly and if these things have been going on for all these years, then for some reason or the other, we cannot catch hold of the head of the Ministry and say that he is responsible and hence he must first resign. I think I am correct and I am happy to note that nobody from that side has asked for the resignation of the Finance Minister. Suggestions have been made to the effect that as he is a man of high integrity and he is such a good man that he has resigned and so let him continue to be a good man. That is the only suggestion from the other side.

SHRI ANNA JOSHI: Will you please yield for a minute.

[Translation]

Sir, right now whatever Dighe jee was speaking was about the resignation of the Finance Minister only. I want to know from

the Government, through you, as to what he has to say about the resignations of those ministers who have come under cloud. There are 7-8 ministers whose names have been mentioned from time to time...[Interruptions]..

[English]

SHRI SHARAD DIGHE: Therefore, what I say is that the time has come when we must lay down certain tests in this parliamentary democracy. This is not merely a question of the Congress Party or some other party. Some day or the other, some other parties can come to power. Are you going to accept when I suggest that we must lay down such tests which will be useful for all times to come, useful for all the parties who may likely come to power? From that point of view also, my appeal is that we must consider this Report in that light.

Finally, I urge upon the Government that whatever recommendations are made by this Committee, they should be scrutinised properly and action should be taken promptly so that the decaying system should not decay further and some improvements are made so that the siphoning of public funds by unscrupulous people may not hereafter recur in any manner whatsoever. (ends)

[Translation]

SHRI RAMASHRAY PRASAD SINGH (Jahanabad): I want to ask a question...[Interruptions]..

MR.SPEAKER: Please sit down. Whatever you are speaking is not being recorded.

SHRI RAMASHRAY PRASAD SINGH:.....[Interruptions]..*

SHRI BHOGENDRA JHA (Madhubani):

Mr. Speaker, Sir, first of all I would like to thank the Joint Parliamentary Committee, because they by their hard work and leaving aside the party views, have presented a consensus report based on unanimity of facts before the Parliament and the country. I think the members of the Committee including the Chairman had to work hard in this venture so that facts are not suppressed and unnecessary division is not taking place on party lines.

Mr. Speaker, Sir, the subject is being debated and we are sitting in the Parliament, not because we are the best persons in the country, but because we are elected and sent by the people so that we may play our role in Parliament in the implementation of different policies in the country. This Government has been formed somehow by a thin majority. In the Parliamentary form of Government both in India and in Great Britain the question of accountability is very important. Many of our friends from the Congress party have spoken on this subject, but I want to tell them that we cannot punish any officer in the Parliament, nor can we punish any Bank Manager, or any official of the Finance Ministry; only this Council of Ministers is answerable to us. Today the speakers of the ruling party are making many dangerous talks. According to them there will be moral turpitude only then this can happen. Merely moral responsibility will not do. If moral responsibility is not there then any Minister through his officials can get any wrong thing done and can ruin the country, and he will never be held responsible for his deeds...*[Interruptions]*..

This is a new thing being added to the Parliamentary system. This is a dangerous trend. When no body will be held responsible then people voting from either side in favour or against could get anything done

by anyone and no one will be held responsible. I think that in the Parliamentary history somebody might have spoken like this. But no prominent speaker had ever spoken or written like this.

A lot has been said about many persons. I want to tell you that when a very important person the then Finance Minister of India, resigned the then Prime Minister of India, Shri Jawahar Lal Nehru had said about Shri Shanmugam Chetty him in this Parliament:

[English]

"Normally, I would have hesitated a great deal in accepting that resignation, partly because, first, I felt that what had happened was an error of judgement however serious nevertheless it was an error; secondly, because Government had profited a great deal by his ability and by his hard work in the very responsible office he held; thirdly, that in this very Session there are certain important measures which he was going to pilot..."

[Translation]

Then he left, despite all his abilities his resignation was accepted. None of us has said that the Minister of Finance as a person is a dishonest man. I am not in a position to give certificate of honesty or dishonesty, but I would like to mention the facts that have come to light.

One fact is that we would not understand things due to carelessness. This carelessness made our country slave. Carelessness even with a honest motive is a crime. A minister particularly who is steering the engine in his hands, can lead to major acci-

[Sh. Bhogendra Jha]

dents. Because this is not an act of carelessness of a passenger boarding the train, but here the matter relates to the driver of an engine, driving the Financial policies of the country.

Mr. Speaker, Sir, my friend Dighejee was referring to the reply of a Calling Attention Motion. These matters have been raised repeatedly in this House and brought to the notice of the Government. Government's attention has also been drawn to the fact that prices are rising. The Finance Minister reacting to this issue said that he would not bother himself on this account and maintained that this was the favorable result of their policies.

Mr. Speaker, Sir, had there been a favorable result, all would have welcomed it and in case of unfavorable results, one should not doubt the ability. I am talking about the ability. Everybody speaks high of his ability. The prices are rising abruptly in the stock market. Our friend Shri George Fernandes was saying something and friends from the other side were also saying.

That the assessment of the Finance Minister has been proved wrong. Is this the proof of ability when the results received are unfavorable? Shri Chidambaram has negated the history of the last five thousand years. I am afraid whether he is aware of it or not. People will appreciate him; I am not going to deny this because he has guts to negate the history of last five thousand years. We may become slaves to anyone or even to a foreign bank though direct foreign rupee does not appear easy. Two members from the ruling party have spoken, but in my opinion to run this country it is very necessary for the ruling party to know the

direction in which this country is moving. The question is not merely of Dr. Manmohan Singh. He has done a commendable job by sending his resignation and fulfilled his duty. After going through some papers, I feel that some Public sector Banks did not cooperate. All the facts have not come to light which can even reveal a bigger scam than this. On the other hand he is saying that amendments are being made in the new financial policy. I am not talking only of theoretical grounds but also of practical grounds. He is of the opinion that our Public sector has failed. The Finance Minister and other Ministers are present here and I would like to know from them whether a single businessman in private sector is running his industry without taking money from the Public sector Banks. Not as a single man is running his wholesale business with his own money. You are talking of the success of some officers who have pleaded for continuance of the public sector. We have the glorious history of five thousand years. I do not want to go into details, I only want to say that the intention of JPC expressed in the report should be reflected in the House. But the new policy now being followed is a danger to Parliamentary democracy and to the life of the people. An industrialist by producing a product adds to the capital in the country but speculation is pure gambling in which people make easy money in crores. If investigation starts, someone will say that even members of the Joint Parliamentary Committee have taken bribe from them...(Interruptions)...

The affidavit filed earlier was wrong. Now we are giving the true one. Later on they said that they were not saying the correct position we were misled by it to a great extent. All this was done on the strength of money. Mr. Speaker, Sir, that is why I was telling you that our millionaires are in the hands of newspapers. I know that they will

not listen to us.

These newspapers are giving wide publicity to that scam of thousands crores of rupees been they are making an attack on our Finance Minister on the public sector and our economic liberty. They are criticising our financial liberty. I have no enmity with the Finance Minister. He is quite sober by nature and have no objection to it. Whatever he has done is known to all of us. But our Financial liberty is being hit under the pretext of Dr. Manmohan Singh's conduct. My friends have an impression that foreign banks are good. I do not want to speak on this issue. I do not say that corruption in America is manifold as compared to our country. When there is so much surplus money then corruption is inevitable and that will definitely affect the public. Anyone can become a millionaire by such money, but nobody can reach this position by honest means because neither it is possible nor the could happen. So under the guise of such things the members from the Congress party are launch an attack on our history and the parliamentary system. If they have such a wisdom then. I feel that they should speak openly and should bring a proper motion to reject the report of the Joint committee. Joint Committee has put forward all these things very carefully and unanimously.

Mr. Speaker, Sir, the Hon. Prime Minister is not here but the hon. Finance Minister is present here. Such occasion seldom come. When late Lal Bahadur Shastriji tendered his resignation Shri Jawahar Lal did not accepted it despite letter's request to continue in office the former said that he would be highly obliged if it was accepted, because he did not want to continue any more. I would like to say that if the members of the Congress Party intend to sell our history and liberty, then Dr. Manmohan

Singh should resign boldly and in case it is not accepted, he should insist that he owns moral responsibility for this scam so that it may boost his image. So far as the matter of receiving the telegram from the people is concerned, I do not think it bad because he might have dealings, with right people and some of them might have swindled way crores of rupees. There may be some people who get free food and became millionaires without any effort. Therefore, I request that whosoever is mentioned in the report, can not shirk his responsibility. Hence not only Dr. Manmohan Singh but his colleagues should also bear this responsibility. It will set an example for the future. It is also question to what will be the criteria or future, I think that the congress party is not totally dead. If the party is alive it should look in to it and should be bold enough to suggest the Prime Minister to call for the resignation of Dr. Manmohan Singh in view of the report of Joint committee and without showing laxity should take action against those ministers who are involved in it and pursue the matter further. The question of retaliatory action against any officer does not arise. If no one is penalised, the responsible persons are not penalised then there is no remedy for it. Sir, the incident of 30 October, 1986 have mentioned. Our friend, Shri Dighe has pointed out the mistakes in a carefully worded language. I have come across such people suppose some is arrested in of crime and acquitted when some other is arrested in the same crime he will disclose the name of first accused and others also. Thus this will not end. If we can not rectify, it is the responsibility of the Congress Party. Hence it is the only opportunity that the resignation of Dr. Manmohan Singh should be accepted and remaining Ministers who are guilty should also resign.

I would request Shri Narasimha Rao as he is the Prime Minister I would like to

[Sh. Bhogendra Jha]

remind him that he himself had been a freedom fighter so he should realise that the manner in which efforts are being made to shatter the very fabric of this country would not be tolerated.

Now a days a disease has spread in our country. If this disease take serious turn.....

[English]

MR. SPEAKER: That is not going on record. We do not refer to the heads of State of other countries.

[Translation]

SHRI BHOGENDRA JHA : Mr. Speaker Sir, I have not mentioned any country.

MR. SPEAKER: You have just mentioned the name of a person.

SHRI BHOGENDRA JHA: Mr. Speaker, Sir I have mentioned a new disease against your feelings. In the world history we slow that for the first time a Parliament was bombarded by tanks in which hundreds of parliamentarians lost there lives.

MR. SPEAKER : Being a senior Member you know that we have a rule that we do not refer to the Government or any individual of any other country.

SHRI BHOGENDRA JHA: Mr. Speaker, Sir I have mentioned any country.

MR. SPEAKER : But you have just referred to an individual. Well, please proceed.

SHRI BHOGENDRA JHA : Today

crores of people are facing unemployment problem and starvation in the country. It is being said that reforms are being made in there case. In this way the economy of the country is being ruined. Public property is being destroyed in the country.

MR. SPEAKER: I had allotted you time to speak on the report.

SHRI BHOGENDRA JHA: I am speaking on the report itself.

MR. SPEAKER: You are not supposed to deliver speech on someone's speech. If you have some new pointers to say, please speak. Otherwise, let the others speak.

SHRI NITISH KUMAR: We have just listened to hour and fifteen minutes sermon on liberalisation.

SHRI BHOGENDRA JHA: Mr. Speaker, Sir, our five thousand year old history has been destroyed Our history will not start it America does not make as slaves (*interruptions*)

He is not only a man but also a lion. This has rightly been said that if the Congress party adopts the attitude that there were incidents of fraud even before and scam started budding even before, and therefore they would go doing this scam will engulf the whole ruling party including Narsingh Rao jee and there will be no one to save them. therefore, I would request that everyone found guilty in the report, no matter whether they are officers of ministries. Reserve Bank of India and other banks, the Finance minister being the first person in this line will be held responsible or other ministers of that ministry whose names have been mentioned in the report, will be held responsible for further action. A committee should be constituted and officers found

guilty punished. They should be imprisoned and terminated, so that others may take a lesson from them, and be careful in doing such acts. It will encourage to do good works and dissuade people from indulging themselves in reprehensible acts.

Therefore, the Finance Minister should maintain the dignity by relinquishing the office. His resignation should be accepted. Resignation of people involved in the scam, other than him, should also be accepted and decorum maintained. All the persons found guilty, should be punished. People of the country will not tolerate the brutal attack on public jurisdiction and misuse of public money. In the report businessmen involved in the scam dare being praised. In my last sentence, I want to say that four foreign banks are reported to be involved in the scam and it is none other than our Finance minister, responsible for inviting these foreign banks. It is he who has opened the door for their entry. At this moment only four banks have been found to be involved. Future will say the total number of banks involved. Therefore, the country should not be led and on the path, where banks of our country is likely to be mortgaged, and so also our financial system. I conclude with the hope that we will make atonement and march ahead.

[English]

MR. SPEAKER: Shri A. Asokaraj.

SHRI A. ASOKARAJ (Perambalur): Mr. Speaker. Sir....

MR. SPEAKER: You are speaking on behalf of ALADMK. You understand the implication of what I am saying.

SHRI A. ASOKARAJ: Mr. speaker, Sir,

on behalf of my party, All India Anna D.M.K., I am participating in this discussion.

Sir, it was a chronic disorder and the most unfortunate aspect was the emergence of a culture of non-accountability, which permeated all sections of Government and banking. There were several dimensions of the scandal, more and otherwise. These grave irregularities have persisted for so long that eventually it was not the observance of regulations but their breach that came to be regarded and defended as market practice. So they are defending themselves all these scandals and saying that it is the market practice. Accountability was largely absent and the punishment for the wrong committed was rare.

Like in the Report we have to express our grave concern on the failure, that was the supervisory role from top to bottom. The extremely worrisome aspect is that no witness had admitted responsibility and their damaging approach of transferring responsibility to others.

Sir, I strongly urge and support the JPC's recommendation of setting up two Expert committees to determine the exact amount involved in the scam and to trace its end users. The tracing of moneys to their final destination is an important one. It was the task of a team comprising of specialists in the field of accountancy, taxation and criminal investigation. As the JPC recommended such a team be constituted under the overall coordinating responsibility of the MOF and with due and proper representation of such agencies as it may deem fit, the task of identifying the end uses of monies been trusted with this committee and it may be directed to report within six months of appointment and to present its Report to the Parliament.

[Sh. A. Asokaraj]

Sir, I would like to say a few words. The report states that out of the amount of Rs. 7,43,604 crore securities transactions conducted by the banks and the financial companies during April 1991 to May 1992, 58 per cent was handled through bank brokers that is, a sum of Rs. 4,38,290,32 crore was transacted through the brokers. And from this amount, the brokers has cornered nearly 20 per cent of the total business, That means. the brokers had cornered Rs. 1,48,720.8 crore.

Sir, the Report also establishes the manner in which the banks in general colluded with some unscrupulous brokers and extended undue advantage to them disregarding the rules. You should also understand when such an amount was involved, the bankers had dealt with only brokers, that too, only with selective brokers. and they might have come with an agreement to enter into this.

The bank failed evolved any clear-cut policy regarding the role of brokers in securities transactions including their selection, fixing the limit over the quantum of business, nature of transactions and the system of reporting .

I would also like to point out the under that IRDP, an assistance of Rs. 12000 was given. However . I with to point out that it is not easy to get this loan. Even Members of parliament have to face a lot of difficulties while dealing with these bankers, These bankers are taking a number of sureties and other things from the beneficiaries . So, about one crore people can be benefited with this assistance.

I would also like to point that these investigating agencies have not done their job

properly. the JPC in its Report have passed sever structures on the CBI and other central investigating agencies. Bombay brokers, Harshad Mehta and other public servant had amassed a lot of money from 1990 to 1992. The Report also points out that there was a poor performance by the CBI and other investigating agencies have not worked properly and promptly and rather they have not seen eye to eye.

I would like to say a few words about the activities of foreign banks. Actually . they have taken away all our money. We should have strict vigilance on the activities the foreign banks. Similarly I would like to ask in what way we are going to deal with those who have got money by wrongful means.

So in short, I would like to tell that this whole thin will harm the interests of our nation and with the result crores of people are becoming poorer and only a handful people are becoming richer. So, this Parliament should not be a silent spectator to see that the rich people become more richer.

So, I earnestly request all our hon. Members to forget the party politics and see in what manner these poor people can be uplifted. Thank you.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): Mr. Speaker. Sir, the scam that has taken place is an unprecedented one. I will not repeat the figures which was quote by earlier speakers and those amounts so not include the depreciation or loss suffered by several bands and institutions by the reason that they were holding securities, bonds which had depreciated in value as also losses which may occur in supplements which are in dispute.

It has been estimated that there is a depreciation of about Rs. 804 crore in the

value of bonds*hold by banks against any Portfolio Management or other avenues.

In all fairness, I congratulate Shri Ram Niwas Mirdha and the members of the JPC who have take, lot of pains in inquiring into this episode and in arriving at a unanimous report. The report has brought to right the way in which some brokers could influence the banks, both nationalised as well as foreign banks, and financial institutions to siphon off huge funds utilise the same in the financial institutions to siphon off huge funds to utilise the same in the share market. While a few people have benefited at various levels, millions of people particular the investors have lost their savings, many a time the hard earned money. The impact is being seen in the share market as well as in the purchase of consumer goods in the market because crores of people have lost their money, some of which they could have spent on consumables. I may be forgiven for saying that quite a large number of people are slightly disappointed because the Report could not point out where ultimately this money has gone and who are the ultimate beneficiaries, for which, of course the committee has recommended that a separate committee may be formed with experts to inquire into that matter.

Basically it has been said that the scam is deliberate and criminal misuse of public funds through various types of scams, with the aim of illegally diverting the funds from the banks and the public sector undertakings to select brokers for speculative returns. These irregularities in the security and banking transactions are the manifestation of this chronic disorder. Not only the banks but also stock market financial institutions, public sector undertaking and the central banks of this country, namely, the Reserve bank and the other nationalised banks Ministry of Finance and other economic minis-

tries have suffered losses- of course in varying degrees:

Mainly the Reserve Bank of India, which is the custodian is the custodian of all banks and which has to see that the guidelines which are issued by the Reserve Bank of India are properly implemented, has failed miserably.

As far back as 1986, as some of our friends have pointed out, some instances had been found where this issue of Banker's Receipts were being misused. But in spite of the fact that these deficiencies and these irregularities had been brought to the notice of the respective banks' top management as well as the Reserve Bank of India, the Reserve Bank of India had not acted and it took them almost five years to give clear cut instructions on 26th July, 1991. Very precious time has been lost. If they the Reserve Bank of India has acted properly and in 1986 itself then the scam of this magnitude would not have taken place.

The banks issued B. Rs. even where S.G.L. securities are involved. It is a gross violation of the rules. A number of banks issued B.Rs. for securities which are not in their portfolio at all.

Really it is an astonishing factor that the Bank of Karad and the metropolitan cooperative bank, which are very small banks, were able to defraud several hundreds of crores of rupees of public money. One more surprising fact is that the Metropolitan Cooperative Bank is not even authorised to issue B. Rs. and even then it unauthorisedly issued 30. B. Rs. on behalf of its two clients who are dealing in share and securities granting Rs. 94 crore without the backing of securities. I do not want to mention their names as they are there in the report.

[Sh. Sobhanadreeswara Rao Vedde]

The National Housing Bank is not a member of the Indian Banks Association and it has not been specifically mentioned as eligible institution by I.B.A. for issue of B. Rs.

MR. SPEAKER: Shri Bhogendra Jhaji this is too much. Generally we do not have to cross between the Member speaking and the Chair. And that is being done and not only that but now discussions are going on

[Interruptions]

SHRI NIRMAL KANTI CHATTERJEE(Dumdum): Sri, did he hear you?

[Interruptions]

SHRI SOBHANADREESWARA RAO VEDDE: Sir, regarding the irregularities in the issue of S.G.L. transfer forms the committee has found that in a number of cases the banks had S.G.L. transfer forms to help the brokers and client raising money through them and there was no real support for the securities. A number of S.G.L. forms should have been taken to the notice of the R.B.I. also. It was not done.

These non-banking financial companies have also defrauded the nation by hundreds of crores of rupees.

MR. SPEAKER : Shri Rao, please conclude.

SHRI SOBHANADREESWARA RAO VADDE: Sir, I have a few suggestions to make.

The Mahabharata was having 18 *Prakaranas*. This J.P.C. report is having

more than 18 chapters and after them there are some more additions. I have taken only 2-3 minutes.

MR. SPEAKER : You need not repeat what others have said. Do not say what has been said by others. There is no time for repetition. There is time for new points.

SHRI SOBHANADEESWARA RAO VADDE: Sir, because you are not good enough to give some time. I want to make some particular suggestions only.

The banking sector has become a breeding ground for corruption. It is a matter of knowledge to one and all that at the branch level also lot of corruption is taking place in the matter of implementation of the Government, sponsored schemes or when one goes to the bank to take loan. Only in very few cases some people are found guilty and they are being punished.

I would like to know why the Government and the top management was very callous in ignoring so many irregularities that have taken place contrary to the guidelines which you yourself have given.

It is really astonishing and there is reason to believe that. Many of these persons, who are at the top level management, are also beneficiaries because of these irregularities. Otherwise there is no point in tolerating that type of irregularities where thousands of crores of rupees of public money was allowed to go to these brokers to invest in the private companies in purchasing of the shares leading to the boom in the share market.

We have a lot of respect and regard for Shri Manmohan Singh, but he has the responsibility to see that the banks function properly. My friend Shri Chidambaram

was telling that it is a system failure. It may be true and there may be deficiencies which had been found from 1985 or 1986, but the system failure has accentuated and grown in leaps and bounds only during his tenure.

MR. SPEAKER : Let us sit for some more time to accommodate the hon. Members.

SOME HON. MEMBERS: No.

MR. SPEAKER : Otherwise, we will not able all to accommodate all those Members who want to speak. Let us sit for one more hour and at more than that.

SHRI SOBHANANDREESWARA RAO VADDE: Sir, it is an admitted fact that the present Government's policy of liberalisation has helped, to a great extent, to the escalation of the irregularities. Even when the public sector undertakings were not expected to have banking transactions with the foreign banks, some public sector undertakings have had some connections and dealings with the foreign banks and subsequently, the Government's decision to allow the foreign banks to deal with the Government securities had given an opportunity for.

Sir, the Union Finance Ministry has not permitted the State Government of Maharashtra to issue irrigational bonds of Rs.100 crore from the beneficiary farmers, but the public sector undertakings have issued bonds for Rs.20,000 crore. The Indian Railway Finance Corporation alone has invested Rs. 700 crore from the sale proceeds of the tax free railway bonds with Canfina.

SHRI MANI SHANKAR AIYAR (MAYILADUTURAI) : Both the Ministers are sitting together. It has to be pointed out that it was also done in Mr. George

Fernandes's time.

SHRI SOBHANANDREESWARA RAO VADDE: The public sector undertakings have floated bonds to avail the cash credit facilities. They have not even utilised those bonds for their operations, growth or development but instead they have invested that money in the non-banking financial institutions under the subsidiaries of the nationalised banks and they have willingly routed that money to the private brokers who have utilised for speculative purposes in the share market which is clearly against the spirit with which these public sector undertakings were permitted to issue bonds to avail the cash credit facilities. So, my suggestion to the Government is, already a lot of time has been lost and in an unprecedented manner several thousands of crores of public monies have been lost.

Today Canfina has lost nearly Rs. 850 crores. Similar is the case with several other organizations. Whose money is this? Many a time people from the Treasury Benches were criticising the Janta Dal Government, the National Front Government which had introduced a scheme to write off the loans of the farmers, saying it was a very wrong thing to write off loans to the farmers of this country. But now the same Government has not even got any pinch when a few brokers whose names are mentioned in the report, are able to swindle thousands of crores of rupees.

It is high time, the Government without even wasting a single minute, should institute a thorough enquiry into all these irregularities which have been pointed by the Joint Parliamentary Committee and take drastic action against all the persons either from the banks or from the public sector undertakings or the financial institutions and the members of the council of ministers

[Sh. Sobhanandreeswara Rao Vedde]

who are directly or indirectly responsible for all these irregularities.

Of course, I agree with my friends who have said that though Dr. Manmohan Singh is hundred per cent correct and having the highest integrity, the moral responsibility is there because the Government should have prevented such of these irregularities and should have seen to it that the bank funds, the public funds utilised to the best possible way in the interest of investors and the people of this country. The Government has miserably failed to undertake such a responsibility. It has failed to implement its own decisions and, therefore, the Government must resign. All the persons responsible for such irregularities should be taken to task.

With these few words, I thank you for giving me time.

[Translation]

SHRI SURAJ MANDAL (Godda): Mr. Speaker, Sir, today we are discussing the report of the Joint Parliamentary Committee, which has been presented in the House.

Sir, when the issue relating to this scam was raised in this House, the Government felt immediately thereafter that some bungling has been committed and a Committee was constituted to probe into it. The Chairman and the Members of this Committee worked hard for one and a half year to bring out the facts and present them before this House and the people of the country. Today, the Members of the opposition and the ruling party are here to discuss the issue.

Mr. Speaker, Sir, it is very painful that the persons who according to the report of

the Committee are been directly involved in the scam are sitting here very confidently and are not tendering their resignations but the person against whom charges have not been levelled directly has tendered his resignation. I mean the Finance Minister, has tendered his resignation.

Thus, it is, obvious that even today some people value morality and on that ground they resign. People from the ruling party and all the world over are watching as to what the Parliament is going to decide. Thousands of crores of rupees have been swindled a way. There is a saying in Bengali when frogs dance at snake's tune, then there is definitely something fussy above it. The stock brokers and the Government officials who swallowed this money had the blessings of the higher ups.

As per the committee report action should have been initiated and those who should have resigned must resign. Today, the bureaucrats are casting aspersions on the political parties for a small amount of money. The names of senior officers have not been included in the Committee report. Many officers have bought shares in the name of their relatives. Chidambaram sahib had bought shares he accepted this and tendered his resignation. The economic reforms which the Finance Minister has brought about shows improvement but the people belonging to lower sections are suffering losses. The money which was invested for the development of Public Undertakings has been swallowed by the share brokers in collusion with officers. When a small industrialist goes to the Bank for loan, the bank demands security and for want of security the bank does not grant him loan. Has any such security has also been sought the banks? It needs to be probed the farmers also take loan from banks for buying a pumpsets but when we go to our constitu-

encies we see that the Police goes to them with a warrant, arrests them and puts them behind the bars. Thereafter, They are asked to pay Rs. 30/- They are is informed there they will stay in the jail and have their food there and pay money from their houses. In my State there is only 33 percent investment of the banks that money has been taken away by the share brokers, officers and some big people. It is an injustice to the poor people. The officers involved should be sued in a court of law and punished and the Ministers involved in this matter should be removed. If the officers indulging in misappropriation are brought to book, it will restore the prestige of the Parliament. No action has been taken. After discussing the issue for two days the people will be given an the impression that Parliament and the Government are for the poor people. There is a provision in the law to punish the farmer who takes loan and does not repay it but it does not apply to big people. Whatever it may be, people know that whoever commits a crime, the police arrests him and demands money from him. When one takes a loan from the banks, the Police van comes for the recovery of the loan, but what is the reason that the share brokers responsible for this scam, are not being punished? This is what the people of villages say. Sir, I, therefore, want to say that the credibility of the largest investigating agency, C.B.I., is also doubtful. Now, it is for the Government to contemplate as to how it is going to take stern action against the persons who have swindled away the wealth of the country. At the same time it should be investigated as to where the money of the poor people was siphoned off. The money should be recovered. Everybody knows that this money is invested for house. You will find that construction of a number of houses in trans-Yamuna area of Delhi is yet to be completed. When I enquired as to why the houses are not being

constructed, I was informed that funds allocated for this purpose have been invested in the share market. So, what I mean to say is that it is the poor people who are being made the scapegoats. They have been trapped in the new economic policy of the country Stern action should be taken against the persons who are responsible for draining one poor people's money to foreigners in collusion with the foreign bank. They should be sued and those Ministers of this Cabinet whose names have been mentioned in the report should tender resignations if they have an iota of modesty left in them. With these words I conclude.

[English]

SHRI E.AHAMED (MANJERI): Mr. Speaker, Sir, I congratulate the Chairman and the members of the JPC for the excellent work they have done. No doubt, this Report will be a landmark in the annals of restructuring the economic system of this country. I applaud the Chairman and the Members of the Committee for suggesting numerous corrective measures and I hope these corrective measures, as suggested by the JPC, will be implemented in toto without any loss of time.

The thrust of the entire JPC report, as I could see, was the rectification of the present system that is prevalent in our economic field. Going through the report I also congratulate the Chairman and the members for giving a thrust for certain reforms in the economic system. I could not see any word of witch-hunting in the report for which they rightly deserve the congratulations and compliments of this House.

I would like to just point out two matters in this regard. One is the role of the foreign banks. The role of the foreign banks is definitely to be checked in. But as it was

[Sh. E. Ahamed]

pointed out by the Chairman of the Committee when he was talking to the press after submitting the Report, the foreign banks have become an integral part of our national life, of our economic system. But the foreign banks are adopting different tactics, exploitative tactics which they call as the market practice. This is the things which we have to take note of. The Committee in its Report on page 48, para 8.1 has mentioned about it and I quote:

“Foreign banks have a significant place in the Indian Banking System and some of them have been operating in India for over a century. They are generally operating in main cities only and they have an insignificant numerical presence with 45 banks having 140 branches and 23 representative offices (21 banks having representative offices only) as on 31st March, 1991 as compared to that of Indian Banks (about 65000 branches).

Para 8.2 reads like this, and I quote:

“The net profit of these banks has grown by more than six times during less than five years from a mere Rs. 66.59 crores in December, 1987 to a hefty Rs. 433.09 crores on March, 1992”. This shows that some of the banks are indulging in ‘the market practice, as they call it. But it is an exploitative tactics in the banking system. But we have to note one thing. Out of these 45 banks, the Committee has mentioned only about four banks. That itself is a welcome feature. But how will we be able to check it? The measures to check this should be taken by strengthening our banking system to have a check on these exploitative measures adopted by these foreign banks. We cannot do away with the foreign banks. We are to change the entire

system through which we will be able to check this market tactics adopted by these foreign banks.

I would like to mention here another point. Other Members have also mentioned about it any much. Therefore, I do not want to take much of the valuable time of the House repeating the very same thing. But the total restructure of the economy of this magnitude is seen for the first time in the history of this country. When there is such a restructure of this magnitude, naturally, there will be such a withdrawal. And this Scam is, maybe, one such withdrawal. You may even call it a necessary evil. But the question before us is whether the country wants to have the restructure of our economic system or not, whether the country wants to meet the challenge of the 21st century or not. I was given to understand about the left parties' politics. They are all for the change. Even they have been calling their great leader Lenin and saying, ‘change, change and change.’ But when it comes to economic polices, they say, ‘no change.’ The which is the economic policy which they are following? is it that economic policy which has been practised in the Soviet Union? There also, it has collapsed. I do not say, everything is bad. But in a country like India's magnitude, size and variety, how will we be able to just keep quiet when the entire world is changing? Here is a man who wants to take this country to the 21st century. How are we to respond to this man? That is what I am asking. Therefore, the question before the country is, when this country is passing through such a critical stage to face the challenges which the world is facing, if we also have a system of economic restructure, then we will be introducing such a system and naturally this will be like that. Everyday there will be hick-ups. And it just one hick-up and it will naturally heal up. We have to see in that way.

It does not mean that we are not to take the corrective measures as recommended by the Committee. We have to implement them effectively and priority should be given for the implementation of that work. But, here is a Finance Minister, whose personal integrity has not been questioned even by his worst political enemies. I do not say that he does not have any personal enemies. Here also is a man and I just remember having heard that he was taking only one rupee by way of his salary. I do not know about it. If it is otherwise, I stand corrected. Anyway, he is a model to many of his fellow politicians like us. They can not be passing through a difficult time not be let down on this point that the country is passing through a difficult period.

SHRI TARIT BARAN TOPDAR (BARRACKPORE): Sir, He is not speaking on the subject.

SHRI E. AHAMED : Shri, I am speaking on the subject but, my friend is very intolerable.

What I am saying is that the Finance Minister has followed the high traditions of our parliamentary democracy. He has become a model to other politicians in this country. He has owned moral responsibility. This is a noble gesture on his part for which every one has to congratulate him. I feel that we have to respond to such a noble gesture of this man. What can be our noble gesture? That noble gesture is that we have to reject the resignation that he has submitted before the Prime Minister. That is the only way by which we will be able to respond to a man who done so much for this country at a crucial time; he is a man, who has saved this country.

MR.SPEAKER: On that point, there is in agreement.

SHRI E.AHAMED: Sir, I was saying that because some MPs have said that it is because of the economic restructuring that he has introduced. I cannot do justice by dividing the Finance Ministry and the Finance Minister on the one side and this Report on the other. This Report is an unanimous one. To put the record straight and also to justify when I have said, please permit me to quote from page 223 of this Report.

MR. SPEAKER: That Report is already in the hands of all the Members.

SHRI E.AHAMED: Sir, I am only reading a portion of this unanimous JPC Report. It has been stated by the Finance Minister that "The Finance Minister cannot be held responsible for administrative failure or management deficiencies in the case of individual banks and other financial institutions."

The most important thing is that there are administrative deficiencies; there are deficiencies in the system and we have to take all the corrective measures to change that system. One of such measures which this committee, including some of the Members from the opposition, have mentioned is about the nomination of members by the Reserve Bank on the Boards of other commercial banks. I would say that this nomination should not be on the ground of "any other consideration" but, it should be based on their efficiency, their knowledge, and their experience in the economic field. Many a time, I found that many of these nominations are made on certain grounds.

SHRI TARIT BARAN TOPDAR: On political grounds.

SHRI E. AHAMAD : That is also there. Even in West Bengal, you will find that all the nominations are made on political

[Sh. E. Ahamed]

grounds . It is like that everywhere. Why should we hide the facts? At the State Government level or at the Central Government level, the nomination to such technically important institutions should be based on merit.

MR. SPEAKER: Shri Ahamed, please conclude.

SHRI E. AHAMD: Sir, I am very much thankful to you for having called my name. With due respect to your advice, I wish to conclude by saying that all Corrective measures should be taken and our Prime Minister should not accept the resignation of the hon. the Finance Minister, Shri Manmohan Singh. He is a hyperactive Minister in the Council of Ministers.

MR. SPEAKER: Thank you very much.

SHRI SOMNATH CHATTERJEE: Can he abuse all other Ministers like this!? He is abasing all other Ministers, including Shri Arjun Singh. Everybody is bad: only one good Minister! That is his statement.

SHRI E.AHAMED: Hon. Chatterjee wanted me say do so. But I will not do that.

MR. SPEAKER: Shri Pawan Kumar Bansal to speak now.

SHRI MANI SHANKER AIYAR (MAYILADUTURAI): These are star speakers. Cannot we have it tomorrow, Sir?

MR. SPEAKER: There are many speakers.

SHRI PAWAN KUMAR BANSAL (CHANDIGARH): Mr. Speaker Sir, two and a half years back an economist of world

repute, an intellectual of high calibre and an uni- impeccable Unassuming out an able financial administrator of impecable was preparing for retirement and an eventful career spanning ever decades.

[Translation]

SHRI RAJENDRA AGNIHOTRI (JHANSI): Has any one given you all this in writing.

[English]

SHRI SOMNATH CHATTERJEE: He is blushing.

[Translation]

SHRI NITISH KUMAR : Sir, he is not confident on what all he is saying.

[English]

SHRI PAWAN KUMAR BANSAL: This gentleman, Dr. Manmohan Singh was looking forward to post retirement days of quiet solitude devoted once again perhaps to the field of academics. That was the time when Shri P.V. Narasimha Rao was taking over the reins of this country as the Prime Minister. He inherited an economy that was in a shambles and a society that was torn apart on lines of Community and caste in the wake of agitations over Mandal and Mandir issues. He had been called upon to shoulder the onerous responsibility in the crucial juncture of our history...[Interruptions]... I am coming to that.

He had to his credit 50 years of experience in public life. He recognized the yearnings and aspirations of the people . He was alive to the object poverty and illiteracy stalking the length and breadth of our country . Shri PV Narasimha Rao then ap-

preciated the imperatives of economic reforms, to meet the people's expectations. Having worked very closely with Smt. Indira Gandhi and Shri Rajiv Gandhi, he was to be the architect of India's blue print to the future. When destiny called upon him to lead the nation, he thought of Dr. Manmohan Singh as the tool to effect necessary economic reforms and to bring about the necessary structural changes for the ultimate good of the country, of the vast multitude of the country. Dr. Manmohan Singh responded to his call. His inclusion in the Council of Ministers was widely acclaimed and from day one he set about to invigorate the economy. This was generally welcomed by all except of course our friends who continue to stick to those textbook theories that have been tried and rejected in the land of their mentors. Understandably Shri Bhogendra Jha was again referring to those today. Plans to liberalize the economy, to integrate it with that of the world, were undertaken and efforts in this regard started yielding results.

The growth rate picked up and the inflation rate was brought down drastically. While the government was engaged in a sincere endeavour to raise the living Standard of every Indian, to make freedom meaningful to them and to earn for India, the pride of place in the world economy, an unwholesome alliance between some unscrupulous elements amongst the industrial house, Stock exchange brokers and amongst some bank and PSU management took advantage of the optimism prevailing in the country about the economic reforms and contrived to artificially push up the stock market and to lure millions of investors to invest their savings in the stock market. The unprecedented rise in share prices, as it later transpired, was fuelled by the easy flow of funds to stock market through sanction of even unauthorised credit facilities to some

brokers, by some banks by way of overdraft and discounting of bills covering shares and debentures as also through fraudulent manipulations of the investment portfolio Management schemes. This has been duly acknowledged by the JPC.

As a result of this, the unwary countrymen, a large number of middle class professionals and salaried class people were taken up the path of milk and honey, losing their meager savings on the way. By the time the scam came to notice all was over for them. This was somewhere in March - April 1992. Till then, not only the Finance Minister, not only the Government, but each and every one of us attributed this *inter alia* to the market factors and the flow of NRI investments.

Sir, it is pertinent to mention here that till then none from the opposition raised this issue. [Interruptions] I am conscious of the questions. [Interruptions] That was in March 1992 and the JPC refers to that. (Interruptions)

SHRI SRIKANTA JENA (CUTTACK): Shri George Fernandes has raised this issue on the floor of the House on 30th April. (Interruptions)

SHRI PAWAN KUMAR BANSAL: I am talking of March, Sir. That is exactly what I am saying. (Interruptions)

SHRI ANNA JOSHI : It is on record. Both Shri Vajpayee and Shri George Fernandes have raised this issue here. (Interruptions)

SHRI PAWAN KUMAR BANSAL : Since Mr. Jena rose to refer to what Shri George Fernandes said, I would like to seize this opportunity to say that Mr. George Fernandes, at the first opportunity in this

[Sh. Pawan Kumar Bansal]

House said that he had the names of the Ministers who were involved. He went to Bombay thereafter. He went to Bombay and mentioned he had four names. Thereafter, he raised it to five. Sir, I acknowledge that he is always available to the House with a lot of back up on aklaish. Perhaps, for the first time, Shri George Fernandes went wrong. It was later that it was made known to him about who could those five Ministers possibly be.

Sir, with due respect to him I would say, that the names have not been disclosed for the reason that -subsequently it transpired that one of the corporations which had become wittingly or unwittingly apart of the entire game, was IRCON, under the ministership of Shri George Fernandes then.

Sir, JPC notes in paragraph 1.5 that the irregularities surfaced for the first time on 23rd April 1992 when the Press highlighted that the State Bank of India was making frantic efforts to reconcile the books of its securities and investment department in the wake of the discovery that several hundred crores of rupees had been advanced without following due procedure and possibly without collateral securities.

Here, I want to say that it was on 28th March 1992, that is before 23rd April 1992, that the Hon. Finance Minister held a meeting of the Presidents of the Stock Exchanges and the Chairman of SEBI.

It was there that he impressed upon them the need to maintain efficiency and orderly stock market behavior to promote the confidence of investors and directed the

RBI to regulate the bank credit for share transactions and conduct of searches and raids on business and residential premises of a group of borders.

SHRI SRIKANTA JENA (CUTTACK):
Then, what happened?

SHRI PAWAN KUMAR BANSAL: That is exactly what I am saying. The Finance Minister took prompt action in the matter. [Interruptions]

[Translation]

SHRI GEORGE FERNANDES (MUZAFFARPUR): Please accept my resignation and appoint him in my place. Please accept my resignation from retrospective effect.

SHRI MANI SHANKAR AIYER (MAVILADUTURAI): You should have resigned from the J.P.C.

SHRI PAWAN KUMAR BANSAL: Had you been a Minister, you would not have uttered these words. At that time, you knew that was happening.

SHRI MANI SHANKAR AIYER: [Interruptions] **

[English]

MR. SPEAKER: This is not going on record.

[Translation]

SHRI MANI SHANKAR AIYER: Today you are asking the minister to resign.. [Interruptions]

SHRI GEORGE FERNANDES: Mr., Speaker, Sir, I do not want to raise a discussion on the J.P.C. but some members have said it outside and some have raised it here also. I went through a lengthy article wherein it has been said that Shri Man Mohan Singh should not resign because similar things has also happened, when George Fernandes was the Minister of Railways and.... [Interruptions] .. George Fernandes is responsible for it, he used a word on the basis my statement, of course you were kind enough to expunge the remarks from the record....[Interruptions...]

Mr. Speaker Sir...

(Interruption)

What charges were levelled on me in J.P.C.? What questionnaire was prepared by J.P.C. for that? Which charge sheets were sent by J.P.C. in this regard? What reply the J.P.C. sought from me and what reply I did not furnish and how I continue in J.P.C.? Answer to all this should come before the House. Because such a thing, as you said should not be discussed in the House and I thank you for this, but it is said outside the House and we are keeping quiet. I would like to know as to what charges had been levelled against me by the J.P.C. which I had declined to respond.

Mr., Speaker, Sir, please ask Shri Mani Shankar Aiyar to reply this... [Interruptions]... or you say that this questions are meaningless. It should be settled to day... [Interruptions]

SHRI MANI SHANKAR AIYAR: I will not give the reply at the moment. But in I will give the reply when you permit me, I would give the reply to Shri George

Fernandes.. [Interruptions]

MR. SPEAKER: What happened in the joint select committee should not be discussed in House. I there was something, it should have been brought to their notice and whatever decision you people wanted to take, it should have been taken at that time. If it was not raised at that time, no Member should raise this matter in the House now.

SHRI MANI SHANKAR AIYAR : Excuse me, I did not say that what was discussed in JPC is related to him. I am saying that according to JPC report, Shri George Fernandes is to be blamed as much as it has been said about other Ministeries and that is why I seek your permission to give him the reply... [Interruptions]

SHRI NITISH KUMAR (BARH):.. [Interruption]

All have heard it.

SHRI TARIT BARAN TOPDAR:..... (Interruption)

Mr. Speaker : Please sit down. whatever has been said, I have heard it. I have my own view about that, on that basis whatever can go on record will go and what cannot go will not go. In my opinion JPC members should not discuss the matter of JPC here. Whatever is being discussed here could have been discussed in JPC also. If it has not been discussed there then it is a fact that no member is involved in it. The hon. member who was in the JPC at that time should be kept in mind. Whatever has appeared in the report, its interpretation should be done by the right method and not the wrong method

[English]

SHRI TARIT BARAN TOPDAR: Sir, what about his irresponsible comment?

MR. SPEAKER: I am looking into all those things.

SHRI MANI SHANKAR AIYAR: Sir, I take responsibility for that comment.. [Interruptions]

[Translation]

MR. SPEAKER: Please sit down. You are getting up again and again.

"I take full responsibility for the comment"

SHRI NITISH KUMAR: He has just said, [Interruptions]...

[English]

SHRI MANI SHANKAR AIYAR: I take full responsibility of what I have said against Mr. George Fernandes.

[Translation]

MR. SPEAKER: I am not able to understand whether you want to help me or you want to complicate the matter. Now the matter has been settled and do not elaborate it...[Interruption]

SHRI NITISH KUMAR: He stood up and said

[Translation]

I take full responsibility [Interruptions]

[Translation]

George sabeb asked it ...[Interruptions] Otherwise it would send a wrong impression through the media [Interruptions]....

MR. SPEAKER : please sit down.... [Interruptions]. [English]

MR. SPEAKER : It is not going on record, why are you unnecessarily raising it? What do you want to bring on record when it is not going on record?

[Translation]

This is a big incident. Where the money has gone, who took it, is the most important thing. If we ignore this fact and indulge in leveling charges against one another, than perhaps we are not discharging our duty in the true sence.... [Interruptions]

[English]

MR. SPEAKER: Now, please do not worry about those things. I will carefully go through the record and whatever can go on record will go; otherwise, it will not go.

[Translation]

If you try to get up again and again like a college student and say something, it is not a good thing.

[English]

SHRI PAWAN KUMAR BANSAL: The only irresistable conclusion that one would draw after going through the entire report of the JPC is that there was a system failure , and it was as back as 1986 that there were some warning signals which

were not headed to. It was in this context that I was wanting to make my presentation and it was just on the intervention of Mr. Jena that I had to say with all humility that five names which were promised to be revealed by Mr. George Fernandes were not really made known....

MR. SPEAKER: Mr. Bansal, I have been following the debate very carefully and to the credit of all the Members, it should be said that they are not trying to allege things but they are trying to interpret things and let us not interrupt in a manner that we may look alleging against each other. Let us do our duty to find out what has really happened and how we can act so that it does not recur again.

SHRI PAWAN KUMAR BANSAL: I will do that precisely.

MR. SPEAKER: I am finding that when you are trying to defend somebody, you are unnecessarily bringing names and when they are trying to defend somebody, they are also bringing names. Why don't you leave it? I think there is a broad consensus on certain points and we should be happy about it instead of just undertaking those things.

[Interruptions]

SHRI PAWAN KUMAR BANSAL: I was submitting that at the time when the enormity of the came to known, nobody had really being honest about it, anticipated the cause thereof. Sir, responding to a Call Attention Motion in this House on 30 April 1992 - here. I am taking only of the events in March and April 1992 when this came to known - the Finance Minister acknowledged the occurrence of malpractices as regards

securities transactions. He informed the House that he had asked the RBI to look into the whole matter appointed Jankiraman Committee for the purpose it became apparent that bank frauds had been committed and used for that purpose Government did take various steps. An ordinance was immediately promulgated for the establishment of a Special Court for the trial of offences relating to transactions in securities. The matter was also referred to the CBI. Administrative action was taken against the responsible officials.

SHRI K.P. REDAIAH YADAV : (Machili Patnam) Is it not a repetition?

MR. SPEAKER : Mr. Bansal is a very good parliamentarian. I hope he understands what you are saying.

SHRI K.P. REDDAIAH YADAV: I he not repeating the points already made?

MR SPEAKER: I agree with you. I leave it to his judgment.

SHRI K.P. REDDAIAH YADAV: When Members representing Adivasis and weak sections speak they are not allowed to continue. But pleasantries are exchanged here between. [Interruptions]

MR. SPEAKER : What the hon. Member has said. will not form part of he record. I take strong objection to what you said, it is not going on record. [Interruptions]

SHRI PAWAN KUMAR BANSAL : I am only trying to show what corrective measures have been taken. I can even give speaking, if they feel so.

MR. SPEAKER: Mr. Bansal, what he is

saying is very correct, it is not necessary to repeat the points. As far as the Finance minister is concerned, many members from both the sides have said what they have to say,

SHRI K.P. REDDAIAH YADAV:
[*Interruption*]*

SHRI PAWAN KUMAR BANSAL : I take objection to the hon. Member's words. I am speaking because I am concerned., There is a limit to what an hon. Member can say. [*Interruptions*]

MR. SPEAKER : I strongly object to his saying such words. What he said will not go on record and I have already told him that he should not say that.

(*Interruptions*)

MR. SPEAKER : Now, Mr. Bansal, you need not recount everything . Whatever has been done is already referred to by others,

SHRI PAWAN KUMAR BANSAL: No Sir. Allegation have been made that the government did not take any corrective action. In all humility, I am only trying to state what corrective action has already been taken.

MR. SPEAKER : Then you can say that the Government has taken corrective action.

SHRI PAWAN KUMAR BANSAL: Since morning what corrective measures have been taken by the Government have not been referred to in the debate at all.

[*Interruptions*]

MR. SPEAKER ; Please be brief.

SHRI PAWAN KUMAR BANSAL: I was , in all humility referring you what corrective measures have been ran in the debate st all. [*Interruptions*]

MR SPEAKER : Please be brief.

SHRI PAWAN KUMAR BANSAL: I was in all humility referring to what corrective measures have been taken by the Government. I am on that point.

MR. SPEAKER; Then you say, "1, 2, 3, 4, 5, 6, 7.. these are the corrective measures, I am extending the time until Shri Bansal finishes his speech.

SHRI PAWAN KUMAR BANSAL: Then please tell me how much time I can take.

MR. SPEAKER: I will give you enough time.

SHRI PAWAN KUMAR BANSAL: Sir, steps have been initiated for effecting transparency in transactions and for monitoring audit of the accounts of stock brokers. Besides this, the stock exchanges have been asked to introduce capital adequacy norms for stock brokers. The SEBI has also finalised norms for regulation of transactions between clients and stock brokers. Such measures include periodic inspection of stock exchanges, setting up of a Technical Group to examine the required legislative changes for establishing a National clearance and settlement system, setting up of a National stock Exchange, giving encouragement to the growth of corporate membership in stock exchanges, to professionalize such membership for better services to investing public and so on. Sir, a high level coordination committee on financial and capital market has been set up for coordination amongst the RBI, the Ministry of

*Expunged as ordered by the chair.

Finance and the SEBI on matters relating to capital market.

Under the SEBI Act, rules and regulations have been notified for matters relating to stock-brokers, for prevention of insider trading and price manipulation, for merchant bankers and for portfolio management, etc. Sir, instead of considering ways and means to bring about much needed systematic changes to improve and rebuild the system and to restore our self confidence and to secure for ourselves an important place in the world economy, but unfortunately what we see today is only a crescendo of desparate accusations against the present Government.

Sir, democracy is a double edged weapon which can swing either way. I consider the principle of ministerial responsibility to the Parliament as Saerosarat but this principal cannot be stretched and must not be stretched to the breaking point. with the floating of a large number of PSUs and the increased role of Government in economic activity, it may, at times seem and harm democracy itself if we were to hold a Minister responsible for sanction of an officer which is not, I repeat, which is not of the nature of a sovereign function of the Government.

I am conscious of your direction about time but I would seek your intelligence to repeat only one sentence instead of the entire para from the report of the Joint Parliamentary Committee. In Para 16.61 it says and I quote:

"In light of the above, the Committee feel that the responsibility and accountability of the Finance Minister to Parliament cannot be denied."

and then after adverting to his statement before the Committee in Paragraph 16.62 it says and I quote:

"The Committee feel that such a destination cannot be sustained by the constitutional jurisprudence under which the Parliamentary system works."

Sir, I hold the JPC in high esteem. I know that they have laboured for 16 months and burnt midnight oil to sift the evidence but with all humility and respect to the JPC. I would not like to refer to the terms of reference but I would say that this is perhaps beyond that. This one observation calls for a detailed discussion as to what is the requirement of the Constitution as for as the Ministers' responsibility to Parliament is concerned and whether hon. Finance Minister appeared before the Committee and tried to distinguish between the various functions, what was the connotation thereof and what really we have to work out, has to be the ideal situation in which the parliamentary system functions. I would only say that any reference which was made earlier to the resignation by Shri T.T. Krishnamachari does not hold good that was a case in which the judge trying the matter had come to the conclusion that the advancing of Rs. 1 crore by the LIC to the firm of mundhras was suspicious and through it was done under the direction of the Finance Secretary it was the Minister who could not shelve the responsibility. These ingredients are completely missing here.

Sir, you know in their entire report what recommendation did the JPC make. it will be stretching too far if we were to say that JPC holds the Finance Minister guilty of any of these acts. To conclude, I would say...

MR. SPEAKER: You can have more

time if you want. I did not want you to cut short. I only meant that you should not repeat whatever has already been said. I have already said that until you have made your point, you will be allowed to speak and we will extend the House accordingly.

SHRI PAWAN KUMAR BANSAL: Thank you, Sir, Now I come to Paragraphs 4.9 and 4.13. *[Interruptions]*

19.00 hrs

MR. SPEAKER: He is trying not to repeat the points. He is trying to make the points.

SHRI PAWAN KUMAR BANSAL: It says:

"It is evident that many of the irregularities in securities transactions that took place in 1991 and 1992 had been building up since the mid-80's if not earlier, and could have been minimised if the authorities concerned had heeded to the early warning signals. The RBI issued several circulars, including the one in July, 1991, prohibiting these misdeeds and yet everything that was sought to be prevented in fact, accelerated and assumed uncontrolled dimensions."

Sir, Mr. Vajpayee referred in this context to the Report of Mr. Augustine Kurian kindly permit me to just read a few lines which have been reported by the JPC.

"Serious inaction of the RBI in dealing with the Kurian Report only highlight the manner in which the responsibilities are discharged by the senior officials in RBI. If only the top management of RBI had taken ac-

tion in 1987 on these recommendations, the abuse of BRs, SGLs, Bankers cheques which were instruments of scam could be considerably moderated."

Sir, I fail to understand how in this context of things, the fellow travellers of Shri V.P. Singh, Shri Madhu Dandavate and Shri Yashwant and Shri Yashwant Singh who at different points of time were the Finance Ministers of the country during the time the JPC refers- that there were warning signals how those fellow-travellers have the moral right to train their illicit guns against the present Government...*[Interruptions]*

[Translation]

SHRI DEVENDAR PRASAD YADAV: (Jhanjharpur): Mr. Speaker, Sir why Mr. Aiyar is sitting.

SHRI MANI SHANKAR AIYAR: Till now, he was afraid when I stood up and now he is afraid even when I am sitting.

MR. SPEAKER: At times we are afraid even when you speak.

[English]

SHRI PAWAN KUMAR BANSAL: Sir, one hon. Member speaking before me referred to the Goldstar's reference in the JPC Report. Sir, with all respect, I would wish to submit that confusion has been created on this issue of loans advanced by the Andhra Bank Financial Services Limited to one Mr. Krishna Mohan who was the Managing Director of the Goldstar Steel and Alloys Limited. Sir, the order of Justice Variave of the Special Court, the bank records, the income tax records and the Goldstar's own Balance Sheets which were published much before

scam came to light, all establish that it was only a Personal loan to Mr. Krishna Mohan as a promoter for taking up the shares of Goldstar.

SHRI ANNA JOSHI: Why?

SHRI PAWAN KUMAR BANSAL: You please go through the Report.

Sir, I am somehow aghast that the hon. Members rush to preposterous presumptions only because the Prime Minister's son happened to be Director of that Company...He was not a party to the loan in any way.

SHRI SOMNATH CHATTERJEE: These are the friends of the Prime Minister! Nobody said that. *[Interruptions]*

SHRI PAWAN KUMAR BANSAL: One hon. Member said that. One hon. They were said that.

SHRI SOMNATH CHATTERJEE: Nobody said this thing. You are saying this.

(Interruptions)

SHRI SOMNATH CHATTERJEE: There was to be an Inquiry on this Goldstar Company. Let the Inquiry be made.

(Interruptions)

MR. SPEAKER: That is why I am saying be careful while speaking.

SHRI SOMNATH CHATTERJEE: Mr. Bansal, you are spoiling your own chance.

SHRI PAWAN KUMAR BANSAL: All these remarks came from one hon. Member. I was noting them down. Therefore, I was referring to it. Sir, if you wish, I will close

the matter here. But I would only like to say one thing. Mr. Krishan Mohan gave his shares as security and paid with interest before the...

(Interruptions)

I would wish to say that these are the issues on which we are supposed to be giving serious consideration. Unfortunately, may be towards the end of the day I have the opportunity to speak and all these interruptions I have to face but I did not an hon. Member making these remarks. I do presume that remarks in the House are not made lightly and therefore, I have to refer to that.

SHRI SOMNATH CHATTERJEE: Sir, if he is referring to me, then I would say that I did mention that. I said, 'there is a reference to Gold Star and there is also recommendation for proper investigation. Let it be done.' I never mentioned any name. I never mentioned Prime Minister. *[Interruptions]*

SHRI PAWAN KUMAR BANSAL: You please check up your speech, you will find what you said. *[Interruptions]*

SHRI SOMNATH CHATTERJEE: You are divulging the Prime Minister. *[Interruptions]*

SHRI PAWAN KUMAR BANSAL: After a lesson in human reproduction and the role of 'x' and 'y' chromosomes, a science teacher asked his students as to what determined the sex of child. One student got up and said it is determined ultrasound test. *[Interruptions]*

SHRI A. CHARLES (Trivendrum) : This type of running commentary during the debate is not good, Sir. *[Interruptions]*

DR. G.L. KANAUJIA (Kheri): What is the connection between JPC report and chromosomes? [Interruptions]

[Translation]

MR. SPEAKER: I will say something only after listening to him.

[English]

SHRI PAWAN KUMAR BANSAL: They are proving my point. I am saying that similar is the response of the hon. Members in the opposition to important issues that crop up in the House from time to time. Only one thing that we hear repeatedly from them is, 'Appoint a JPC'.

I hold highest respect to the institution of Parliament but I am of the humble opinion that JPC or any JPC for that matter is ill equipped to carry out any investigative function.

Much has been said about the unanimity of the report. I do not want to go into these things. It is good that we have unanimous report, but it was perhaps for ensuring that the work of the Committee did not fail, some sort of unanimity was arrived at and different interpretations are being placed on that. They are talking of scars of compromise. They do not know, how we all tend to just stick to our party lines; how we try to score political points in that and how we indulge in self-illusory game of badger baiting the government once some report comes in the House.

Sir, an hon. Member like Shri Vajpayee began with uncharitable reference to an earlier report of JPC. That is how we are placed and that is how we look at things. With all humility I would submit—Mr. Chidambaram referred to that— I know it is not really argumentative but there is such a

voluminous report, there was voluminous evidence before the Committee. It could have possibly not been adverted to as different conclusions were possible. Today by picking up a sentence here and a sentence there, you are rushing to conclusions, you are castigating the entire Government, you are demolishing the faith which the people have placed in the Government. Where will this lead us to? It is for anybody to guess, it is absolutely essential today that we preserve our confidence in the institution as and given that we try to improve upon those. [Interruptions]

SHRI RAM NAIK (BOMBAY NORTH): The JPC was instituted by Parliament and so it is a parliamentary institution. The hon. member is trying to reduce the importance of the JPC.

SHRI PAWAN KUMAR BANSAL: I am not wanting to play down the importance of the JPC. The JPC has a very important role to play in the parliamentary system. I am not denying that. But what I am saying with all humility is, that given a situation as this, which requires sifting of tonnes of evidence, the JPC is not fully equipped to do it— any JPC for that matter—but this JPC has done a remarkable job. I began with that and I said so also earlier. I am sorry that I have been misinterpreted as to what I was saying.

I am sure that good sense will prevail. We would like to know what the people of the country have given the mandate for. [Interruptions]

[Translation]

SHRI DILEEP BHAI SANGHANI (Amreli): Mr. Speaker, Sir, I am on a point of order.

MR. SPEAKER: What is your point of order.

SHRI DILEEP BHAI SANGHANI: Mr. Speaker, Sir, the Hon'ble Member should not cross the floor in between you and the Hon'ble Member who is speaking. But, Prof. P.J. Kurien has just now crossed the floor.

MR. SPEAKER: Your point of order is right. Thank you for raising it. He should not do like this. That is not to be done.

PROF. P.J. KURIEN (Mavelikara): Sir, I did it with humility.

MR. SPEAKER: You cannot cross between the hon. Member speaking and the Chair. It is being done generally. I am very happy that some hon. members have become very correctly sensitive to it should not be done.

SHRI PAWAN KUMAR BANSAL: To conclude in one sentence, I would urge upon the hon. Members from the opposition to really see the writing on the wall to

realise as to what the people in the country want, how the people respond to the resignation submitted by the hon. Finance Minister, to see as to how the people want the present Government to go ahead undeterred with the reforms undertaken by the Government so that the results are felt by the people. I am sure realising the mandate given only last month by the people they would see the writing on the wall and desist from such sort of criticism which has been levelled against the Government.

MR. SPEAKER: I would like to thank all the hon. Members for the excellent cooperation and the orderly debate which may be repeated tomorrow also. Thank you.

The House stands adjourned till 1100 hours on 30th December, 1993.

1913 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, December 30, 1993/Pausa 9, 1915 (Saka)