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Friday, December, 6, 1985  
Agrahayana, 15, 1907 (Saka)

# LOK SABHA DEBATES (English Version)

**Fourth Session  
(Eighth Lok Sabha)**



*(Vol. XI contains Nos. 11 to 20)*

**LOK SABHA SECRETARIAT  
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# LOK SABHA DEBATES

LOK SABHA

Friday, December 6, 1985/Agrahayana 15,  
1907 (Saka)

*The Lok Sabha met at Eleven of  
the Clock.*

[MR. SPEAKER *in the Chair*]

[English]

PROF. N. G. RANGA : A stranger has come to the House.

[Translation]

MR. SPEAKER : Rangaji, I was also wondering who has entered.

[English]

AN HON. MEMBER : Seems to be some fancy dress competition.

SHRI VISHWANATH PRATAP SINGH : It is a convenient dress, that is all !

[Translation]

MR. SPEAKER : When the Finance Minister has set a pattern, I shall also come in a blanket tomorrow.

SHRI BALKAVI BAIRAGI : On the head only *bail pattars* are offered.

SHRI VISHWANATH PRATAP SINGH : What is important is what is beneath it.

ORAL ANSWERS TO QUESTIONS

[English]

**Scheme of 'Right Places' to Boost Tourism**

\*264. SHRIMATI D. K. BHANDARI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government have embarked upon a scheme 'Right Places' to give a boost to tourism in the country;

(b) if so, the places included in the scheme; and

(c) the criteria for inclusion ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) There is no scheme called 'Right Places' as such. Presumably the Hon'ble Member is referring to a publication by the Department of Tourism entitled the "Right Place" Tourist Map which indicates the major tourist centres in India.

(b) Approximately 150 tourist centres, covering the entire country, are included in the "Right Place" Tourist Map.

(c) The criteria followed for inclusion primarily relate to cultural, historical, scenic and other tourist interests in a place, the availability of certain volume of infrastructure such as accommodation, the degree of accessibility through air, road rail communication and the demonstrated interest shown by tourists. However, the Department of Tourism follows a flexible policy in regard to the criteria and the list of places is revised from time to time on the basis of new developments.

SHRIMATI D. K. BHANDARI : Sir, just now, the hon. Minister while answering my question (a) said that there is no scheme called 'The Right Places' as such, but the Department of Tourism has published a map

entitled "The Right Places" indicating the major tourist centres in India. I would like to know from the hon. Minister whether the Government is thinking of including Gangtok or some other town in Sikkim as a right place, in view of the tremendous potentiality that the State offers for the development of tourism.

**SHRI H. K. L. BHAGAT :** The Government of India is quite keen to develop Sikkim/Gangtok as a place of tourist centre and the scheme given by the State Government will certainly be considered by the Government of India.

**PROF. MADHU DANDEVATE :** What is the recommendation of the Chief Minister of Sikkim ?

**SHRIMATI D. K. BHANDARI :** Has the Government initiated any programme this year for the development of tourism in Sikkim ? If so, may I know the details thereof including the outlay earmarked for this purpose ?

**SHRI H. K. L. BHAGAT :** At present, I do not have the details of the scheme that we are going to have with regard to Sikkim, because the question relates to 'the right places' and there are 150 such places in India. I will certainly give the information to the hon. member. I repeat again that those schemes which are given by the State Government, will certainly get consideration. We are keen to develop Sikkim as a tourist centre.

[Translation]

**SHRIMATI VIDYAVATI CHATURVEDI :** Mr. Speaker, Sir, as you are aware both Khajuraho and Mandu are world famous tourist spots. As the hon. Minister has said, efforts are made to provide all facilities for Khajuraho but railway facilities are lacking there. Your "Sound and Light" programme is shown at both these places. I want to know from the hon. Minister whether the Government have any scheme to propagate the local culture, art and history through this programme ?

[English]

**MR. SPEAKER :** Sound and light.

**SHRI H. K. L. BHAGAT :** Sir Khajuraho is already indicated as one of the places in

these 150 centres. Now, I will take advantage of this question and would tell the hon. Member that Gangtok, Sikkim is also one of the places selected. As to what are exact schemes for exact places, I do not have details of all the places at the moment with me. If the hon. Member wants, I can give.

**AN HON. MEMBER :** Why Khajuraho?

**MR. SPEAKER :** You know the reason why ?

[Translation]

**SHRIMATI VIDYAVATI CHATURVEDI :** Mr. Speaker, Sir, my question has not been replied to. I had asked a specific question.

**MR. SPEAKER :** You cannot ask about each scheme like this.

**SHRIMATI VIDYAVATI CHATURVEDI :** Sir, I have specifically asked about "Sound and Light".

**MR. SPEAKER :** He has given a specific reply.

[English]

**KUMARI D. K. TARA DEVI :** May I know from the hon. Minister whether he is aware of a place called Chikmagalur in Karnataka, as one of the most beautiful pictureque districts ? If so, will the Minister consider construction of a motel by ITDC in all seriousness so that it could be adjoining to Hassan and Bangalore ?

**MR. SPEAKER :** There is only one way traffic today; ladies only. Sometimes, at least we should have it that way.

**SHRI H. K. L. BHAGAT :** Sir, generally speaking, I would say that any scheme which is suggested by the Government of Karnataka will certainly be considered.

**PROF. MADHU DANDEVATE :** Only ladies.

**MR. SPEAKER :** Mrs. Chauhan. You are missing your lady today here.

[Translation]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, it seems that after having called sisters-in-law (*Jethani and devrani*) you have now called the mother-in-law.

SHRIMATI PREMALABAI CHAVAN : Mr. Speaker, Sir, will the hon. Minister be pleased to state what is the criterion for the selection of tourist centres ? There are beautiful tourist spots in Maharashtra where tourist centres can be developed, but no attention has been paid to them. I want to know whether there is a committee for the selection of spots which provides tourist centre facilities ?

[English]

SHRI H. K. L. BHAGAT : Sir, firstly, I would like to clarify that tourism facilities are provided by utilisation of funds of the Centre, that is, the Ministry of Tourism, by the ITDC, by the State Government and the private sectors. All these contribute to development of tourism. Now, I would say, the criteria for selecting a place is how much tourism it attracts, what is the scenic beauty, what is the cultural background, what are the facilities available and what should be done ? A number of factors are taken into consideration for marking a place as a place of tourist interest and, in this, certainly the State Governments have quite a lot of say. If there is any particular proposal regarding Maharashtra, if the hon. Member give it to me. I would ask for the comments of the Maharashtra Government. My answer is that whatever proposals will be given to us—I cannot say that every proposal will be accepted—each proposal will be considered on merits. But the proposals will certainly be considered.

#### Indian Handloom Exports

\*265. SHRI SHARAD DIGHE† :  
SHRI M. V. CHANDRA-SHEKARA MURTHY :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that due to the new definition of "needle and thread" notified by the US Government on 24 June,

1985 precluding the use of any hand or foot operated machines in the stitching or hemming of handloom made-ups like cushion covers, place-mats and napkins, India has lost orders worth Rs. Eight crores from United States;

(b) whether it is also a fact that if European Economic Community countries, Japan and Canada decide to follow the US example, exports of handlooms made-ups from India would come to halt; and

(c) if so, the steps proposed to be taken by Government to save the situation ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) Government has not received any proposal from any of these countries to adopt the definition of "needle and thread" in relation to handloom textile products and therefore the question of exports of handloom made-ups from India coming to a halt does not arise.

(c) Dose not arise.

SHRI SHARAD DIGHE : Sir, the hon. Minister has given answer to question (a) saying 'No Sir'. The news had prominently appeared in the Economic Times of 8 September, 1985 in which it was stated :

"New Delhi is rushing an official team to Washington to persuade the U.S. Government to withdraw its new definition of handloom made-ups, which has brought export of this item to a standstill and threatened the livelihood of thousands of handloom weavers in the country."

Not only that. The news report further states...

MR. SPEAKER : No need to read all that.

PROF. MADHU DANAVATE : It is very interesting, Sir.

SHRI SHARAD DIGHE : The report also says :

"The delegation, which will be led by Dr. J. K. Bagchi, Joint Secretary (Textiles), Commerce Ministry, will include representatives of the Handloom Export Promotion Council, the Cotton Textiles Export Promotion Council and the Apparels Export Promotian Council. The crucial negotiations are expected to begin on 10th September."

The news item says all this. My question is whether there was any move in this respect by the U.S.A., and then ultimately Government sent this delegation, and then the matter was dropped.

**SHRI KHURSHID ALAM KHAN :** The U.S. Government's interpretation about the needle and thread is that in handloom, no machine either operated by hand or foot should be utilized. But it was our contention that under the Multi-fibres Arrangement and our bilateral agreement with the United States, this was not acceptable to us; and the discussions took place. As a result of these discussions, USA Government has already extended the period upto September 1986. The question is still open for further discussion.

**SHRI M. V. CHANDRASHEKARA MURTHY :** It has become a very normal practice of these importing countries to reject our handloom consignments. We are facing a lot of rejections. I want to know from the hon. Minister: what is the percentage of actual rejection from those countries, what are the main reasons, and also whether many of the States have urged the Central Government to evolve a new handloom policy, in the present context. Is the Government prepared to evolve a new handloom policy?

**SHRI KHURSHID ALAM KHAN :** The basic question is that we are not going to accept this contention that the hand and foot operated machines should not be used for the made-ups in handlooms, because millions of pieces are prepared; and if they are done only with needle and hand, it will take years before anybody can supply these requirements.

But as far as the question of rejection is concerned, there is no specific report about wholesale rejections. There might be

1 or 2 rejections here and there; but as a whole, the quality control has been very satisfactory.

**SHRI M. V. CHANDRASHEKARA MURTHY :** The Minister has not answered my question fully. What about evolving a new handloom policy?

**SHRI KHURSHID ALAM KHAN :** Our present handloom policy is entirely satisfactory. There is no question of reviewing the policy.

**SHRI ANAND GAJAPATHI RAJU :** In view of the fact that export of textiles is tapering off both in the EEC and in the American continent, is there any attempt going to be made by Government of India to bring up a review of the multi-fibre agreement in the meeting of GATT which is coming up next year? Also, in view of the fact that Western countries are coming out of recession now, and of the fact that we are exporting a lot of raw materials to them, will we tie up the exports of these handloom products with the export of raw materials, so that we can get an assured market?

**SHRI KHURSHID ALAM KHAN :** The matter regarding such policies is always under the consideration of GATT; and naturally, in the next GATT meeting, this will also be considered. We would certainly see that our interests are guarded, and we get the best terms for our own country.

#### Revenue Collections

\*266. **SHRI UTTAM RATHOD :** Will the Minister of FINANCE be pleased to state :

(a) the amount of revenue collections during the last financial year;

(b) the steps being taken to increase the collections; and

(c) the collections expected during the current financial year?

**THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) :** (a) The revenue collections during 1984-85 amounted to Rs. 22,816.05 crores.



(b) Steps taken to increase the collections essentially consist of intensive implementation of various provisions of Central Excise Act, Customs Act and Income Tax Act and monitoring thereof.

(c) The Budget estimate for 1985-86 is Rs. 25,209 crores and the collections are expected to exceed this figure.

SHRI UTTAM RATHOD : I would like to know the latest figure that we have collected so far, out of the target.

SHRI VISHWANATH PRATAP SINGH : From April to October the figure of collection is Rs. 14,103.59 crores against last year's Rs. 11,509.26 crores. This shows an increase of Rs. 2,594 crores, that is 22.54 per cent of increase against the budgeted expectation of only 12 per cent.

SHRI UTTAM RATHOD : Sir, what is the increase in revenue on account of the increase in customs duty and due to import liberalisation ?

SHRI VISHWANATH PRATAP SINGH : It is difficult to quantify and say how much is due to import liberalisation and how much is due to customs duty; the buoyancy has been 33.2 per cent compared to last year; and what I want to mention to the House also—there has been so much debate on direct taxes that there is a give away—that there is a buoyancy of 25.4 per cent, which is much higher than the aggregate buoyancy.

[*Translation*]

MR. SPEAKER : You see our Minister incharge of Banking is feeling warm due to higher revenue collection.

[*English*]

SHRI E. AYYAPU REDDY : What is the expectation in the revenue collection ? Are you expecting that it would cross Rs. 30,000 crores by the end of the financial year ?

SHRI VISHWANATH PRATAP SINGH : No, I will not say, or fix it at that high but we can substantially cross the budget estimate of Rs. 25,209 crores.

[*Translation*]

**Income-Tax and Excise Duty Arrears Due from M/s. Coca Cola Corporation**

\*267. DR. A. K. PATEL† :  
SHRI C. JANGA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) the total amount of arrears of income tax and excise duty, separately including interest and penalty thereon against M/s Coca Cola Corporation, New Delhi;

(b) the action being taken to realise the amount; and

(c) the value of the property of the said Corporation which has been pledged and guaranteed as security for realising this amount ?

[*English*]

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c). A Statement is given below.

**Statement**

As regards arrears of Income Tax, at present a sum of Rs. 7.68 lakhs is outstanding against M/s Coca Cola Export Corporation. This demand has been stayed by the Supreme Court. However, the Bank Account of this assessee Company to the extent of Rs. 32.47 lakhs attached in March, 1982, is still subsisting.

As regards Central Excise dues a sum of Rs. 68.36 lakhs as Excise duty and Rs. 25 lakhs as personal penalty are pending realisation from the Company. The High Court of Delhi has granted stay against the recovery of this demand. The Company has, however, deposited a sum of Rs. 6.02 lakhs with the Registrar, Delhi High Court and has also furnished a bank guarantee for the remaining dues.

DR. A. K. PATEL : The same question was asked in the last session and the same reply I am getting now also.

MR. SPEAKER : How consistent he is !

DR. A. K. PATEL : The hon. Finance Minister is a most efficient Minister and I think no steps are taken during this period. I would like to know, whether no action is being taken as the person is attached to the ruling Party.

SHRI VISHWANATH PRATAP SINGH : I deny this, that there is any attachment with the ruling Party. From the facts so the case the hon. Member will be satisfied that we have action; we have taken precautions so far as the income-tax is concerned. Now the dues amount to only Rs. 7.68 lakhs and there is a court's stay; so, we cannot proceed. Anyway, in spite of it, Rs. 32.47 lakhs was attached, that is the bank account was attached and that attachment we are still continuing. So, it is not that we are being soft.

SHRI C. JANGA REDDY : He is saying the same thing as what is in the statement.

MR. SPEAKER : How can you expect him to say anything else ?

SHRI VISHWANATH PRATAP SINGH : Can I say something else, other than what is there ?

MR. SPEAKER : At least, to placate Mr. Janga Reddy !

SHRI VISHWANATH PRATAP SINGH : And, so far as excess is concerned, there is a stay order of the High Court. But we have taken a guarantee. They have deposited Rs. 6 lakhs and odd, and we have taken a bank guarantee for Rs. 87 lakhs, the remaining amount. So, we have taken all precautions for recovery of the amount.

DR. A. K. PATEL : Why do you not take over the Meridian Hotel which is just lying ?

AN HON. MEMBER : That has been sold out.

SHRI VISHWANATH PRATAP SINGH : There is some confusion. I think this is an entirely different question. Shri Chiranjit Singh is connected with Pure Drinks Private Limited and this question is regarding M/s. Coca Cola Corporation.

[*Translation*]

SHRI C. JANGA REDDY : You have stated that over Rs. 101 lakhs are due. The Bank Account to the extent of Rs. 32.47 lakhs attached in March, 1982 is still subsisting. However, they have deposited a sum of Rs. 6.02 lakhs with the High Court and have also furnished a bank guarantee for the remaining dues. Are you satisfied merely with the bank guarantee ? They have got stay orders from the High Court and the Supreme Court. How much interest accrues on this amount ? Are there any further dues after the stay order ? What is the amount of dues for the years 1982 to 1985 and what are the difficulties before the Government in realising that amount ?

[*English*]

SHRI VISHWANATH PRATAP SINGH : The initial dues were Rs. 21.65 lakhs. They were adjusted later on from 1967-68 to 1980-81. Rs. 7.68 lakh that was pending is under stay order. We are holding back bank guarantee. An amount of Rs. 32 lakhs that was attached, that attachment is still continuing.

[*Translation*]

SHRI C. JANGA REDDY : You have given the figure for the last ten years. How much are the dues for the last three years.....(*Interruptions*)

[*English*]

SHRI VISHWANATH PRATAP SINGH : This is the demand standing as on 1-4-85. That is the latest.

[*Translation*]

MR. SPEAKER : Do you know how much loss they have suffered in the riots ?

SHRI C. JANGA REDDY : If there has been any loss, Government can compensate.

MR. SPEAKER : He has told you all that was possible. Now you resume your seat. It is more than enough.

[English]

**Indian Tea Export Target Lagging behind Sri Lanka and Kenya**

\*268. SHRI SURESH KURUP : Will the Minister of COMMERCE be pleased to state :

(a) whether any assessment has been made to know the reasons as to why Indian tea export target has lagged behind Sri Lanka and Kenya in the recent past with the possibility of the continued trend in the future;

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

(c) if no assessment has been made till now, whether that will be done now; and

(d) if not, the reasons therefor ?

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

**Statement**

(a) to (c). India continues to be the largest exporter of tea. Exports of tea from India, Sri Lanka and Kenya during the past three years are indicated below :

(Figures in Million kg.)

Year	India	Sri Lanka	Kenya
1982	189.90	181.14	79.80
1983	208.47	157.9	100.65
1984	214.73	204.23	91.20

(d) Does not arise.

SHRI SURESH KURUP : I am glad that in the answer the Minister has said that tea continues to be the largest exporter. But the thing is that the target fixed for this year is 220 million kgs. It is almost certain that our country is not going to achieve this target as only two to three months back the Government was ready to take away the minimum export price and other restrictions on the export of tea. My first supplementary

is in regard to this. This minimum export price and other restrictions which the Central Government imposed have affected the whole South Indian tea plantations adversely and the whole of South Indian tea is still struggling hard to recover from this set back. I want to know specifically from the Minister : What steps the Union Government will take to help the South Indian tea to recover from this serious setback due to restrictions imposed on the tea export and such policies of the Central Government ?

SHRI KHURSHID ALAM KHAN : I would like to assure the hon. Member in the first place that our target of 220 million kgs. of tea export will be fulfilled as upto November we have already exported 194.64 million kgs. As far as the restrictions on the minimum export price are concerned, they have already been removed and the latest figure is, upto 2 December, 1985 208 million kgs. of tea has already been exported.

SHRI SURESH KURUP : The main question was : What steps the Government would take to help the South Indian tea to recover from the set back it received due to the policies of the Union Government ?

SHRI KHURSHID ALAM KHAN : As export of tea is increasing, naturally more tea will go out of the country besides 15 million kgs. more will be required for domestic consumption. All this tea will be consumed.

SHRI SURESH KURUP : I seek your protection, Sir.

MR. SPEAKER : What more can be say about it ?

SHRI SURESH KURUP : My question was that overall price of South Indian tea is very low as compared to the North Indian tea.

MR. SPEAKER : What can they do about it ?

SHRI SURESH KURUP : What I asked was what steps the Government would take to help the South Indian tea producers and he is not going to answer that. Every time the Minister is answering in this House like this.

MR. SPEAKER : What can I do about this, Sir ?

SHRI KHURSHID ALAM KHAN : The prices of tea depend upon the quality of tea produced in different parts of the country.

SHRI SURESH KURUP : What is this answer, Sir ? What does he mean about the South Indian tea ? South Indian tea is the best quality tea in India.

MR. SPEAKER : Then why should it go down ?...

*(Interruptions)*

MR. SPEAKER : What sort of restrictions, Sir ? There is an open market. There are various qualities of tea in the open market and there cannot be two different prices for same quality teas ? I do not think so....

*(Interruptions)*

SHRI SURESH KURUP : Please allow me to say, Sir.

MR. SPEAKER : You are making it a debate.

SHRI SURESH KURUP : Sir, there was the minimum export price and other restrictions on the export of tea and the Government took them away 2-3 months back...*(Interruptions)*.

MR. SPEAKER : One minute. Is there any specific idea about South Indian tea in your mind ?

SHRI KHURSHID ALAM KHAN : Normally, the tea produced in the country is promoted and in that the South Indian tea is also inclusive.

MR. SPEAKER : There is nothing more in this.

SHRI SURESH KURUP : I have not asked my second supplementary, Sir. Give me a few minutes more.

MR. SPEAKER : No, no, you have taken a lot of time.

SHRI SURESH KURUP : Sir, this is a question regarding the whole of South India.

MR. SPEAKER : Put the question then.

SHRI SURESH KURUP : I will put the question, Sir. The South Indian Tea Plantations Association which is known as UTPASI, has specifically said in its annual conference that the control by the Central Government is adversely affecting the tea plantations in South India...*(Interruption)*.

MR. SPEAKER : Control on what ?

SHRI SURESH KURUP : This minimum export price which the Government took away 2-3 months back and which has adversely affected the South Indian tea...*(Interruption)*.

AN HON. MEMBER : Minimum support price.

SHRI SURESH KURUP : No, it was export price. One demand that the President of UTPASI raised in the annual conference was that the Government should treat the South Indian tea as a separate entity to help the South Indian tea to tide over the difficulty because the policy of the Union Government is adversely affecting the South Indian tea plantation. Will the Government consider it ?

SHRI KHURSHID ALAM KHAN : Sir, this is a suggestion for consideration.

SHRI SURESH KURUP : He has not answered, Sir. What is this reply ? You are in the Chair of this House, Sir, and you are supposed to help us...*(Interruption)*.

MR. SPEAKER : That is all right. I am asking whether he has answered.

SHRI KHURSHID ALAM KHAN : Sir, I have said that this is a suggestion for consideration.

SHRI BASUDEB ACHARIA : Not suggestion, Sir. Why has the minimum support price been withdrawn ?

SHRI KHURSHID ALAM KHAN : There is no minimum price now.

SHRI S. JAIPAL REDDY : Was it there earlier ? If so, then why it has been withdrawn ?

**SHRI SURESH KURUP :** Sir, you should ask the Minister to give a more specific answer.

**MR. SPEAKER :** I do not think what more specific can be. I do not know what more can we expect from him.

**SHRI BASUDEB ACHARIA :** Sir, the specific question is why it has been withdrawn. He has not answered that.

**SHRI KHURSHID ALAM KHAN :** It was withdrawn on the suggestion of people that more tea will be exported if this is withdrawn because there was a glut in the tea market in the world.

**SHRI P. KOLANDAIVELU :** Sir, the tea export has become a vested interest in the hands of big bosses like Tatas and Birlas, and the small tea growers, those who are having 4-5 acres, are not getting a chance to export their quality of tea to other countries. May I know from the hon. Minister whether the small tea growers are being given a chance, and if not, whether they will be given a chance in the near future.

**SHRI KHURSHID ALAM KHAN :** Sir, 75 per cent of the total produce is auctioned and in that auction everybody comes and puts his tea for auction. Therefore, they take the advantage of the auction and they get the auctioned price.

**DR. K. G. ADIYODI :** Sir, tea plantations are hundred years old. Normally, their average life is 50 years. The standard of tea is deteriorating because of old plantations. I would like to know if the Central Government will take some action to assist in the replantations.

**SHRI KHURSHID ALAM KHAN :** There are already several schemes to improve the plantation, to add more acreages under plantation and to replant and rejuvenate the old plants.

#### Freight Equalisation Policy for Iron and Steel

\*270. **SHRI ANANDA PATHAK :** Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the policy of freight equalisation for iron and steel, the telescopic freight rate for movement of coal in the absence of similar measures in other vital industrial inputs, have materially affected the industrial growth in the Eastern region, particularly in West Bengal;

(b) if so, whether there will be any review of the said policy soon; and

(c) if so, the time by which it is likely to be reviewed ?

**THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) :** (a) Industrial growth in a particular region/State depends on a number of factors and it is difficult to attribute it to freight equalisation. The telescopic freight structure applies to all commodities including coal.

(b) and (c). On the basis of the recommendations made by the National Transport Policy Committee, Government have already decided, in principle, to phase out the Freight Equalisation Scheme in respect of iron and steel. This will, however, have to be done over a suitable period of time so that the industries concerned have sufficient time for adjustments in the prices. Modalities and time phasing of the withdrawal of the Freight Equalisation Scheme in respect of iron and steel have not yet been finalised.

No review of the telescopic freight structure for any commodity, including coal, is envisaged.

**SHRI ANANDA PATHAK :** The answer given by the hon. Minister is not only satisfactory, but also evasive. Because of continuance of these irrational policies, the economy not only of West Bengal, but also of Bihar, Orissa and other States in the North Eastern region is being adversely affected. Freight equalisation and its impact on the location of industries was examined in depth by the Marathe Committee. Before that, another Committee also examined this issue in depth. Subsequently the National Transport Policy Committee headed by Shri B. G. Panday also examined this issue...

**MR. SPEAKER :** Are you narrating the history, Sir ?

**SHRI ANANDA PATHAK :** As I have already stated the reply of the hon. Minister is unsatisfactory. It is rather evasive, therefore, want to substantiate.

**MR. SPEAKER :** There is no question of substantiating. You put question. There are no substantiations during Question Hour.

**SHRI ANANDA PATHAK :** I am coming to the point.

Subsequently, another Committee was appointed. That Committee also recommended that freight equalisation policy should be phased out. The recommendation of both these Committees was on the same line. The Government of India had also accepted this recommendation.

**MR. SPEAKER :** That is not the way to put a question. I would not allow this. You are reading something. If you want to question, put the question straightaway. Else put I am going to cut it.

**SHRI ANANDA PATHAK :** I would like to know whether the Government is going to review the policy so that the economy of these States, including that of West Bengal, is not adversely affected.

**MR. SPEAKER :** That was the question. You were unnecessarily wasting the time.

**SHRI K. C. PANT :** As I said, on the basis of the recommendation of the National Transport Policy Committee, Government have accepted in principle that the freight equalisation scheme should be phased out. Now, whether industry will grow automatically in the Eastern region because of the phasing out of the freight equalisation scheme is by no means clear because there are so many factors, including power for instance, which are responsible for industrial development. But the point that I would like to make is while the Government has taken this decision—and we are formulating a scheme—there are other States in the country which are against the phasing out or even the abolition of the freight equalisation scheme. Those are naturally the States which are far away from the Steel producing region in Eastern India, although the picture is going to change once steel plants come up in the South also. This is the total picture.

But we are formulating the scheme in accordance with the decisions that I have mentioned.

**SHRI ANANDA PATHAK :** Let me give example of coal, which is produced in West Bengal. That coal costs much more in Durgapur than in other areas. Therefore, due to the continuance of this policy, the other commodities produced here are facing difficulties in the markets. I would like to know from the Minister whether the Government will review this policy so that either this policy is done away with or it is extended also to other commodities ?

**SHRI K. C. PANT :** This is about planning to phase out the Freight Equalisation Fund in respect of Iron and Steel. But in the same breath the hon. Member wants me to extend it to other commodities. Sir, these two things do not go together.

**SHRIMATI GEETA MUKHERJEE :** The Minister has stated that this has been accepted in principle. What is the time which has actually elapsed when it is accepted in principle and the actual time of implementation in view of the fact that it is a matter of urgent necessity for the eastern sector of our country ? Will the Minister make the position clear ?

**SHRI K. C. PANT :** The Committee give report in 1980. Government took decision in 1982. The Department of Steel consulted various concerned Ministries in the Government of India. There were some differences of opinion. Several of the States represented in the matter. I don't want to mention the States. I don't want to pit some States against some others. There are States which objected to this there are also States which have been strongly in favour. Government has taken a decision on the basis of the report of the Committee. In respect of whatever we do, we shall allow those States which will have to adjust to the change, to do so. There should be sufficient time for them to adjust to the sudden change because this would mean a big amount of additional outlay for them. They have set up industries on the basis of the Equalisation Scheme. This has been in operation for 30 years since 1956. And one cannot disregard the effect this will have on those States when the phasing out is done.

SHRIMATI GEETA MUKHERJEE : We have been deprived for 30 years. Is not that time enough ?

SHRI K. C. PANT : Bengal has done a lot for India; this is a very small thing.

#### Measures to Stop Distress Sale of Cotton

\*271. SHRI V. SOBHANADREESWARA RAO :

SHRI S. JAIPAL REDDY :

Will the Minister of TEXTILES be pleased to state :

(a) whether the prices of cotton have touched very low level at present;

(b) whether this forced that farmers to resort to distress sale below the minimum support price level in different States; and

(c) the measures taken by Government to stop the distress sale of cotton ?

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

#### Statement

(a) to (c). As a result of a record crop of the last cotton season and prospects of a satisfactory crop during the current cotton season, there has been a decline in prices of cotton as compared to the last season. In order to safeguard the interests of the farmers, Government have announced the minimum support prices for this season and the Cotton Corporation is there in the market to provide remunerative returns to the farmers. The Corporation has a procurement programme of 15.00 lakh bales during the current cotton season and has purchased about 1.52 lakh bales upto 28-11-1985. Government has released since January, 1985, a quota of 4.95 lakh bales of long and extra-long staple cotton, 27,000 bales of Bengal Deshi and 25,000 bales of Yellow Pickings for export through various agencies in order to relieve the pressure of arrivals.

SHRI V. SOBHANADREESWARA RAO : The hon. Minister in his statement

does not make the position clear regarding the minimum support price this year. The farmers know that it was Rs. 535 last year but they do not know how much price it is in this year. The cotton growers in Andhra Pradesh are facing an unprecedented situation due to the white flies due to which the farmers are able to get only 3 quintals per acre, while they have to get 10 quintals per acre on an average. The Collector, Guntur district has informed the Chairman of the Cotton Corporation of India that the cotton-growers have suffered a loss of nearly hundred crores. As per the Minister's statement, the Cotton Corporation of India has purchased 1.52 lakh bales by 28-11-85, whereas our information is that in Andhra Pradesh only a few thousand bales of cotton are purchased. So, will the Government direct the Cotton Corporation of India to open purchase centres at all points with adequate staff, because, for a farmer, in order to dispose of his cotton to the CCI, it is taking a week for disposal and weighing and another 10 days for preparing the cheque and other formalities. So, will the Government direct the CCI to provide necessary staff and pay at least the minimum support price to the farmers ? There is a precedent in 1974 when while the procurement price was Rs. 360, the CCI paid at Rs. 525. So, in view of this present year's difficult situation to the farmer, will the Government direct to purchase at Rs. 535 a tonne ? Actually it is purchasing for only Rs. 460 a tonne.

SHRI KHURSHID ALAM KHAN : Sir, taking into consideration the problems faced by the Andhra Pradesh cotton growers, a special team was deputed to Warangal and other areas in which the representatives of the Commerce Ministry, Textiles and the Government of Andhra Pradesh were also there. They went and saw everything, also met the Chief Minister and discussed details with him and most of the things had been sorted out, and I assure the hon. Member that everything possible will be done to help the growers.

PROF. N. G. RANGA : What about the minimum price ?

SHRI KHURSHID ALAM KHAN : Will you kindly let me answer ? (*Interruptions*).

As far as the minimum price is concerned, the minimum price has been suggested by the A.P.C. Accordingly, the minimum price will be applicable. But here one thing has to be kept in view that in case of deterioration of cotton naturally the minimum price has to be applied in relation to the condition of the cotton available for purchase.

**SHRI V. SOBHANADREESWARA RAO :** I have specifically told the hon. Minister that there were instances when the CCI has given more price than the procurement price fixed by the CCI. But he was not kind enough to say and again he has narrated regarding the quality.

Regarding this export quota released, in his statement he told 4.95 lakh bales of this cotton has been released. But I feel it pertains to the previous crop and after the arrival of the fresh cotton crop this year, this season, how much export quota was released? And there is persistent demand from different cooperatives in Gujarat, Maharashtra and Andhra Pradesh to release this export quota immediately to help the cotton growers to boost up the prices in the market. Will the Minister kindly answer this concretely?

**SHRI KHURSHID ALAM KHAN :** This year, as part of this quota, already two lakh bales have been released and we are also thinking of releasing another three lakh bales taking into consideration the requirements in the country also. But the only problem which is faced in export is that the prices in our country are much higher than the prices in the countries where the cotton is being exported. For instance, prices in Pakistan and China, which are the two big cotton producing countries, are 25 per cent less than the prices in this country.

**SHRI S. JAIPAL REDDY :** Sir, I would like the hon. Minister to answer as to whether the prices of cotton have fallen too steeply this year following the changes in the new textile policy which include heavy accent on man-made fibres.

**SHRI KHURSHID ALAM KHAN .** The prices have not fallen as a result of the textile policy because the textile policy was only announced in June 1985. Really

it is the question of production of cotton which has been in the last season a good crop and therefore, the prices have fallen.

**MR. SPEAKER :** Mr. Minister, the farmer should not be penalised, he should be rather given bonus for producing more.

**SHRI V. SOBHANADREESWARA RAO :** He is not giving even the minimum support price.

**SHRI KHURSHID ALAM KHAN :** Sir, that is the reason why the APC has fixed the minimum price.

*(Interruptions)*

**SHRI V. SOBHANADREESWARA RAO :** What is the minimum price this year?

**SHRI KHURSHID ALAM KHAN :** The minimum price this year is higher than last year's.

**PROF. N. G. RANGA :** Last year's minimum price has not yet been fixed. There is some reason for it, Sir. It requires an enquiry and deep study.

*(Interruptions)*

**MR. SPEAKER :** Shri Dinesh Singh.

**SHRI C. JANGA REDDY :** Sir, only one question.

**MR. SPEAKER :** Mr. Janga Reddy, once a person from a Party is allowed to put a question, it does not get a second chance. You already had one,

*(Interruptions)*

**SHRI C. JANGA REDDY :** Sir, only one question I want to put.

*(Interruptions)*

**MR. SPEAKER :** I cannot break my rules, Sir.

**SHRI C. JANGA REDDY :** You can ask the question on our behalf.

**MR. SPEAKER :** I have already done that. Without your asking I have done it.

*(Interruptions)*



PROF. N. G. RANGA : Mr. Speaker, may I add one word, Sir? The Finance Minister should be taken to task.

[Translation]

MR. SPEAKER : Let us take off his blanket.

[English]

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : Sir, this is not of cotton.

SHRI DINESH SINGH : The difficulty the farmers experience is, although the Government fixes a quota and also the minimum support price, the Government does not start purchasing the cotton in time, with the result that the farmers have to sell to traders. By the time the Government start purchasing the cotton, they buy it from the traders rather than from the farmers.

SHRI E. AYYAPU REDDY : Let there be half-an-hour discussion.

SHRI DINESH SINGH : Sir, would the Government ensure that the support prices are announced in advance and adequate arrangements are made so that there is money available and the machinery available to purchase cotton as soon as the support price is announced and they need not wait till the arrangements are made?

MR. SPEAKER : At least, in these commodities, arrangements should be made?

SHRI KHURSHID ALAM KHAN : Sir, it is a good suggestion. But I would like to assure the hon. Member that our infrastructure is already there and as soon as the prices were announced, we went into action. (Interruptions).

SHRI V. SOBHANADREESWARA RAO : The farmer does not know, what is the minimum price.

MR. SPEAKER : I share the sentiment of the House which needs to be taken note of by the Minister. He must respond to it.

SHRI VISHWANATH PRATAP SINGH : Sir, Prof. Ranga is again pointing out to me. May I assure the House that

as far as the support operation is concerned, there is no short of funds, whatever.

MR. SPEAKER : Mr. Minister, now you can take it.

SHRI KHURSHID ALAM KHAN : I have no complaint about the funds. The funds are available. But we have to buy at the support price.

MR. SPEAKER : You make the arrangements.

SHRI S. JAIPAL REDDY : In War-rangal, the minimum support price is not given.

MR. SPEAKER : That is what I have said. I have already expressed your feelings.

[Translation]

SHRI GIRDHARI LAL VYAS : Hon. Speaker, Sir, even the support price is not being paid for cotton in Rajasthan. Arrangements should be made to provide at least the support price in Rajasthan.

MR. SPEAKER : There should be much support on support price.

[English]

SHRI MADHUSUDAN VAIRALE : Sir, they have been asking permission for export of cotton. But whenever they ask, the Government allots only 2 lakhs.

MR. SPEAKER : I think, the Minister will take notice of the situation and take appropriate measures to remedy the situation.

[Translation]

SHRI BALKAVI BAIRAGI : The entire farmer community in the country would be thankful to you.

[English]

PROF. MADHU DANDAVATE : Sir, you should direct Prof. Ranga should be occasionally angry so that there is a good effect on the Minister!

MR. SPEAKER : He has the authority to do that.

**Losses by Metropolitan and Urban Branches of Banks**

\*272. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that many metropolitan and urban branches of banks are making losses year after year;

(b) if so, whether any survey has been conducted to ascertain their number, State-wise;

(c) whether the causes for this have been identified; and

(d) if so, the details thereof and the steps taken to remedy the situation ?

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

**Statement**

(a) to (d). Out of 4396 Metropolitan/Port-Town branches and 5196 urban branches of the Public Sector Banks as at the end of December, 1984, 260 Metropolitan branches and 459 urban branches were reported to be incurring losses continuously for five years. Only bankwise information in respect of loss making branches is collected under the present system of data collection and, therefore, the statewide breakup of the loss making branches is not available. According to a review conducted by the Reserve Bank of India, the main factors responsible for losses incurred by the public sector banks are improper deposit mix, low level of business, high staff cost, relatively high level of non-performing assets, idle cash balances, relatively high rent on office premises, etc. Government and Reserve Bank of India have issued instructions to the banks, to periodically review the position of loss making branches and to take necessary steps to improve their working.

SHRI BALASAHEB VIKHE PATIL : Sir, they have mentioned here in the statement that 260 metropolitan branches and 459 urban branches were reported to be incurring losses continuously for the last

five years. We are in the rural areas and the branches in the rural areas are going on very well. We do not know the reasons why the branches of the public sector banks in the urban areas are making losses. At the same time, I would like to know what measures are the Government taking to reduce the loss. What is the policy with regard to opening of new branches in the urban areas because a large number of urban cooperative banks are demanding permission for opening of new branches? Their applications are pending in the Reserve Bank and some applications are rejected. If there is no good business for the public sector banks in the urban areas, why are they attracted to open more number of branches? Is it only to fulfil the targets or to serve the people? What is the view of the Government on both these points?

SHRI JANARDHANA POOJARY : Sir, we have identified the loss-making branches and I have been continuously monitoring the performance of all the branches with a view to make them profit-making. Out of 4396 Metropolitan/Port-Town branches, 260 branches are making losses. That is, 4,136 branches are making profit. In urban branches, out of 5,196 branches, 459 branches are making losses. 4,737 branches are making profits. I will just tell the hon. Members what steps we are taking.

Coming to loss-making branches, it is not desirable to have the loss-making branches. But we have to take into consideration one fact. In some of the residential areas, branches are there. There we are collecting the deposits. Advances are not being made. When there is no outlet making advances, there will not be profit. Those branches would be collecting the deposits only. Then the profit of those branches will not be there, and the deposits of those branches will be made use in some other branches. It will be utilised by other branches. This is one of the factors. I do not say this is the only factor.

How to tackle this problem of loss-making branches? Here also we have to cut down the expenditure. We have also to see what is happening in some of the branches. Some of the branches are over-staffed. We have to identify those branches also. When

there is some surplus staff, we have to deploy that surplus staff to other branches. I want the cooperation of all the people here, particularly the union people. We are deploying the excess staff to other branches which are under-staffed. I will give one example. I am just bringing to your notice a very serious problem. In Madras, in one branch, we have transferred from one office to another office at a distance of 100 yards. Then the entire South India went on strike! For your information, in one branch to another branch, in the same town, we have transferred. The Chairman was...

PROF. MADHU DANDAVATE : If you do not ring the bell, the professor of economic will take 45 minutes!

MR. SPEAKER : Please conclude.

SHRI JANARDHANA POOJARY : These are some of the difficulties we are facing. We are using the idle fund which is there by opening more currency chests. These are some of the steps we are taking.

SHRI BALASAHEB VIKHE PATIL : A number of urban cooperative banks are demanding new branches in urban areas while the Government is not allowing them but are putting these branches in losses.

Which are the banks in number because they do not have State-wise figures and what are the names of the banks which are making losses?

SHRI JANARDHANA POOJARY : The urban banks and the cooperative banks are both functioning. But, some of the banks are also incurring losses. But the people of the country, wherever they go, are asking for the nationalised banks, not for the cooperative banks. What they say? These cooperative banks are serving only one section of the society and they are not giving to the other section society. That is the complaint that we receive. The demand is for nationalised banks are not for the cooperative banks.

[*Translation*]

#### Irregularities by Nationalised Banks in Loan Distribution

\*274. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any memorandum from Rajasthan Powerloom Association, Kishangarh, Rajasthan regarding irregularities being committed by nationalised banks in respect of distribution of loan;

(b) if so, the action taken by Government in this connection so far; and

(c) if no action has been taken so far thereon, the reasons therefor?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Government received a memorandum in the month of November, 1985 from Rajasthan Powerloom Association, Kishnagarh, alleging that two local branches of public sector banks did not consider applications for financing powerloom units and also refused to provide new application forms to such units.

(b) The Government has called for a report from the concerned public sector banks.

(c) Question does not arise.

[*Translation*]

SHRI VISHNU MODI : Hon. Speaker, Sir, through you I want to know from the hon. Minister the number of applications received by the nationalised banks from the powerloom traders of Kishangarh and Madanganj for loan. If possible, particularly tell about UCO Bank as to how many applications were received by that bank, how many of them were given loans, how many applications are pending, the time since which they are pending and the reasons therefor?

[*English*]

SHRI JANARDHANA POOJARY : The performance of the branch of the UCO Bank was not at all satisfactory. So far as the branch of the State Bank of Bikaner and Jaipur is concerned—that is also a part of the question—there performance is satisfactory; three applications had been received by the State Bank of Bikaner and Jaipur and

out of that, two applications have been returned stating that they have got the loans from somewhere else. So far as the performance of the UCO Bank is concerned, I am grateful to the hon. Member for bringing this fact to the notice of the Government; they have not given loans to the powerloom sector. I am bringing to the notice of the hon. Members also that they are not able to give loans even under DRI scheme to the weaker sections—and also under IRDP—and action has been taken against the Bank Manager. This is for the information of the hon. Members.

[*Translation*]

SHRI VISHNU MODI : Mr. Speaker, Sir, I have another supplementary to ask. First of all, I want to thank the hon. Minister that he has admitted this in respect of at least UCO Bank. But I want to tell him about the State Bank that there, even applications are not entertained and the people are suffering a lot due to corruption rampant there. Severe drought conditions exist in Rajasthan and Kishangarh is the only industrialised place in my Parliamentary Constituency. Ajmer. There is rampant corruption in State Bank and other Banks there and I shall request that it would be better if immediate steps are taken to check it.

[*English*]

SHRI JANARDHANA POOJARY : So far as the State Bank is concerned, the hon. Member has made a point that there is corruption. If any specific instance is brought to our notice, immediate action will be taken against those people.

[*Translation*]

SHRI GIRDHARI LAL VYAS : Hon. Speaker, Sir, I have also to ask a question. I have been waiting here for long but have failed to catch your eye.

MR. SPEAKER : You were given time just now.

SHRI GIRDHARI LAL VYAS : That too has not been replied to. It is a very important question.

Mr. Speaker, Sir, the hon. Minister has given a certificate in respect of UCO Bank that its performance is poor, I want to know from him the name of the bank whose performance is good and how many applications were accepted under the Self Employment Scheme, how many people have received loans from the banks through the Department of Industries and how many applications are still pending. You have given loans to the people who did not need it and the needy ones are still making the rounds of the banks. Therefore, will the Government make some arrangement to streamline this system ?

[*English*]

SHRI JANARDHANA POOJARY : It is not proper to generalise and say that the banks are not functioning at all. We have got 50,980 branches throughout the country and out of that—I may say this for the information of the hon. Members—29,837 branches are in the rural areas; percentage-wise it is 58.5 per cent. If there are deficiencies, we are identifying the deficiencies and we are taking action also. On 14th December, the Finance Minister, the senior executive officers, even the Reserve Bank Governor, all the people including myself will be going to the rural areas to see the functioning of the IRDP and other Programmes... (*Interruptions*)

[*Translation*]

SHRI GIRDHARI LAL VYAS : Mr. Speaker, Sir, I.R.D.P. Programme is not being implemented at all. The officials are indulging in bungling at all levels.

[*English*]

SHRI JANARDHANA POOJARY : Please hear me. We are writing to all the Members of Parliament also. In his constituency the hon. Member also can go to the bank and he can also... (*Interruptions*)

[*Translation*]

SHRI GIRDHARI LAL VYAS : He has not kept the M.Ps. on the Bank Committees.

[English]

SHRI VISHWANATH PRATAP SINGH : May I inform that I had a talk with Shri Chandulal Chandrakar, Minister of State, and he has written that he has sent a circular that Members of Parliament will be members of the DRDA.

[Translation]

SHRI GIRDHARI LAL VYAS : No. public representative has been kept on this committee...*(Interruptions)*...

MR. SPEAKER : Now you sit down, there are other gentlemen also in this House.

*(Interruptions)*

#### WRITTEN ANSWERS TO QUESTIONS

[English]

#### Export of Agricultural and Farm Products

\*275. SHRI RAMSWAROOP RAM :  
DR. VALLAL PERUMAN :

Will the Minister of COMMERCE be pleased to state :

(a) the volume and value of exports of agriculture products year-wise during the last two years and that expected during the current financial year;

(b) the different items of farm-produce exported during these years and the names of countries to which exported; and

(c) the steps being taken to increase exports of farm products ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The value of exports of principal agricultural products year-wise during the last two years are as under :

(Rs. in Crores)	
1983-84 (Provisional)	1984-85 (Provisional)
2286.46	2354.63

Statistics regarding volume of exports of all agricultural commodities are not being maintained at present. The exports of agricultural products during the current financial year would depend upon the overall production, and in the international market situation.

(b) The principal agricultural commodities exported from India are Basmati Rice, Fruits and Vegetables, Cashew Kernels. Coffee, Tea, Spices, Tobacco, Processed Foods and Oil Meal. Exports are mainly moving towards the Middle East countries, USSR and EEC countries.

(c) The Government has taken a number of measures to increase exports such as Cash Compensatory Support, import replenishment to registered exporters, facility of duty draw back, assistance for market development, encouragement to exports in value added packs, periodic discussions with the States for increasing the production of exportable agricultural products etc. For the promotion of exports of agricultural products, institutional change like setting up of Agricultural and Processed Food Products Export Development Authority (APEDA) and Spices Board are envisaged.

#### Withdrawal of Subsidies on Food and Fertilizer

\*276. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are considering to tax the agricultural sector and withdraw the subsidies on food and fertiliser during the Seventh Five Year Plan period;

(b) if so, the details thereof;

(c) whether it is also a fact that some State Governments have opposed it; and

(d) if so, the details thereof and the decision taken by Government thereon ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) No, Sir. Moreover, it may be noted that taxation of agricultural income is a State subject.

(b) to (d). Do not arise.

**Development of Kanyakumari as a Tourist Centre**

\*277. SHRI N. DENNIS : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the follow-up work done on master plan for the development of Kanyakumari in Tamil Nadu as a tourist centres; and

(b) whether the Tamil Nadu Government have offered co-operation in this regard ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). The Government of Tamil Nadu has prepared a master plan for the development of Kanyakumari at an estimated cost of Rs. 16.00 crores to be implemented over a period of 10 years commencing from 1982. The State Government through its various Departments is already implementing schemes amounting to Rs. 196.67 lakhs.

The Central Department of Tourism has agreed in principle to the proposal for replacing the motor launch sanctioned in 1974 servicing as a ferry between Kanyakumari and Vivekananda Rock Memorial. The State Government had requested the Department for central assistance to construct eight beach cottages at Kanyakumari. This is also under active consideration.

**Production of Mild Steel Ingots and Billets**

\*278. SHRIMATI BASAVA RAJESWARI : Will the Minister of STEEL AND MINES be pleased to state :

(a) the number of mini-steel plants which are manufacturing mild steel ingots and billets;

(b) the total production of mild steel ingots and billets for the last three years;

(c) whether it has come to the notice of Government that the casting units which have been licenced recently, are indulging in illegal manufacture of mild steel ingots and marketing in the brand name of cast steel, billets, etc.; and

(d) if so, the action Government propose to take against these units ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) There are 159 mini-steel plants manufacturing mild steel ingots and billets.

(b) The production of mild steel reported by these electric arc furnace units during the last three years is as under :

Year	Production (in Lakh Tonnes)
1982-83	15.90
1983-84	16.74
1984-85	16.20

(c) No, Sir.

(d) Does not arise.

**Export of Charge Chrome**

\*279. DR. KRUPASINDHU BHOI : SHRI MANVENDRA SINGH :

Will the Minister of COMMERCE be pleased to state :

(a) whether charge chrome is exported from India;

(b) if so, the names of the countries to which charge chrome is exported;

(c) the quantity of charge chrome exported last year; and

(d) the quantity of charge chrome likely to be exported to Japan during this year and the coming year ?

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

(b) The charge chrome is mainly exported to Japan.

(c) As per returns submitted by 100% export-oriented units, the quantity of charge chrome (including ferro silicon exported by one unit) exported during 1984-85 is provisionally placed at 29267 tonnes.

(d) Exports are made by the units directly and Government have no information about their country-wise export plans.

#### Implementation of Industry-wise Wage Agreement

\*280. SHRI BASUDEB ACHARIA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the Union Government have issued instructions to the Steel Authority of India to implement the provision incorporated in the last Industry-wise wage agreement concluded in 1983;

(b) if so, the details thereof; and

(c) whether it is a fact that all the central trade unions have reacted against the agreement ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) and (b). In May 1983, Government had approved the proposal of Steel Authority of India Limited for revision of wages and other benefits to the non-executives of the steel industry. On this basis, a Memorandum of Agreement was signed on 25th May, 1983 by the National Joint Committee for the Steel Industry. The Memorandum covered issues pertaining to wages and other allowances and benefits such as educational facilities, employment of a dependent of a retiring person, leave and holidays, workmen compensation and production, productivity and industrial peace. However, Government was advised that an agreement which provided that one dependent of a retiring employee should be provided employment was violative of the Constitution. On this basis Steel Authority of India Limited was advised not to implement the clause relating to employment of dependents of retiring employees.

(c) No, Sir. The central trade unions did not react against the Agreement but they did react against the advice of Government that the clause relating to employment of dependents of retiring employees should not be implemented.

#### Gift Parcels from Indians Visiting Singapore and Bangkok to their Relatives and Friends in India

\*281. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Indians visiting Singapore, Bangkok can send gift parcels to their relatives and friends in India;

(b) if so, how many, upto what weight, value and quantity; and

(c) whether any duty is leviable thereon ?

THE FINANCE MINISTER (SHRI VISHWANATH PRATAP SINGH) : (a) and (b). Yes, Sir. Unsolicited gifts upto Rs. 1,250 in value (including electronic items upto Rs. 500) received for any person through post or otherwise for his personal use or for any institution or hospital for its own use is allowed without customs clearance permit under the Savings Clause 11(99) of the Imports (Control) Order, 1955. However, certain items as specified in the aforesaid Savings Clause are not allowed import as gifts.

Although there is no restriction regarding quantity, it should be reasonable and capable of being construed as for gift purposes and for trade.

As regards restriction on weight of letter mail articles/parcels, this is governed by the International Postal Convention and not by Customs law.

(c) Duty on gift parcels intended for personal use and received through post or air freight (but excluding articles falling under Heading No. 100.01 and alcoholic drinks) is chargeable at the rate of 140% in respect of all items, except drugs and medicines on which duty chargeable is 100%. However, *bonafide* gifts which comprise exclusively of food including provisions and confectionery (but not including alcoholic drinks) or medicines, which have been imported by post or as air freight and value of which does not exceed Rs. 200 are exempted from payment of duty of customs. Other *bonafide* gifts imported by post and the value of which does not exceed Rs. 200 are also exempted from the duty of customs.

### Measures to Boost Export of Engineering Goods

**\*282. SHRI K. RAMAMURTHY :**  
Will the Minister of COMMERCE be pleased to state : \*

(a) whether the recommendations of the high-powered committee set up to the suggest measures to boost export of engineering goods have been accepted in toto; and

(b) if so, the details of the new strategy mapped out by Government to permit the engineering industry to bring out technological upgradation in selected areas through imports ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). A Committee on "Perspective Plan and Strategy for Export of Engineering and Capital Goods" was set up under the Chairmanship of Shri D. V. Kapur, the then Secretary, Deptt. of Heavy Industry with a view to drawing perspective plan and strategy for export of engineering and capital goods. The Committee has assessed that given our natural resources and skilled manpower a good base exists for achieving substantial increase in the area of engineering exports. For this the Committee recommended a two pronged strategy, namely :

(1) Continuation and strengthening of existing broad system of incentives for export which would include provision of raw material at international price and compensation for disadvantages arising out of domestic taxation etc.

(2) To make basic structure of our domestic industry internationally competitive in terms of technology, quality and cost. For this purpose, the Committee has recommended special efforts on a more selective basis by selection of a few 'thrust' industries in which the existing industrial structure is sufficiently developed and in which we have a potential comparative advantage. The Committee recommended that these industries be offered special policy environment keeping in view the considerations of optimum scale of

production, technological modernisation and competition with a view to make them internationally competitive. The principle of selectivity was also recommended in case of export market and export of projects.

The Government has considered the recommendations of the Committee and approved the basic strategy recommended by the Committee for boosting exports of engineering and capital goods.

The elements of the strategy to bring about technological upgradation through imports, *Inter-alia*, include :

- (i) So meet the requirements of import for modernisation and export production 201 items of machinery were included in the list of capital goods allowed for import under. OGL.
- (ii) More liberalised import of technology. The per unit value limit for inport of equipment having impact on quality and/or quantity of out-put, technical know-how, foreign colsuitancy etc. under Technical Development Fund has been enhanced eron US\$ 5 lakhs to the US\$ equivalent of Rs. 100 lakhs.
- (iii) Liberalised imports of computer systems and their spares.
- (iv) Reduction of duties on project imports.

The Committee's other recommendations regarding upgradation of technology for 'thrust' industries relate to placing of import of technology under OGL, review of excise and tariff structure for 'thrust' industries, lower rates of tax on technology payments and more flexible rules for payment of royalty and lumpsum payments in 'thrust' industries.

### Trade Pact Signed with German Democratic Republic

**\*283. SHRI P. M. SAYEED :**  
SHRI MURLIDHAR MANE :

Will the Minister of COMMERCE be pleased to state :



(a) whether India has signed any trade pact with German Democratic Republic recently;

(b) if so, the salient features of the trade pact; and

(c) the names of the items to be exported from India and those to be imported from German Democratic Republic ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Trade and Payments Agreement between India and GDR signed on 1st November, 1985, envisages the continuance of rupee trading arrangements between the two countries for a period of five years ending 31st December, 1990. Under these arrangements, payments for all commercial and non-commercial transactions and to be made in non-convertible Indian rupee.

(c) Details of items to be exported from India and to be imported from GDR are given in the statement attached.

#### Statement

#### Schedule "A"

*List of goods available for export from the German Democratic Republic to the Republic of India*

1. Ships, equipment and spare parts.
2. Plants, machinery and equipment for the metallurgical industry.
3. Plants and equipment for open-cast lignite mining and upgrading of coal.
4. Chemical plants and equipment.
5. Plants and equipment for cement industry.
6. Transport equipment and conveying machinery.
7. Processing machines for plastics and elastics.
8. Rolling stock
9. Road Vehicles
10. Textile machinery

11. Machine tools
12. Printing machinery
13. Machinery and equipment for the foodstuffs and packaging industries.
14. Agricultural machinery and equipment.
15. Equipment for air and refrigeration engineering.
16. Plants and equipment for energy supply.
17. Scientific and technical instruments and medical equipment.
18. Office machines and electronic data processing machines.
19. Plants, equipment and products in the field of electrical engineering/electronics.
20. Steel products
21. Fertilizer
22. Products of the building materials industry.
23. Products of the chemical industry.
24. Photochemical products
25. Paper
26. Glass and ceramic goods
27. Industrial consumer goods
28. Books, newspapers, periodicals and stamps
29. Miscellaneous

Note : By mutual agreement Schedule "A" may be modified or enlarged denending on economic and commercial requirements.

#### Schedule "B"

*List of good available for export from the Republic of India to the German Democratic Republic*

1. Agricultural products
2. Marine products
3. Minerals and ores
4. Chemical raw material and products of the chemical industry

5. Raw material for the manufacture of medicines and products of the pharmaceutical industry
6. Products of the rubber and plastics industries
7. Products of the glass and ceramics industries
8. Products of the wood-working industry
9. Products of the shoe and leather industry
10. Fabrics of the cotton, wool and silk industries.
11. Technical textiles
12. Products of the knitwear industry
13. Jute products, including fabric
14. Products of the garment industry
15. Coir products, including yarn
16. Other products of the textile industry
17. Machine tools and accessories
18. Machinery and equipment
19. Industrial and sanitary fittings
20. Machine bound and hand tools
21. Products of the electrical engineering industry
22. Engineering components
23. Scientific instruments
24. Equipment, components and accessories for the agricultural machinery construction industry and the transport
25. Equipment for public health sector
26. Air conditioning equipment
27. Electronic products, including office and data processing equipment
28. Products of the small scale industries, including handicrafts
29. Miscellaneous

**Note :** By mutual agreement Schedule "B" may be modified or enlarged depending on economic and commercial requirements.

#### Modernisation of Durgapur Steel Plant

\*163. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of STEEL AND MINES be pleased to state :

(a) whether a project of Rs. 900 crores for the modernisation of Durgapur Steel Plant (in West Bengal) is pending with the Union Government;

(b) whether the modernisation plan was drawn up after a through check up by a team of international experts and such modernisation was essential for making the Durgapur Steel Plant a profit-making concern; and

(c) if so, the reaction of Government towards that project and whether that has been included in the Seventh Five Year Plan ?

**THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) :** (a) to (c). MECON has prepared a DPR for the technological upgradation and modernisation of Durgapur Steel Plant at an estimated cost of about Rs. 990 crores (3rd quarter 1984 price) after taking into consideration the suggestions made by British Steel Corporation in 1980 and a team from Japanese Steel Mills in 1982.

The need for modernisation of Durgapur Steel Plant has been accepted in principle by the Government and an outlay of Rs. 25 crores has already been sanctioned for preliminary and enabling works.

SAIL is formulating a proposal for seeking an investment decision of the Government on this scheme. In the Seventh Plan, there is a provision of Rs. 460 crores for modernisation of the Durgapur Steel Plant.

#### Establishment of Joint Financial and Investment Company by UTI and Merrill Lynch of USA

2803. **SHRI SANAT KUMAR MANDAL :** Will the Minister of FINANCE be pleased to state :

(a) whether the Unit Trust of India and Merrill Lynch of the USA have jointly proposed a \$ 100 million financial and investment Company with global equity participation for offering financial services mainly to India;

(b) if so, whether Government have since cleared the proposal to float this company;

(c) if so, the broad outlines of this project;

(d) the manner in which the capital will be shared by the foreign and Indian associates and the term and conditions regulating the foreign participants; and

(e) the benefits likely to accrue to India from this new venture ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Government approved the establishment of a mutual fund company called the 'India International Fund' by Merrill Lynch and Company of USA with an initial equity of \$60 million for exclusive investment in the Special Unit Scheme of the Unit Trust of India (UTI).

(c) and (d). The India International Fund would be set up abroad by Merrill Lynch and Company. The equity capital of the Fund will be raised by Merrill Lynch and Company from foreign institutional investors, foreign investors, and non-resident Indians. The equity shares of the Fund will be listed in Stock Exchanges abroad. The creation of the Fund does not envisage listing of shares of Indian companies on Stock Exchanges in foreign countries. The capital raised by the Fund will be invested in the Special Unit Scheme of the UTI and the UTI in turn would be investing the amounts so received in equities in the secondary market, new equities, venture capital and in fixed interest bearing securities in India. The Fund would have an Advisory Committee comprising five members representing Merrill Lynch/Fund, and five members representing the UTI for deciding the broad policy regarding the investment pattern in the future. The Chairman of the UTI will be the Chairman of the Advisory Committee.

(e) The main advantage of the Scheme is that additional resources for investment would be available to the country, which will help the development of the Indian capital market. Further, the Scheme will bring about indirect participation of foreign

capital in the capital market of the country without the requirement of listing of shares of Indian companies in the Stock Exchanges abroad.

#### Customs Duty on Import of Bulk Drugs

2804. SHRIMATI N. P. JHANSI LAKSHMI : Will the Minister of FINANCE be pleased to state :

(a) the names, quantity and value of the bulk drugs imported year-wise during the last three years;

(b) what is the customs duty levied by the Custom Authorities on the import of the same;

(c) what is the customs duty levied on the import of drug intermediates used in the manufacture of the above-mentioned drugs, if imported;

(d) if so, the reaction of Government in the matter particularly due to its desire to manufacture these imported drugs indigenously from intermediates;

(e) whether it is a fact that the National Development Council for Drugs and Pharmaceuticals had recommended for a definition for drug intermediates in order to boost production of bulk drugs from intermediate stages in our country; and

(f) if so, the steps taken in this direction ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Since the number of imported bulk drugs is very large, it is not possible to give the names of the bulk drugs imported. Monitored drugs accounted for the following imports during the last three years :—

Year	Imports (Rs. in crores)
1981-82	105.55
1982-83	115.55
1983-84	123.06

(b) to (d). Drugs fall within Chapter 29 or 30 of the First Schedule to the Customs Tariff Act, 1975 and drug intermediates generally fall within Chapter 29 of the said First Schedule. While the general statutory basic duty on items covered by these Chapters is 100% advalorem, drugs generally carry an effective basic duty of 60% advalorem and drug intermediates 70% advalorem. Auxiliary duty at the rate of 40% advalorem and additional (countervailing) duty equal to Central Excise duty are leviable in addition. However, duty on various specified drugs and drug intermediates has been reduced in consultation with the administrative Ministry concerned and notifications issued in this respect from time to time have been laid on the Table of the House. Proposals for rationalisation of customs duty on drugs and drug intermediates are reviewed from time to time and it is the endeavour of the Government to encourage production of drugs from the basic stages.

(e) and (f). A number of suggestions have been made by the National Drugs and Pharmaceuticals Development Council for rationalisation of duties on intermediates.

Government is yet to take a decision on the recommendations of the Council.

#### Decline in Rubber Price

2805. SHRI SATYAGOPAL MISRA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the prices of rubber have come down when the farmers have started bringing their rubber to the market;

(b) the steps Government propose to take to protect the farmers in getting remunerative price for their product; and

(c) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) As against a bench mark price of Rs. 1650 per quintal envisaged for RMA-IV rubber the prices have remained a comparatively higher level inspite of the peak production season as indicated below :

Month	1984-85		1985-86	
	RMA IV	Lot Rubber	RMA IV	Lot Rubber
April	1694	1667	1708	1580
May	1683	1633	1729	1651
June	1760	1708	1273	1655
July	1835	1728	1746	1692
August	1811	1690	1775	1706
September	1651	1579	1781	1678
October	1605	1565	1783	1672
November	1513	1494	1788*	1623

\*Provisional.

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

**Surplus Labour in Steel Plants**

2806. SHRI INDRAJIT GUPTA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the Chairman of Steel Authority of India Ltd. has stated that 25 to 30 per cent of existing labour at the steel plants is "Surplus";

(b) if so, how this assessment was made and by whom;

(c) whether the trade unions were consulted in the matter; and

(d) the figures, plant-wise, of the "Surplus" man-power as estimated by the Chairman of Steel Authority of India Ltd. ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) No, Sir.

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

(d). While no precise estimate of surplus manpower is available, taking into consideration the desirable levels of manning in economically viable plants based on international norms, the manpower strength in steel plants in this country is considered to be excessive.

**Demand for Increase in Loan Amount for 'HBA' in Banks**

2807. SHRI MURLIDHAR MANE :  
SHRI GURUDAS KAMAT :

Will the Minister of FINANCE be pleased to state :

(a) whether the Bank Employees Association has demanded increase in the ceiling of House Building Advance up to Rs. 1,25,000 in view of the increase in the prices of building material as has been done in the case of the Central Government employees; and

(b) if so, Government's reaction thereto ?

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

(b) The matter is under consideration.

**Proposal to bring Regional Rural Banks Under Industrial Employment (Standing Order) Amendment Act, 1982**

2808. SHRI SYED MASUDAL HOSSAIN : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to bring the Regional Rural Banks under the Industrial Employment (Standing Order) Amendment Act, 1982;

(b) whether subsistence allowance as per amended provisions of the said Act is going to be allowed to the staff of Regional Rural Banks; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No, Sir.

(c) Ministry of Labour have reported that at present the coverage of Industrial Employment (Standing Orders) Act is restricted to industrial establishments, factories and railways. Since the Regional Rural Banks are not covered by the definition of "Industrial Establishment", the question of paying subsistence allowance as per the provisions of that Act does not arise.

**Transfer of Assets and Liabilities of Gaur Gramin Bank, Murshidabad Distt. to Gramin Bank, Murshidabad**

2809. SHRI ZAINAL ABEDIN : Will the Minister of FINANCE be pleased to state :

(a) whether the Regional Rural Banks Act has been amended to ensure the transfer of assets and liabilities of Gaur Gramin Bank, Murshidabad District to Gramin Bank, Murshidabad;

(b) if so, the details of measures adopted to protect the existing economic and service conditions of Gaur Gramin Bank employees who are being asked to give options for transfer to Gramin Bank Murshidabad;

(c) whether both the banks will operate separately or will merge into the later one; and

(d) the details of protections to be given to the employees of Gaur Gramin Bank who will give option for working in Murshidabad Gramin Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The National Bank for Agriculture and Rural Development have proposed some amendments to Regional Rural Banks Act, 1976 with a view to streamlining the organisational structure and functioning of the Regional Rural Banks. Proposals in this regard when concretised will come before the Houses of Parliament in the form of legislative proposals.

Memorandum from Himachal Pradesh Gramin Bank Karmchhari Sangh

2810. PROF. NARAIN CHAND

PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently received a memorandum from the Himachal Gramin Bank Karamchhari Sangh regarding various problems faced by the officers and employees of the Gramin Bank, especially with regard to promotion policy, housing loans, workers participation in management and the security arrangements and for demand for opening of Regional Rural Bank;

(b) if so, whether Government have examined and taken any action on these demands; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government/National Bank for Agriculture and Rural Development have received a memorandum from the President, Himachal Gramin Bank Karamchhari Sangh.

(b) and (c). The main demands contained in the memorandum and action taken by Government/NABARD on them are indicated in the statement attached.

#### Statement

Demand	Action taken by Government/NABARD
1	2

1. "Equal pay for Equal Work" and Uniformity of pay scale and service conditions with commercial banks,

Regional Rural Banks have been conceived as low cost institutions having limited area of operation and clientele. Section 17 of the RRB Act provides that the remunerations of the employees of RRBs shall be such that will be determined by the Central Govt. and while determining such remuneration the Central Govt. shall have due regard to the salary structure of the employees of the State Govt. and the local authorities at comparable level and status in the notified area. In view of this remunerations and service conditions of the employees of RRBs cannot be equated with the employees of other commercial banks.

1

2

## 2. Promotion policies in RRBs.

As per guidelines issued by National Bank for Agriculture and Rural Development (NABARD) 50% of the vacancies have been reserved for internal candidates in respect of Field Supervisors and Branch Managers by promotion. Direct recruitment of remaining 50% is considered necessary in order to effect fresh talent to RRBs.

## 3. Housing loans.

Guidelines have been issued by NABARD to RRBs in January, 1985 under which RRBs can advance housing loans to its employees upto a maximum limit of Rs. 50,000 at rates of interest charged by State Government to its employees.

Considering the limited resources at the disposal of RRBs any enhancement in the limit or reduction in the rate of interest is not considered feasible for the present.

## 4. Regularisation of Messengers.

Government have already issued instructions to appoint regular messengers at Head Office of the bank and some of its major branches.

## 5. Negotiation forum.

Recently, a forum under the chairmanship of Regional Manager, NABARD has been created at the State level to discuss grievances of staff and their service conditions and make suitable recommendations to Government/NABARD.

## 6. Withdrawal of Sponsor Bank staff.

It is in the interest of RRBs to have deputed staff from the sponsor bank in the beginning. The deputed staff can continue even after 5 years with mutual agreement and can be withdrawn in a phased manner as and when RRB staff is sufficiently trained.

## 7. Security Arrangements.

Government of India have impressed upon the State Governments to provide necessary security arrangements to RRBs staff.

## 8. Establishment of a new bank.

One more RRB covering Chamba District has been established on 2-11-1985.

**Instructions to Invest more Funds on  
Rural Development in Backward  
States**

2811. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there has been a rapid increase in the number of branches of banks and that the amount of deposit has also been increased;

(b) if so, whether the Union Government have collected information regarding the amount of advances to be provided in rural areas as compared to the amount to be provided in cities and to industries; and

(c) if so, whether Government propose to issue instructions in this regard to invest more funds on rural development, particularly in backward States like Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The branches of commercial banks increased from 8262 in June 1969 to 50980 in March 1985. Deposit of all Scheduled Commercial Banks increased from Rs. 4646 crores in June 1969 to Rs. 78539 crores in September 1985.

(b) and (c). To increase the credit flow in the rural sector banks were asked to achieve 60 per cent credit deposit ratio in respect of rural and semi-urban branches. As a result of various measures taken by the banks rural advances of scheduled commercial banks have increased from Rs. 54 crores in June 1969 to Rs. 6342 crores in December 1984. Credit deposit ratio of rural branches have increased from 37.2 per cent in June 1969 to 65.4 per cent in December 1984. The population group-wise data on credit deposit ratio of all Scheduled Commercial Banks in Orissa and all India as at the end of December 1984 is given below :

	Credit Deposit Ratio	
	Orissa	All-India
1. Rural	133.5	65.4
2. Semi-urban	73.1	52.9
3. Total	85.7	68.8

The above tabulated data show that Orissa is a head of the all India average of credit deposit ratio.

**Revenue Realised through Increase in  
Prices of Iron and Steel from  
1975 to 1985**

2813. SHRI PURNA CHANDRA MALIK : Will the Minister of STEEL AND MINES be pleased to state :

(a) the number of occasions during the period 1975 to 1985 when the prices (per tonne) of iron and steel were increased by administrative order;

(b) the extent of increase in rupees on each occasion;

(c) the prices of iron and steel per tonne, year-wise from 1975-1985; and

(d) the total additional revenue realised through increase in the prices of iron and steel, year-wise from 1975 to 1985 ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Prices of major categories of iron and steel produced by the integrated steel plants are fixed and announced by the Joint Plant Committee (JPC), a body constituted by Government of India. JPC is headed by the Iron and Steel Controller and has representatives of integrated steel plants and railways as its members.

From 1st January, 1975 till-date prices of iron and steel materials have been revised on twenty occasions. However, additional realisations to integrated steel plants accrued only on nine of these twenty occasions. The price increase on the other eleven occasions has been on account of increases in one or more of the following :

(i) Equalised freight element due to revision in railway freight/freight classification;

(ii) excise duty; and

(iii) contributions to various funds namely, Steel Development Fund, Import Pool Fund and Engineering Goods Export Assistance Fund.



(b) and (c). The required information is available in a published document titled "Announcements of Joint Plant Committee". A copy of this publication has also been sent to the Parliament Library.

(d) Such data is not maintained by Government.

**Progress in Modernisation of Opium and Alkaloid Works at Ghazipur**

2814. SHRI ZAINUL BASHER : Will the Minister of FINANCE be pleased to state the progress made in the modernisation of Government opium and alkaloid works at Ghazipur, Uttar Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : It has been decided to replace the out-dated technology adopted for the extraction of opium alkaloids in Ghazipur Alkaloid Works by an improved technology and to increase the plant capacity by modifying some of the existing equipment and installing additional special equipment based on improved technology. National Chemical Laboratories, Pune and the National Industrial Development Corporation have been appointed as Consultants and Project Engineers respectively.

Site survey, soil analysis etc. have been completed. Some important equipment like centrifugal decanter, clarifier and extraction column have already been imported.

As per the activity plan prepared by the Consultants, the Project is expected to be completed by December, 1987.

[*Translation*]

**New Cheque Books and Speedy Clearance of Cheques**

2815. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) whether new cheque books have been issued to the customers to ensure speedy payment;

(b) if so, the time now being taken for clearance of these cheques in the same city and in other cities; and

(c) whether new arrangement has met with any success in checking the clearance of fake cheques ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Reserve Bank of India have a phased programme for introducing magnetic ink character recognition (MICR) technology for mechanised processing of cheques in banks. This is expected to facilitate faster cheque clearing. All bank branches at Bombay, Madras and Delhi are expected to switch over to MICR cheques by the end of the current year.

(b) Presently same city cheques are reportedly cleared in 2 to 5 days from date of deposit. Outstation cheques take more time.

(c) As mechanised cheque processing systems yet to be introduced, the question does not arise.

[*English*]

**Opening of Branches of Nationalised Banks in West Bengal**

2816. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the nationalised banks are not opening branches in West Bengal inspite of licences to that effect;

(b) if so, the detailed reasons therefor;

(c) how many such branches are due for opening in West Bengal as per latest data, details in respect of each nationalised banks; and

(d) the steps being taken to open the branches of nationalised banks as per licences issued ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). During the period from 1-1-1985 to 30-6-1985, 204 bank branches were opened by 28 public sector banks in West Bengal. However, as on 30-6-1985, there were 446 licences pending with these banks for opening branches in West Bengal. The main reasons for not opening branches

at the allotted centres are lack of basis infrastructural facilities non-availability of suitable premises, inadequacy of security arrangements etc.

(c) Bank-wise details of number of licences pending with the public sector banks in West Bengal as on 30-6-1985 are set out in the Statement attached.

(d) In order to facilitate the opening of branches at the centres for which licences were pending with the banks, the validity of all such licences issued for the branch expansion period ending 31-3-85 have been extended upto 31-12-85 by Reserve Bank of India and the banks have been advised to take all necessary steps to utilise the pending licences before 31-12-85. In addition, a Task Force consisting of representatives of RBI, National Bank for Agriculture and Rural Development and the State Government has been constituted by the RBI for the purpose of monitoring the progress of branch expansion in the state and to ensure expeditions utilisation of the licences pending with the banks. Reserve Bank of India has also been liberal in granting substitution of centres and even re-allocating centres amongst banks with a view to ensure that more branches are opened.

#### Statement

*Statement showing the number of licences pending with Public Sector Banks in West Bengal as on 30-6-85*

Name of Bank		Number of licences pending
1	2	3
1.	State Bank of India	93
2.	State Bank of Bikaner and Jaipur	1
3.	State Bank of Indore	2
4.	State Bank of Saurashtra	1
5.	Allahabad Bank	14
6.	Andhra Bank	3
7.	Bank of Baroda	7
8.	Bank of India	27
9.	Bank of Maharashtra	1

1	2	3
10.	Canara Bank	5
11.	Central Bank of India	36
12.	Corporation Bank	2
13.	Dena Bank	3
14.	Indian Bank	4
15.	Indian Overseas Bank	3
16.	New Bank of India	6
17.	Punjab National Bank	21
18.	Syndicate Bank	10
19.	Union Bank of India	10
20.	United Bank of India	98
21.	United Commercial Bank	99
<b>Total</b>		<b>446</b>

#### Inclusion of Orissa in the International Tourist Map

2817. SHRI CHINTAMANI JENA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that due attention is not paid to Orissa in respect of tourism by the Union Government;

(b) whether it is also a fact that despite magnificent monuments and temples, beautiful beaches and lakes, a wide variety of wild life and tribals, the State does not figure in the international tourist map;

(c) if so, whether it is partly due to the non-availability of facilities for tourist; and

(d) if so, whether Government propose to take action in the matter so that name of Orissa also figures in the international tourist map ?

THE MINISTER OF PARLIAMENTARY AND TOURISM (SHRI H. K. L. BHAGAT) : (a) No, Sir. Orissa is given due attention and prominence in the overseas promotion strategy by the Central Department of Tourism. A large number of

brochures, folders and posters have been printed by the Central Government on the tourist attractions of Orissa. Recently the Department has bought 50 prints of a film entitled "Orissa a land of unforgettable memories" which has been distributed to our offices in India and Overseas. In addition, Orissa is covered in atleast 5 other films produced by this Department. Adequate financial assistance to schemes submitted by the State Government for development of infrastructural facilities in Orissa has been provided by the Department of Tourism.

(b) No, Sir. The State of Orissa figures prominently in the international tourist map. Tourist interest in Orissa is also growing very fast.

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

**Seizure of 200 Kgs Gold by Customs from a Jewellers Firm of Delhi**

2818. SHRI MAHENDRA SINGH :  
SHRI ANAND SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether in one of the biggest catch in recent times, the customs authorities in the capital booked a leading jewellers firm of Delhi for clandestine transactions involving around 200 Kgs. of gold; and

(b) if so, the details of the findings of the inquiries ?

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

(b) All the four licensed premises of M/s. Mehra Sons Jewellers located at Connaught Place, Greatet Kailash, South Extension and Karol Bagh were searched, resulting in a seizure of 2.03 Kgs. of unaccounted gold jewellery valued at Rs. 2,72,227.00 and a detection of shortage of 2.57 Kgs. of gold jewellery valued at Rs. 5,02,691.00. Besides the above, incriminating documents were seized which has revealed a clandestine transaction of gold jewellery weighing 200.023 Kgs. valued at Rs. 4,00,17,450.00. The case is under adjudication.

**Sickness in Steel Industry**

2819. SHRI R. P. DAS : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the steel industry has fallen sick;

(b) if so, the reasons for such sickness; and

(c) the remedial measures taken so far to serve the vital and basic industry ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) to (c). There is scope for improvement in the performance of the steel industry in the country. The predominant features of the integrated steel plants in the country are their high cost of production, low capacity utilisation, high energy consumption, deterioration in the quality of raw materials, inadequate power supply from public utilities, obsolete technology, ageing of equipment, high labour component and the need to bring about a change in the work culture in the industry.

The installed capacity in the mini steel sector is also under-utilised; in the last 2-3 years, the average capacity utilisation of the working electric arc furnace units has been between 65-75% largely on account of inadequate availability of power.

Schemes have been drawn up for better maintenance of public sector steel plants, their modernisation and for removal of bottlenecks. Efforts are also being made to ensure cordial industrial relations and to inculcate a new work culture in the steel fraternity. The various schemes for plant modernisation will help in providing better blending of raw materials, reduction in energy consumption, improved productivity and better capacity utilisation—all measures which should enable the Indian steel industry to contain the rising costs of production.

Steps continue to be taken to ensure adequate availability of raw material and power to the ministeel sector and the rollers.

**Opening of Gramin Banks in Orissa  
during 1985-86**

2820. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) the number of Gramin Banks opened in different districts of Orissa so far;

(b) the amount of loans given by each of these Gramin Banks to the weaker sections during last three years, year-wise;

(c) whether Government have a proposal to increase the branches of these Gramin Banks in 1985-86;

(d) if so, the number of branches of Gramin banks proposed to be opened in Orissa in 1985-86; and

(e) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) These are 9 Regional Rural Banks covering all the 13 Districts of Orissa.

(b) Regional Rural Banks provide loans mainly to weaker sections such as small and marginal farmers, landless labourers in the agriculture sector and to rural artisans, village and cottage industries, small business and petty traders in non-agricultural sector whose pre-investment annual income does not exceed Rs. 6500.

The available information regarding disbursement of loans by the above mentioned banks during the last 3 years is furnished in the statement attached.

(c) to (e). The branch licensing policy for 1985-90 recently announced by Reserve Bank of India aims at achieving a coverage of 17,000 population per bank office in respect of rural and semi-urban areas of each development block and eliminating spatial gaps so that a bank office is available within a distance of 10 KMs. Reserve Bank of India has already addressed State Governments including Orissa to identify centres for opening branches in the light of the above branch licensing policy. The question of allowing more bank offices in Orissa to various banks, including Regional Rural Banks will be considered by the Reserve Bank of India on receipt of the list of centres from the State Government and in the light of the above policy.

**Statement**

*Loans Disbursed by Regional Rural Banks in Orissa State*

Name of the Bank	Loans Disbursed (Rs. in lakhs)		
	1982-83	1983-84	1984-85
Puria Gramya Bank	417.50	655.15	444.05
Bolangir Anchalik Gramya Bank	837.33	928.39	416.90
Cuttack Gramya Bank	1075.98	647.36	834.64
Roraput Panchabati Gramya Bank	540.00	301.00	242.00
Kalahandi Anchalika Gramya Bank	N.A.	N.A.	N.A.
Baitrani Kshetriya Gramin Bank	370.53	233.40	146.48
Balasure Gramya Bank	158.93	95.44	153.03
Rushikulya Gramya Bank	138.32	245.40	349.24
Dhenkanal Gramya Bank	144.04	203.22	205.72
	<b>3682.63</b>	<b>3309.36</b>	<b>2792.07</b>

**Foreign Exchange Reserves**

2821. SHRI K. S. RAO : Will the Minister of FINANCE be pleased to state :

(a) the foreign exchange reserve as on 31 October, 1985;

(b) the total foreign exchange remitted by non-resident Indians during the last three years; and

(c) the incentives Government have given

to the non-resident Indians to remit their earnings to India in foreign exchange ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The foreign exchange resources (excluding Gold and Special Drawing Rights) stood at Rs. 6822.10 crores as on 31st October 1985.

(b) Investments made by NRIs during the last three years under different schemes are as follows :

(Rs. in crores)

	31-12-1983	31-12-1984	30-9-85
— (i) Direct Investment (Proposals approved)	119.46	224.88	419.33
— (ii) Portfolio Investment (Actual purchase of shares/Debentures)	39.37	46.63	51.94
—(iii) Bank Deposits (outstanding balances in NRE/FCNR A/cs)	2552.83	3502.87	4547.23 (P)

(P) Provisonal Balances are cumulative.

(c) The various incentives given to the NRIs are as follows :

—Income tax at flat rate of 20% on certain 'specified assets'

—Long term capital gains tax at 20% on 'specified assets.

—Relatively higher rates of interest on Bank Deposits in NRE/FCNR A/cs and national savings certificates than available to residents on balances of same maturity.

—Wealth tax exemption. It continues for subsequent seven years in case of self-liquidating assets and on assets and foreign exchange brought to India at the time of return for permanent settlement.

—Gift tax exemption if gifts are made to relatives in India.

—Under the Returning Indians Foreign Exchange Entitlement Scheme (RIFEE) Indians returning from abroad can

obtain 25% of the Foreign exchange repatriated by them while abroad for use during a period of subsequent 10 years for visits to foreign countries, for personal purposes and medical treatment education abroad of dependent children and wards, gifts to close relatives residing abroad and import of special appliances for professional uses.

—Non-resident Indians can take back all the foreign currency assets repatriated to India on transfer of residence, in case they wish to leave India for setting down in any other country within five years of their coming to India.

All the tax concessions mentioned above are available to individual NRI investors.

**Loan Disbursed to Farmers by Commercial Banks in Orissa**

2822. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) the amount of loan disbursed to farmers in Orissa by the different commercial banks during 1983-84 and 1984-85; and

(b) the amount and the details of loan disbursed on this account in Sambalpur district of Orissa during the said period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The present data reporting system does not yield state-wise and district-wise information of the quantum of disbursement of agricultural loans by commercial banks during any particular years. The information regarding direct agricultural advances of commercial banks outstanding in Orissa as at the end of December 1983 and December 1984 is as under :

As at the end of	No. of accounts (Rs. in lakhs)	Balance outstanding (Rs. in crores)
Dec., 1983	5.18	115.05
Dec., 1984	5.70	142.76

**Central/State Govt. Corporation Granted Quotas for Export of Garments**

2823. SHRI LAKSHMAN MALLICK : Will the Minister of TEXTILES be pleased to state :

(a) the details regarding the number of Central/State Government Corporations which were granted quotas under the quota policy for exports of garments during the current year and during the last years alongwith the details of the number of pieces per country in each year; and

(b) the total disbursement on account of cash assistance for exports of apparel and the total assistance export of apparel in 1985 and the last three years ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Statement I and II are annexed.

(b) Statement III is annexed.

**Statement-I**

*List of Central/State Corporations to whom Quantities have been Allotted during 1982 to January-September, 1985*

**During 1982**

1. The S.T.C. of India Ltd.
2. Punjab States Small Industries Corporation Ltd.
3. National Small Industries Corporation Ltd.
4. U. P. Export Corporation Ltd.
5. The H.H.E.C. of India Ltd.
6. Mysore Sales Industries Ltd.
7. National Textile Corporation Ltd.
8. Maharashtra Agro Industries Development Corporation Ltd.

**During 1983**

1. The S. T. C. of India Ltd.
2. Punjab State Small Industries Corporation Ltd.
3. Bihar State Export Corporation Ltd.
4. National Small Industries Corporation Ltd.
5. Madhya Pradesh Export Corporation Ltd.
6. U. P. Export Corporation Ltd.
7. The H. H. E. C. of India Ltd.
8. Maharashtra Agro Industries Development Corporation Ltd.]
9. Punjab State Export Corporation Ltd.
10. Maharashtra Small Scale Industries Development Corporation Ltd.

**During 1984**

1. The H.H.E.C. of India Ltd.
2. The Maharashtra Agro Industries Development Corporation Ltd.
3. Bihar State Export Corporation Ltd.
4. The U.P. Export Corporation Ltd.
5. The National Small Industries Corporation Ltd.
6. The S.T.C. of India Ltd.
7. All India Handloom Fabric Marketing Co-operative Society Ltd.
8. Punjab State Small Industries Corporation Ltd.
9. Maharashtra Small Industries Development Corporation Ltd.
10. Ipitex International Ltd.
10. Maharashtra Small Scale Industries Development Corporation Ltd.
11. Haryana State Small Industries and Export Corporation Ltd.
12. The Rajasthan Small Industries Corporation Ltd.
13. Maharashtra Agro Industries Development Corporation Ltd.
14. Gujarat State Export Corporation Ltd.
15. The National Small Industries Corporation Ltd.
16. The Delhi State Industrial Development Corporation Ltd.
17. Punjab Small Industries and Export Corporation Ltd.
18. The S.T.C. of India Ltd.
19. Madhya Pradesh Export Corporation Ltd.

**During 1985**

1. The U.P. Export Corporation Ltd.
2. The H.H.E.C. of India Ltd.
3. Punjab Women and Children Welfare Corporation Ltd.
4. Ipitex International Ltd.
5. Kerala State Handloom Development Corporation Ltd.
6. Mysore Sales International Ltd.
7. Bihar State Export Corporation Ltd.
8. All India Handloom Fabrics Marketing Co-operative Society Ltd.
9. Andhra Pradesh State Trading Corporation Ltd.

(Source : Apparel Export Promotion Council)

**Statement-II**

*Cash Compensatory Support Disbursed  
Against Export of Garments  
from 1982*

Year of Disbursement	Amount (Rs. in Crores)
1982	16.55
1983	13.71
1984	10.37
1985	Figures are not yet due.

(Source : Office of the Chief Controller of Import and Exports).

**Statement-III****Details of Country-wise Garment Export Entitlements Granted to Central/State Government Corporations from 1982 to 1985 (January-September)**

Year	Countries (000 PCS.)					
	U.S.A.	E.E.C. Member States	Sweden	Finland	Australia	Canada
1982	121	673	47*	2	—	40
1983	620	347	29*	106	—	—
1984	2172	611	97*	19	1	26
1985	2102	267	72*	11	—	170

(January-September)

**Note :** \*In addition 1000 Kgs. of various garment under one category called Rest Group were also allotted for export by Central/State Government Corporations.

(Source : Apparel Export Promotion Council).

**Nationalisation of Baryte Mines in Andhra Pradesh**

2825. SHRI S. M. BHATTAM : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government are considering the question of nationalising the Baryte mines in Cuddapah in Andhra Pradesh;

(b) the total annual production of the various mines and whether they supply them to the Oil and Natural Gas Commission etc.;

(c) whether Government of Andhra Pradesh have written to the Union Government in this regard; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAMDULARI SINHA) : (a) There is no proposal under consideration of the Central Government for nationalisation of barytes mines in Cuddapah District in Andhra Pradesh.

(b) The total annual production of barytes in Andhra Pradesh including Cuddapah District during 1983 and 1984 is as follows :

Year	Quantity (Tonnes)	Value (Rs. 000)
1983	3,75,750	7,21,59
1984	3,87,343	5,29,93

(upto October)

The Oil and Natural Gas Commission is one of the mover consumers of barytes.

(c) and (d). No, Sir.

**Formation of Advisory Committee to Consider Hardship Faced by Workers Returning from Gulf Countries**

2826. SHRI GURUDAS KAMAT : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the hardships being faced by workers returning from Gulf, etc. due to arbitrary actions by Customs Department at airports;



(b) the measures that have been taken to ensure that poor workers are not unduly penalised; and

(c) whether Government proposed to consider the formation of Advisory Committees consisting of officials and public persons to consider suggestions in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Apart from the free baggage allowance and other concessions available under the Baggage Rules, workers returning on termination of contracts after working abroad for one year are allowed to bring free of duty used personal articles and household effects up to a value of Rs. 5000. Persons returning after having worked abroad for two years or more are allowed full benefit of transfer of residence concessions in respect of used personal articles and household effects. In the case of passengers, arriving from Gulf and other countries and carrying dutiable articles, the assessment to duty is done on the basis of their own declaration regarding the contents and value of the articles in baggage and only in case of suspicion, the baggage is examined. Such examination is done under the supervision of senior officers.

Certain complaints regarding delays in clearance and hardships faced by passengers from Gulf have been brought to the notice of the Government. Such complaints, whenever received, are carefully enquired into for appropriate action.

(c) No, Sir. However, there is already a Standing Facilitation Committee consisting of officials of various Government agencies and representatives of airlines for considering facilitation measures in baggage clearance and other related matters concerning airports in India. There is also a Customs Advisory Committee in each Custom House consisting of Officers and representatives of trade and industry.

#### Visit to Latin America for Export Promotion

2827. SHRI G. M. BANATWALLA : Will the Minister of COMMERCE be pleased to state :

(a) whether any officer has visited Latin America for export promotion during the last two years; and

(b) if so, the results thereof?

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

(b) Visits of officials of State Trading Corporation (STC), Minerals and Metals Trading Corporation (MMTC), Trade Development Authority (TDA) and the Engineering Export Promotion Council (EEPC) to selected Latin American countries during the last two years have resulted mainly in identification of export potential of certain items in some of these countries. In the case of Trinidad and Tobago an agreement has been signed for export from India by Bharat Heavy Electricals Limited (BHEL) of electrical equipment against import of urea by MMTC.

#### Service Conditions of Foreign Personnel in Bhilai and Bokaro Steel Plants

2828. SHRI JAGANNATH PATTNAIK : Will the Minister of STEEL AND MINES be pleased to state :

(a) when Bhilai and Bokaro steel plants were commissioned and how many foreigners and other technicians were retained there;

(b) the details of agreement of service conditions of the foreign personnel;

(c) the number of foreign personnel presently employed in the above two plants; and

(d) their terms and conditions and the tenure or services in the plants and details of their salaries and perks?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) The commissioning dates of the completed stages of Bhilai and Bokaro Steel Plants and the number of foreign technicians retained after commissioning of those stages are as follows :

Plant	Stage of commissioning	Date of commissioning	No. of foreign technicians retained after commissioning
Bhilai	1st stage-1 MT	September, 1961	334 (as on 31.12.61)
	2nd stage-2.5 MT	October, 1967	74 (as on 31.12.67)
Bokaro	1st stage-1.7 MT	February, 1978	250 (as on 31.12.78)

(b) Salaries and perquisites of foreign specialists were revised and incorporated in the terms and conditions of agreements signed on year to year basis. These terms and conditions include salary, transfer grants, travelling allowance, leave, accommodation, medical attendance, transport, insurance etc.

(c) The total number of foreign personnel employed as on 31.10.1985 at Bhilai is 124 and Bokaro is 27.

(d) Their salaries and perks are given below :

Designation	Monthly rate of reimbursement for services (in Roubles)
General Superintendent/Chief Engineer	1898
Deputy General Superintendent/Chief Engineer	1560
Chief Specialist	1208
Senior Engineer	1027
Engineer	963
All Technicians/ Foreman	778
Skilled worker	672

The number of experts required at each plant are determined on a year to year basis. The tenure of individual experts is determined by the Soviet Organisations. Their present terms and conditions include entitlement to :

(i) Air passage for the specialist and his family.

(ii) Leave on full pay at the rate of one day for every 11 days, if a Specialist works in India.

(iii) Free medical attendance and treatment for the Specialist and his family.

(iv) Free transport to the site of work and back.

(v) Insurance.

(vi) Transfer grants.

#### Smuggling of Foreign Synthetic Fabrics

2829. SHRI DINESH SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether foreign synthetic fabrics worth about Rs. 3,000 crores is being smuggled in this country every year; and

(b) if so, the steps being taken to prevent smuggling altogether from the Indian economy ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No reasonable estimate of the quantum of synthetic fabrics smuggled into the country is feasible as smuggling, being a clandestine activity, does not, by its very nature, lend itself to any quantification. However, reports received and seizures made indicate that synthetic fabrics continues to be sensitive to smuggling.

The drive against smuggling has been intensified. The preventive and intelligence machinery of the Customs department remain vigilant against smuggling activities in general and commodities, including synthetic fabrics, sensitive to smuggling. The trends in smuggling and seizures made are

kept under constant review for taking appropriate remedial measures in close co-ordination with the concerned Central and State Government authorities.

#### Increase in Indo-Czech Trade

2830. SHRI SOMNATH RATH . Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Indo-Czech Trade is likely to increase during 1986; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Indo-Czechoslovak Trade Protocol for 1986 signed on 26th November, 1985, in New Delhi, provides for a higher trade turnover as compared to 1985. India's exports to Czechoslovakia would mainly consist of agricultural products; textiles; engineering goods; minerals and ores; leather and leather manufactures; chemicals and allied products; and certain other miscellaneous items. Czechoslovakia has agreed to import more of manufactured and non-traditional products from India like xerographic equipment; cotton yarn; cotton readymade garments;

jute manufactures, finished leather; and leather products. Indian imports from Czechoslovakia would mostly consist of items like rulled steel products; diesel generating sets; seamless pipes, tubes and casings, machine tools; ball, roller and taper bearing, fertilizers; and components for Czechoslovak assisted projects.

#### Release of Foreign Exchange to Indians Visiting Foreign Countries

2831. DR. PHULRENU GUHA : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has released foreign exchange to Indian citizens for visiting other countries during the last three years;

(b) if so, the details thereof; and

(c) the State-wise break-up of (b) above ?

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

(b) A statement is enclosed.

(c) State-wise account about the foreign exchange releases made by the RBI is not maintained.

#### Statement

*Statement giving Details of Foreign Exchange Released by the RBI/Authorised Dealers (Under the Delegated Powers) to the Indians Visiting Foreign Countries for Various Purposes during 1982-83, 1983-84 and 1984-85*

(Rs. in Crores)

Purpose	1982-83	1983-84	1984-85
I. Higher Studies			
(i) Technical Courses	8.46	11.76	16.25
(ii) Non-Technical Courses	8.17	9.52	13.82
II. Business Visits (including Export Promotion)	99.90	112.50	137.99
III. Other Purposes (including Medical Treatment, Study Tours, Attendance at Conferences and Misc. purposes)	25.79	32.91	35.09
IV. Foreign Travel Scheme (FTS)	61.37	91.92	Not available at present

[*Translation*]

**Imposition of Strict Discipline on  
Bank Employees**

2832. SHRI VIRDHI CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether with a view to enabling the banks to play efficiently the role entrusted to them in the development of national economy and to enable them to work for the furtherance of their interest, Government purpose to impose strict discipline on bank employees; and

(b) if so, the concrete steps taken so far in this direction and the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Chief Executives of public sector banks have been advised to organise surprise visits to branches/offices of banks with a view to improve discipline and punctuality among the employees. Banks have in turn issued guidelines to all its branches/offices for effective supervision of punctuality and attendance and for maintaining proper discipline at all levels. The principle of 'no work no pay' is being enforced and disciplinary action is also initiated against the employees wherever warranted. Banks have reported that there is considerable improvement in discipline and punctuality.

[*English*]

**Expansion of Trade Ties with  
European Countries**

2833. SHRI SRIKANTADATTA NARASIMHARAJA WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to expand trade ties with European Countries;

(b) if so, the steps taken therefor;

(c) whether the Indo-European Business Development Centre is proposed to be set up; and

(d) the other steps proposed to be taken to establish better trade relation with the European countries ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a), (b) and (d). Government is interested in expanding trade ties with all countries, including European countries with whom India has friendly relations.

There is an Indo-EEC Commercial and Economic Cooperation Agreement to promote closer trade and economic relations between the Community and India. With most of the individual countries of West Europe also, the institutional framework for discussing better trade relations is the joint committee/commission. Further, steps like improvement in quality standards, participation in trade fairs and exhibitions, exchange of delegations, cooperation in joint ventures, conducting market surveys, etc. are also being taken to expand trade with the countries.

(c) No, Sir.

**Public Housing Schemes of LIC**

2834. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 696 on 26 July, 1985, regarding Public Housing Schemes of LIC and state :

(a) whether the Life Insurance Corporation has taken any further action in expediting the construction of houses/flats for its policy-holders;

(b) whether Life Insurance Corporation has circulated their new housing schemes to all its policy-holders;

(c) if so, when Life Insurance Corporation policy-holders in the country will get built-houses ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Life Insurance Corporation has put up on sale to its policy-holders 324 houses at Ahmedabad. Further construction of 130

flats in phase II has been initiated at Ahmedabad. In respect of Public Housing Scheme at Bangalore and Hyderabad, necessary drawings have been submitted for approval of local authorities.

(b) When the houses are ready for sale, advertisements in the press are issued for information of the policy-holders inviting applications.

(c) In pursuance of applications received from policy-holders, allotment would be done according to the duly approved procedure, as demand is likely to be more than houses that may be available at different locations.

#### Indian Tourism Development Corporation Hotels in Kerala

2835. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of Indian Tourism Development Corporation hotels in Kerala and their locations;

(b) whether these hotels are running at profit; and

(c) whether the Union Government propose to open more hotels with a view to promoting tourism in Kerala ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) ITDC operates only one 5-star hotel, named Kovalam Ashok Beach Resort at Kovalam in Kerala.

(b) The profit and loss in respect of this hotel is as under :

Year	Net Profit/Loss	
	(+)	(-)
	(Rs. in lakhs)	
1982-83	(—)	10.34
1983-84	(+)	1.35
1984-85	(+)	3.62

(c) Presently India Tourism Development Corporation and Hotel Corporation of India do not have a proposal to set-up any hotel in Kerala.

#### Export of Coir Products to European Economic Community

2837. SHRI K. P. UNNIKRISHNAN : Will the Minister of TEXTILES be pleased to state :

(a) whether the coir products exports to the European Economic Community from India are covered by an agreement between India and EEC;

(b) the details of this agreement;

(c) the present rate of duty applied on coir products under the agreement; and

(d) the main buyers of Indian coir products among the EEC countries f

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

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

(d) The main buyers of Indian coir products among the EEC countries are France, West Germany, Italy, Netherlands, United Kingdom, Denmark and Belgium.

#### Modernisation of Lal Imli Woollen Mills

2838. SHRI RAJ KUMAR RAI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the condition of Lal Imli Woollen Mills which was one time a renowned woollen mill in India, has further deteriorated after its take over; and

(b) whether it is also a fact that Government have allowed this mill to spend Rs. 11-12 crores for modernisation ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The privately held shares of the British India Corporation Ltd., Kanpur were taken over by the Government on 1-6-1981. Production value

of Lal Imli has gone up from Rs. 428 lakhs in 1980-81 to Rs. 1529 lakhs in 1984-85. The losses excluding interest and depreciation have gone down from Rs. 413 lakhs in 1980-81 to Rs. 68 lakhs in 1984-85.

(b) A modernisation plan with an outlay of Rs. 12.71 crores has been approved.

[*Translation*]

#### Gift Tax

2839. SHRI DAL CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) the amount realised as gift tax every year and the total amount realised there from during the last three years;

(b) the number of cases of gift tax assessed during the last three years; and

(c) the number of cases pending for assessment till 1st April, 1985 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The amount realised as Gift-tax varies from year to year. The following are the statistics of the amount realised as Gift-tax during the last three years :

(Amount in crores of Rs.)

Year	Amount
1982-83	7.71
1983-84	8.84
1984-85	10.56

(b) The number of cases of Gift-tax assessed during the last three years have been as under :

Year	Nos. of Gift-tax cases assessed
1982-83	73412
1983-84	82450
1984-85	80881

(c) The number of Gift-tax cases pending for assessment as on 1st April, 1985 was 38456.

[*English*]

#### Credit Flow to Small Scale Sector

2840. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether the credit flow to the small scale sector units is far below the proportion of their number and employment potential;

(b) whether Government propose to augment the credit flow to the tiny units proportionately; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The bank credit to any unit is given on the basis of the requirements and economic viability. The banks have been directed to increase the flow of credit to priority sector, which includes small scale sector units. The bank advances to small scale industries as on last Friday of December, 1982, 1983 and June, 1984 were as follows :

(No. of accounts in lakhs)  
(Amount in crores of Rupees)

Period ended December	No. of Accounts	Amount outstanding	Total bank credit	Percentage Col. (3) to (4)
1982	10.25 (10.9)	4209.22 (11.8)	31969.85	13.2
1983	12.08 (17.9)	5063.92 (20.3)	36970.97	13.8
June, 1984	13.06 (8.1)	5549.24 (9.6)	40145.09	13.8

(Figures in brackets indicate percentage increase)

(Source—Reserve Bank of India)

(b) and (c). With a view to increase flow of credit to tiny units, Reserve Bank of India have included artisans, village and cottage industries, where individual credit requirements do not exceed Rs. 25,000 under the "Weaker Sections" of the priority sector and advised the banks that their credit to weaker sections should form at least 10 per cent of the total credit.

**Support Price and Purchase of  
Cotton from Kurnool District  
in Andhra Pradesh**

2841. SHRI E. AYYAPU REDDY : Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of cotton purchased by the Cotton Corporation of India at Nandyal, Adoni in Kurnool districts and at Waragal in Andhra Pradesh;

(b) the support price announced by Government for cotton.

(c) the rates at which the cotton was sold by ryots at Nandyal, Adoni and Warangal in the months of July, August, September and October, 1985; and

(d) the steps being taken by the Cotton Corporation of India to prevent distress sale at the above centres in Andhra Pradesh;

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). The purchase of cotton by the Cotton Corporation of India at Nandyal, Adoni and Warangal since 1st September, 85 upto 29-11-1985 are as under :

	(In Quintals)
Adoni	6858
Nandyal	3741
Warangal	45000

The support prices announced by Government of India for the cottons traded at the above centres are as under :

Variety	Support price per quintal in Rs.
DCH-32	600
MCU-5	555
JKY-1	535
H-4	535

Government of India has not fixed the support price for MCH-11 variety of Kapas. As this variety is considered equivalent to 1007 variety of Kapas it is being purchased at the support price of Rs. 500 per quintal fixed for 1007 variety, with usual deductions for inferior quality, if necessary.

The average prices paid by the Cotton Corporation in Nandyal, Adoni and Warangal during the period July-October, 8 varied from Rs. 398 per quintal to Rs. 550 per quintal for different varieties. The following steps have been taken by the Cotton Corporation of India to help the cotton growers of the above areas in disposing of their stocks :

(i) The Corporation constituted a Committee comprising representatives of the State Agriculture Department and the Corporation. The Committee visited about 40 villages in Nandyal District and as a result the Corporation mopped up around 7,000 quintals of Kapas and thus helped the cotton growers to off-load their stocks.

The Corporation has already tied up its arrangements for purchase of Kapas during 1985-86 season and have posted adequate staff at Adoni, Nandyal and Warangal. A separate sub-branch office has also been opened by the Corporation at Adoni.

(iii) An inter-ministerial team comprising of representatives of Ministry of Textiles and Ministry of Agriculture and Chairman-cum-Managing Director, Cotton Corporation of India visited a number of places in Andhra Pradesh to make an on the spot review of the arrangements made for the purchase of cotton and other related matters.

[Translation]

[English]

**Farmers Demand for Increase in Price of Cotton**

2842. SHRI MOHD. MAHFOOJ ALI KHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether farmers organisations have demanded increased prices for cotton;

(b) whether Government have accepted those demands;

(c) if so, price increase per quintal; and

(d) if not, the reasons therefor ?

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

(b) to (d). Government have increased the minimum support prices of short and medium varieties of kapas by about Rs. 15 per quintal during the current cotton season.

**Production of Rubber**

2843. DR. K. G. ADIYODI : Will the Minister of COMMERCE be pleased to state :

(a) the total production of rubber in India, details for the last three years, State-wise;

(b) the likely general rate of production in the Seventh Five Year Plan, year-wise details thereof; and

(c) the steps taken for the same ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) State-wise production of natural rubber during the last three years was as under

(Qty. in tonnes)

State	1982-83	1983-84	1984-85
Kerala	152662	162212	172092
Tamil Nadu	9700	9736	10603
Karnataka	3070	2785	3095
Others	418	547	660
<b>Total :</b>	<b>165850</b>	<b>175280</b>	<b>186450</b>

(b) Estimates of natural rubber production during the currency of the Seventh Plan period is as under :

(Qty. in tonnes)

1985-86	201,000
1986-87	215,000
1987-88	231,000
1988-89	248,000
1989-90	265,000

(c) Rubber Board is implementing a number of schemes viz. Project for accelerated development of rubber plantation in North Eastern Region, Rubber Plantation Development Scheme, Development of technical infrastructure for promotion of rubber cultivation in Andaman and Nicobar Islands etc. Besides, the Rubber Board is providing subsidies, extension advisory support, rain-guarding materials, high yielding plantation materials etc. for growers and is also undertaking research on various aspects of rubber cultivation, with a view to increasing rubber production in the country.



[Translation]

**Procurement Price for Jute**

2845. SHRI KALI PRASAD PANDEY : Will the Minister of TEXTILES be pleased to state :

(a) whether the Agriculture Minister of West Bengal has written a letter to him in which he has made a demand that the supporting price of raw jute be declared in January every year and that jute be purchased from the farmers directly through the Jute Corporation of India; and

(b) if so, the action taken by Government thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Agriculture Minister of West Bengal wrote to Agriculture Minister to the Government of India for declaration of minimum support price for raw jute by January and about difficulties faced by farmers as and when the support price falls short of their expectations. With a view to protecting the interest of jute growers the following steps have been taken by Department of Textiles :

- (i) The Jute Corporation of India has been directed to undertake large scale purchases of raw jute at minimum statutory prices fixed by the Government. The JCI purchases directly from the growers.
- (ii) Sufficient credit has been placed at the disposal of Jute Corporation of India for undertaking price support operation.
- (iii) A directive has been issued on 6-9-1985 by Jute Commissioner to all working jute mills in the private sector to build up stocks of raw jute up to specified levels so as to step up purchases of raw jute by mills.
- (vi) The Jute Corporation of India has been permitted to export a limited quantity of raw jute.

[English]

**Fall in Consumption of Coffee**

2846. SHRI G. BHOOPATHY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the consumption of coffee has gone down in the country; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) Does not arise.

**Indo-Australia Trade**

2848. SHRI SUBHASH YADAV : Will the Minister of COMMERCE be pleased to state :

(a) whether attention of Government has been drawn to the news item appearing in the 'Financial Express' of 28 October, 1985 wherein it has been stated that Australia is interested in setting up joint ventures in India to produce fishing Trawlers, drilling rigs for mineral exploration and solar panels in a bid to diversify Indo-Australian trade into non-traditional areas; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). There have been in recent months Australian initiative aimed at expanding areas of co-operation between the two countries in commercial and economic fields including joint ventures. Discussions between the two Governments as well as at private sector level are continuing. In pursuance of its general policy, Government of India welcomes such moves to strengthen commercial and economic relations with Australia for mutual benefit.

[*Translation*]

### Carpet Industry Facing Crisis

2849. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of TEXTILES be pleased to state :

(a) whether Uttar Pradesh is the major producer of carpets in the country;

(b) if so, whether it is a fact that this industry is facing crisis due to permission granted by Government for export of wool and lambs;

(c) if so, whether Government propose to take any concrete steps to strengthen this industry;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

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

(b) No, Sir.

(c) to (e). Do not arise.

[*English*]

### Increase in Cost of Aluminium

2850. SHRI D. N. REDDY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government are aware of the increase in the cost of aluminium per tonne;

(b) whether an aluminium plant is coming up in the country; and

(c) if so, the place where the same is erected ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAMDULARI SINHA) : (a) Increase in the sale price of aluminium is under consideration of the Government.

(b) Yes, Sir.

(c) The National Aluminium Company Limited (NALCO) an integrated bauxite-alumina-aluminium complex is coming up on the east coast of Orissa. It will comprise of a bauxite mine with a capacity of 24 lakhs tonnes per annum at Panchpamali and alumina plant of 8 lakh tonnes per annum at Damanjodi in Koraput district, a smelter of 2.18 lakh tonnes per annum and a captive power plant of 600 MW at Angul in Dhankanal district of Orissa, with an export potential of 3.75 lakh tonnes per annum of alumina from Visakhapatnam port.

[*Translation*]

### Nationalisation of Textile Mills in Bombay

2851. SHRI KAMLA PRASAD RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills in Bombay proposed to be nationalised by Government with a view to give incentive for increasing textile production under the new textile policy;

(b) whether the workers and employees removed from service during the textile mill workers strike in Bombay will be re-instated; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The management of 13 textile undertakings of Bombay was taken over by the Government in 1983 pending nationalisation, *inter-alia* to augment the production of different varieties of cloth and yarn.

(b) and (c). A majority of the workers were taken back as and when the mills reopened. The re-instatement of individual workers by various mills now would depend on the circumstances of each case.

[*English*]

### Export of Frogs

2852. SHRI CHINTA MOHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that there has been heavy exports of frogs over past several years affecting ecology and leading to increased use of insecticides in crops such as paddy;

(b) whether ecologists in West Germany had launched a movement to stop imports of frogs from India in order to protect India's ecological balance and needs;

(c) whether matter of such national concern was discussed at the higher level to find a balance in overall interest; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The export of Froglegs is permitted subject to certain regulations prescribed keeping ecological considerations in view. Those exports of the order of Rs. 7.77 crores in 1984-85.

(b) to (d). During the last year, ecologists in certain foreign countries including West Germany urged for a ban on export of froglegs. The whole matter regarding the policy on export of froglegs was reviewed and it is not proposed to ban such exports. However, the regulations for such exports have been made stricter in respect of catching and processing of frogs and ceiling on total exports in order to prevent indiscriminate catching which might affect the frog population.

#### Smuggling of Uranium to China and Pakistan

2853. SHRI YOGESHWAR PRASAD YOGESH :  
PROF. NIRMALA KUMARI SHAKTAWAT :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that uranium is being regularly smuggled out to China and Pakistan *via* Nepal from Jaduguda Uranium Mine located in Singhbhum District of Bihar;

(b) if so, whether the smuggling is going on for a number of years;

(c) whether Government have taken any steps to stop the smuggling of Uranium and if so, the details thereof; and

(d) whether any arrests have been made ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

(c) Strict security measures exist against any pilferage of uranium from the mine and mill complex. The drive against smuggling activities in general has been intensified and appropriate remedial measures are taken in close co-ordination with the concerned Central and State Government authorities.

(d) Does not arise.

#### Smuggling by Bangladeshi Infiltrators

2854. SHRI SRIHARI RAO : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Bangladeshi infiltrators are indulging in large scale smuggling across the border;

(b) if so, the steps taken by Government to repatriate these infiltrators back to Bangladesh and stop smuggling across the border ;

(c) whether Government have caught these people red handed; and

(d) the action propose to be taken in such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c). Reports received by the Government do not indicate that Bangladeshi infiltrators are indulging in large scale smuggling across Indo-Bangladesh border.

However, customs authorities have effected seizure of contrabands valued at Rs. 3.27 crores during 1985 upto October and arrested 308 persons in this connection, as against Rs. 2.56 crores worth of goods seized and 208 persons arrested during the whole of 1984.

(b) and (d). The Indo-Bangladesh border continues to be vulnerable to smuggling activities. The anti-smuggling drive in the region has been intensified in close co-ordination with the concerned Central and State Government agencies. The preventive and intelligence machinery of the Customs department remain vigilant in the region against smuggling activities. The trends in smuggling and seizures made in the region are kept under constant review for taking appropriate necessary action.

Stringent action is also taken against these persons found involved in smuggling activities, both departmentally as well as through prosecution in courts. Apart from confiscation of the goods and imposition of personal penalties, in appropriate cases the persons involved are also detained under the COFEPOSA Act.

#### Use of Staff Cars for Non-Duty Journeys

2855. SHRI CHITTA MAHATA : Will the Minister of FINANCE be pleased to state :

(a) whether staff cars are being used for non-duty journey purposes by the Secretaries to the Union Ministries, the heads of public undertakings and autonomous bodies by paying Rs. 150 for 500 Kms. to Government;

(b) if so, the details thereof;

(c) whether this method is encouraging them to use Government vehicles regularly and constantly at the cheaper rates rather than the taxi fares;

(d) if so, the details thereof and if not, the reasons therefore;

(e) whether Government are aware that some of the Secretaries to Union Ministries and heads of autonomous bodies have made permanent arrangements for use of the staff cars for non-duty journey purposes by paying regularly Rs. 150 p.m. for 500 Kms; and

(f) if so, the steps Government propose to take to discourage them from using Government vehicles on permanent basis ?

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

(b) The Government have allowed the use of official car for private purposes by :

(i) the Secretaries to the Union Ministries and above and Chief Executives of Statutory Autonomous Bodies to the extent of 500 Kms. per months on payment at the following rates :

For cars upto and including 16 H. P.	Rs. 150 per month
For Cars above 16 H. P.	Rs. 225 per month

(ii) the Chief Executives of Public Sector Undertakings to the extent of 1000 Kms. per month in Delhi, Bombay, Calcutta, Madras, Bangalore and Hyderabad and 750 Kms. per month in other cities at the following rates :

Non-Airconditioned cars 16 H. P. and below	Rs. 150 p.m.
Above 16 H. P.	Rs. 225 p.m.
Airconditioned cars 16 H. P. and below	Rs. 200 p.m.
Above 16 H. P.	Rs. 300 p.m.

(c) to (f), Secretaries to the Government of India and above and Chief Executives of Statutory/Autonomous bodies have been allowed limited use of staff cars for non-duty journeys on payment on functional and security considerations. Therefore a comparison with the taxi rates does not seem appropriate. The present facility is a permanent arrangement limited to the fixed kilometrage mentioned above.

#### Opening of Bank Branches in West Bengal

2856. SHRI BHOLANATH SEN : Will the Minister of FINANCE be pleased to state the number of new bank branches opened in West Bengal during April-October, 1985 as compared to the number of branches opened during the corresponding period in the preceding two years 1983 and 1984 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Reserve Bank of India has reported that as per the latest information available 35 bank branches were opened in West Bengal during the period April to June 1985. The number of branches opened during April-October 1983 and April-October 1984 was 46 and 72 respectively.

#### Organising Snake Boat Races in Kerala

2857. SHRI THAMPAN THOMAS : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether there is any proposal to organise Armula Snake Boat races in Kerala;

(b) whether these types of boat are very popular and are organised in Kerala during the Onam Festival; and

(c) if so, whether Government propose to take steps to organise these in a big way to develop tourism in Kerala to earn foreign exchange ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) No such proposal has been received from the State Govt.

(b) and (c). The Government is aware of the popularity of boat races organised in Kerala during Onam Festival and the State

Government is being encouraged to create assets of permanent/semi-permanent nature for organising various important festivals including boat races in the State.

#### Deficit Financing

2858. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) the total deficit financing by the Union and State Governments in 1981-82, 1982-83 and 1983-84 (State-wise break-up); and

(b) the guidelines for both Union and State Governments to tackle the problems of deficit financing ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A statement showing the budgetary deficit of Union and State Governments from 1981-82 to 1983-84 is attached.

(b) It is the endeavour of the Government to contain the budget deficit of Central Government within manageable limits. The deficit of the Centre takes into account the impact of resources transferred to States in accordance with the recommendations of the Finance Commission, the scheme of financing of approved Plan outlay of State Governments, the approved pattern of financing of expenditure on natural calamities etc. Hence the States are not expected to run into deficits of their own.

#### Statement

##### *Budgetary deficit (-)/Surplus (+) of Union and State Governments*

(Rs. crores)

	1981-82	1982-83	1983-84
1	2	3	4
(a) Union Governmen	-1391.87	-1,655.46*	-1816.33**
(b) State Governments :			
1. Andhra Pradesh	+26.27	+9.19	-82.00
2. Assam	+25.19	-30.87	-50.99
3. Bihar	-54.22	-235.36	◆92.01

1	2	3	4
4. Gujarat	—39.20	+42.15	—52.70
5. Haryana	—30.78	—66.87	+86.24
6. Himachal Pradesh	—3.48	—11.36	+11.40
7. Jammu and Kashmir	@	—1.15	—3.20@
8. Karnataka	+39.50	—46.91	—32.19
9. Kerala	—85.99	—1.48	—73.76
10. Madhya Pradesh	+0.04	—64.45	—15.05
11. Maharashtra	+17.25	+23.58	—30.31
12. Manipur	+5.53	—17.58	—1.13
13. Meghalaya	—0.30	—4.55	—2.44
14. Nagaland	—19.31	—18.94	—18.65
15. Orissa	—0.88	—55.96	+107.87
16. Punjab	+50.81	+25.60	—108.79
17. Rajasthan	+5.94	—26.07	+27.73
18. Sikkim	—6.92	—6.54	—2.63
19. Tamil Nadu	+12.84	—40.50	—21.98
20. Tripura	—7.24@	—5.13	—3.44
21. Uttar Pradesh	—66.83	—86.00	—52.61
22. West Bengal	+57.79	—82.51	—24.22
<b>Total States</b>	<b>—73.99</b>	<b>—701.71</b>	<b>—323.64</b>

\* Excludes Rs. 1743.46 crores of Loans to State Governments to clear their deficits as on 31st March, 1982.

\*\* Excludes Rs. 400 crores of Loans to State Governments to clear their overdrafts at the end of March, 1983.

Ⓢ Revised estimates. #

**Long Term Fiscal Policy**

2859. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to formulate a long-term fiscal policy; and

(b) if so, its salient features ?

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

(b) The policy is likely to be announced in the current session of parliament.

[*Translation*]

**Decline in Demand of Indian Tea Abroad**

2860. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for decline in export of tea for India for the last three years;

(b) the names of countries to whom India exported tea during the last three years;

(c) the reasons for decline in demand of Indian tea in these countries;

(d) whether it is a fact that the production in old tea gardens is declining day by day and quality is also deteriorating; and

(e) whether Government propose to give special assistance to new tea planters to enable them to cope with the national and international trade ?

THE MINISTER OF STATE OF THE MINISTRY TEXTILES OF (SHRI KHURSHID ALAM KHAN) : (a) to (c). Export of tea from India during the past three years have been as under :

Year	(Qty. M. kgs.)	
	Qty.	Value (Rs. crores)
1982	189.9	355.55
1983	208.5	516.82
1984	214.70	744.92

Main countries to which tea from India is exported are USSR, U. K., West Germany, Iran, Poland, Iraq and A.R.E.

(d) Productivity of tea gardens in India has increased from 1420 kg/hect, in 1982 to approximately 1600 kg/hect. in 1984.

(e) Tea Board is operating a number of loan and subsidy schemes and large concessions have also been given to encourage productivity and area under tea.

[*English*]

**Special Bonds to Flush Out Black Money**

2861. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have rejected the proposal contained in the recent report on black money for floating of special bonds to flush out black money; and

(b) if so, on what grounds ?

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

(b) There is a need for flushing out black money and getting it into the main stream, but this cannot be achieved by any scheme by whatever name called, which puts the dishonest tax-payer in a better position than the honest tax-payer. It has otherwise been made clear that people declaring higher income in their current returns will not be questioned simply for showing lower income in the earlier years.

[*Translation*]

**Closure of Branches of Lakshmi Commercial Bank in Almora District (Uttar Pradesh)**

2862. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the total number of branches of Lakshmi Commercial Bank in Almora District of Uttar Pradesh which have since been closed;

(b) whether his Ministry is considering for opening of branches of other nationalised banks at those places; and

(c) if so, the time by which these branches are likely to be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Canara Bank, with whom the Lakshmi Commercial Bank has been amalgamated with effect from August 24, 1985 has reported that it has not closed any branch of the erstwhile Lakshmi Commercial Bank in Almora District of Uttar Pradesh.

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

[English]

#### Evasion of Custom Duty by Under Invoicing Value of Goods

2863. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether some cases of evasion of customs duty by under-invoicing value of goods imported by some companies and cases of some companies acquiring foreign exchange without requisite permission of the Reserve Bank of India have recently been detected by Government;

(b) if so, the details of such cases detected during the last two years; and

(c) the steps taken/proposed in such cases ?

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

#### Man Power Requirement in SAIL

2864. DR. SUDHIR ROY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the management of SAIL refused to honour the commitment relating to manpower requirement given in tripartite

agreements signed with the Union in the Alloy Steels Plant at Durgapur; and

(b) whether the SAIL management's decision has given rise to severe labour unrest in Alloy Steels Plant which had record of 98 per cent utilisation of its productive capacity ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) No, Sir.

(b) Discussions were held with the Unions on the implementation of expansion phase of the plant by re-deployment of existing manpower. The INTUC supported the management's re-deployment plan while other unions, opposed it. This resulted in disruption of production from 3-10-1985 to 29-10-1985. Following discussions between the Unions an understanding was arrived at on 29-10-1985 that the work at Alloy Steels Plant would start at 6 A.M. on 30-10-1985. It was agreed between the management and the representatives of the Unions that specific problems, if any, arising out of re-deployment would be sorted out through discussions in joint meetings.

#### Losses in N. T. C. (WBABO).

2865. DR. V. VENKATESH : Will the Minister of TEXTILES be pleased to state :

(a) whether the management of the National Textile Corporation (WBABO) Ltd., Calcutta has not only been incurring cash losses at the rate of 2,5 crores of rupees per month, more or less, during the year 1985 but has also increased the inventory and manufactured stock substantially;

(b) if so, the details thereof and reasons for failure to clear the products within a given period; and

(c) the steps proposed to be taken to streamline the working of the subsidiary to check losses and put it on a sound footing ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). No, Sir. During the period April-September, 1985 the mills under NTC



(WBABO), Ltd., incurred cash losses to the extent of Rs. 1.75 crores per month. The inventory of finished products and work in progress, maintained by NTC (WBABO), was marginally less at Rs. 10.20 crores on 30-9-1985 as against Rs. 10.35 crores as on 31-3-1985.

(c) Some of the important steps taken or being taken, to improve the performance of the mills under NTC (WBABO) are as under :

- (i) arrangement are being made for timely procurement of cotton from different available channels;
- (ii) working capital has been replenished to make up for cash losses;
- (iii) to overcome the power shortage, self-generating capacity has been provided;
- (iv) cost control methods have been introduced for reduction in costs at all levels;
- (v) management at the subsidiary level is being strengthened for better management of available resources;
- (vi) workers' participation scheme in the management of the mills is being encouraged.

**Review of Improvement in Quality of Services in Two and Three Star Hotels**

2866. SHRI BRAJAMOHAN MOHANTY Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the steps taken for improvement of the quality of services in 2 and 3 star hotels in the country;

(b) whether any review has been done regarding the qualitative improvement of the services of the said categories of hotels;

(c) if so, the details thereof;

(d) whether any review has been made regarding the financial position of such hotels; and

(e) if so, the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (c). The Department of Tourism periodically inspects the classified hotels in the country, including the hotels of 2 and 3 star categories, in order to ensure proper maintenance of the standard of facilities and services offered by such hotels. Deficiencies noticed during such inspections are communicated to the hotels for taking necessary corrective measures.

(d) and (e). Department of Tourism does not undertake any review on the financial position of the hotels.

**Sponge Iron Units**

2867. SHRI MOHANBHAI PATEL :  
SHRI AMARSINH RATHAWA :

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

(a) the number of sponge iron projects functioning in the country and the annual production of sponge iron;

(b) whether sponge iron is being imported to meet the demand;

(c) if so, the quantity of sponge iron imported annually and the amount spent thereon;

(d) whether there is any proposal to establish more sponge iron units in the country; and

(e) if so, the number of such projects likely to be established and where ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Two sponge iron units are at present in production in the country. The production of sponge iron is as under :

Year	Production (in tonnes)
1983-84	50,285
1984-85	76,167
1985-86 (upto October, 1985)	59,615

(b) and (c). Yes, Sir. 23,700 tonnes of sponge iron valued at Rs. 4.71 crores and 42,170 tonnes valued at Rs. 6.85 crores was imported during the years 1983-84 and 1984-85 respectively,

(d) and (e). Sponge iron industry has since been delicensed. Information relating to the number of units other than those in production which have been issued letters of intent/industrial licences or granted registrations with statewide locations of these units, is as under :

Name of the State	No. of Units	Capacity (in tonnes)
Assam	3	5,57,500
Andhra Pradesh	6	12,80,000
Bihar	4	3,13,000
Gujarat	1	4,00,000
Haryana	4	5,50,000
Karnataka	4	2,10,000
Madhya Pradesh	6	7,40,000
Maharashtra	1	4,00,000
Orissa	3	3,90,000
West Bengal	3	5,10,000
	35	53,50,500

#### Revision of Pay Scales of Officers of Private Sector Banks

2868. SHRI P. KOLANDAIVELU : Will the Minister of FINANCE be pleased to state :

(a) whether the National Executive Committee of the All India Bank Officers Confederation has demanded the revision of pay scales of officers of private sector banks from 1 February;

(b) whether pay scales of the public sector banks have already been revised; and

(c) if so, the reasons why the pay-scales of private sector banks have not been revised ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Indian Banks Association has reported that it had recently held discussions with Associations of Officers of private sector banks in response to a request received from the Associations for revision of pay scales of officers in private sector banks. This is in the wake of certain decisions taken to revise the pay scales of the officers of the Public Sector Banks. Since these banks are in the private sector, it is for the management of these banks to take a decision regarding improvement to be effected in the existing pay scales.

#### Introduction of Scheme of Unit Council in ITDC

2869. SHRIMATI GEETA MUKHERJEE : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Indian Tourism Development Corporation (ITDC) introduced the scheme of workers' participation in management sometime back through its Unit Councils;

(b) if so, the lists of members of each unit-council (workmen and management representatives) functioning in the various activities of ITDC unit-wise/activity-wise throughout the country;

(c) the frequency of meeting of each Unit Council and in particular that the headquarters of Unit Council;

(d) the number of meeting held by each Unit Council during the last two year giving the suggestions/recommendations made during the above period in each unit/activity to improve the efficiency/productivity thereof; and

(e) the action taken on those suggestions/recommendations by the ITDC Management, if any?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) Yes, Sir.

(b) to (e). Information is given in the statement attached.

## Statement

S. No.	Name of the Unit	List of members of Unit Council Management Representatives	Workers' Representatives	Frequency of meetings held	Number of meetings held in the years 1984 and 1985	Suggestions/recommendations made and action taken thereon
1	2	3	4	5	6	7
1.	Ashok Hotel, New Delhi	(i) Vice-President (Operations)-cum-General Manager Dy. General Manager (Personnel) Chief Accounts Officer Manager (Food and Beverages) Manager (Elect. and Mechanical) Manager (Front Office)	S/Shri B.V.V. Rao Om Prakash S. S. Upadhyaya Tej pal I.D. Mathur V. N. Gulati	Quarterly	1984-Nil 1985-5	(i) Work output and reduction in overtime (ii) Economy in expenditure on power and fuel. The above suggestions/recommendations accepted by the Unit Council have yielded desired results.
2.	Akbar Hotel, New Delhi	(i) General Manager (ii) Executive Manager (Food and Beverages) (iii) Sr. Manager (Elect. and Mech)	J. K. Bhasin B. S. Bist R. N. Aggarwal Sohan Lal	Once a year	1984-1 1985-1	(i) Curbing of absenteeism/late coming (ii) Elimination of pilferage The above suggestion were accepted by the Manage-

1	2	3	4	5	6	7
		(iv) Sr. Executive Housekeeper (v) Asstt. Manager (Personnel)				ment and these have yielded the desired results.
3.	Hotel Varanasi Ashok, Varanasi	(i) Manager (ii) Assistant Manager (Personnel) (iii) Asstt. Manager (Elect. and Mech) (iv) Asstt. Manager (Front Office)	S/Shri Arjun Ram Sanwaru Prasad P. K. Bhattacharya Swadeshi Prasad	Quarterly	1985-3	General matters were discussed
4.	Hotel Aurangabad Ashok, Aurangabad	(i) Manager (ii) Asstt. Manager (Accounts)	Ramkishan Palaspagar S. D. Vakil	Quarterly	1985-3	(i) Enforcement of discipline for increased output and profitability Management has taken necessary steps in the matter (ii) Training of Staff. A refresher course for 15 days was conducted for the employees of Hotel as per the resolution passed by the Unit Council.
5.	Covalam Ashok Beach Resort, Kovalam	(i) General Manager (ii) Manager (Personnel) (iii) Asstt. Manager (Housekeeping)	V. Sudhakaran Nadar K. K. Lenin	Quarterly	1984 } 1985 }	General matters were discussed.

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6. Laxmi Vilas Palace Hotel, Udaipur	(i) Asstt. Manager (Personnel) (ii) Asstt. Manager (Accounts)	S/Shri B. K. Bannerjee S. Khesmera	Once in 2-3 months	1984-3 1985-6	(i) Higher productivity and elimination of wastages/ pilferages.
7. Lodhi Hotel, New Delhi	(i) General Manager (ii) Sr. Manager (Personnel) (iii) Asstt. Manager (Front Office)	Gopal Dass K. I. Nair Manget Sal	The Unit Council has been constituted very recently and the first meeting of the Council is scheduled to be held shortly.		
8. Qutab Hotel, New Delhi	(i) General Manager (ii) Deputy Manager (Accommodation) (iii) Deputy Manager (Food and Beverages) (iv) Manager (Personnel) (v) Asstt. Manager (Elect. and Mech.)	E. J. Aikin D. P. Verma Mathura Prashad Man Singh	The Unit Council has been constituted very recently and the first meeting of the Council is scheduled to be held shortly.		
9. Hotel Jaipur Ashok, Jaipur	(i) Deputy Manager (Front Office) (ii) Asstt. Manager (Personnel)	B. K. Motwani R. K. Avasthi	The Unit Council has been constituted very recently and the first meeting of the Council is scheduled to be held shortly.		

1	2	3	4	5	6	7
10. Transport Units (North)	(i) Manager (Workshop) (ii) Manager (ATSS) (iii) Manager (Transport) (iv) Asstt. Manager (MM and D) (v) Asstt. Manager (Personnel)	A. H. Siddiqui J. S. Bedi R. C. Thakur Bhim Singh Dharam Singh	Twice a month	1984 } 1985 }	General matters were discussed.	

**Note :** As per the Scheme for Workers' Participation, Unit Councils have to be constituted in the various Units of ITDC and not in the Headquarters.

**Incentives to Exporters of Fish**

2870. SHRI HUSSAIN DALWAI : Will the Minister of COMMERCE be pleased to state :

(a) the total quantum of annual export of fish from India during the last three years;

(b) whether the exporters of fish have been given any incentive for their fish-exports;

(c) if so, the details of these incentives;

(d) if not the reasons why fish exporters have been denied; and

(e) the benefit of such exports to India ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Exports of Marine Products during the last three years were :

Year	Quantity (Tonnes)	Value (Rs. Crores)
1982-83	78175	361.36
1983-84	92691	373.02
1984-85	86187	384.29

(b) and (c). Incentives extended to Marine Products exporters include :

(i) Cash Compensatory Support on selected items,

(ii) Financial assistance for assistance for air freight of samples, and

(iii) Subsidy assistance for installation of generating sets, refrigerated trucks, automatic flake/chip ice making machine, for upgrading freezing units, for acquisition of machinery for value added products and upgrading and maintaining peeling sheds.

(d) Does not arise.

(e) Apart from foreign exchange earned through these exports, they provide employment opportunities to the economically weaker sections of the society.

**Import of Steel By MMTC**

2872. SHRI DHARAM PAL SINGH MALIK :

SHRI M. RAGHUMA REDDY :  
SHRI SUBHASH YADAV :

Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation has recently taken a decision to import steel as reported in 'Financial Express' of 31 October, 1985;

(b) the names of countries where from steel is likely to be imported; and

(c) the total amount of foreign exchange likely to be involved therein ?

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

(b) Steel is being imported mainly from Argentina, Brazil, Belgium, DPR Korea, France, Japan, Netherlands, Romania, South Korea, Spain, U. K., West Germany and Yugoslavia.

(c) Government have released foreign exchange amounting to 547 crores for import of iron and steel items during 1985-86 through MMTC.

**Widening Trade Deficit**

2873. PROF. MADHU DANDAVATE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Prime Minister while inaugurating a two day conference in New Delhi on November 13, 1985 on "Science and Technology in India : Retrospect and Prospect" pleaded for increased imports in case the cost of import substitution was costly;

(b) if so, whether this approach constituted a departure from the path of self-reliance; and

(c) whether this new approach will not result in widening the trade deficit which has already risen between April and July, 1985 to a high figure of Rs. 3,079 crores ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir. The Prime Minister only emphasised the need to take cost of import substitution into account.

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

**Availability of Bank Lockers only to Fixed Depositors**

2874. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether instructions have been issued by the banks to their branches to allow lockers to only those clients who are prepared to open fixed deposit accounts with the bank;

(b) whether the Secretary of All India INBCC has addressed a letter to the Finance Ministry giving the information that it has been established beyond doubt that the banks prevail upon the clients and make it pre-condition to either bringing deposits from them or enter deposit of friends and relatives before allocation of lockers; and

(c) if so, whether this attitude of banks will not lead to a situation in which rich will monopolise the lockers for fixed deposits and for keeping their black money safe ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Reserve Bank of India had in 1984 issued certain guidelines to be followed by all public sector banks in allotting lockers to customers. The details of the guidelines are as follows :

(i) Branches should maintain a waiting list for the purpose of allotment of lockers. All applications received for allotment of a locker should be acknowledged and given a waiting list number.

(ii) At least 80 per cent of the lockers should be allotted by branches on first-come-first-served basis. The remaining lockers could be allotted by the branch managers at their

discretion to valued customers on business considerations.

(iii) The banks should not insist on fixed deposits as a pre-requisite for allotment of lockers. There will, however, be no objection to banks seeking a deposit (but not as a condition for allotment) from the applicant who has been allotted a locker, the annual interest from which would not be more than the annual rent of the lockers. In the alternative, advance payment of locker rent for period of three years may be collected from the locker holders. Locker holders who opt for annual payment of rent and default in payment, should not be allowed to operate these lockers till the arrears of rent are cleared.

Banks are following the Reserve Bank of India's guidelines. However, whenever any specific complaints are received regarding non-observance of these guidelines they are looked into for corrective/remedial action.

**Purchase of Raw Jute by Jute Corporation of India**

2875. SHRI ATISH CHANDRA SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Jute Corporation of India (JCI) has fixed target for purchase of raw jute during the current season;

(b) if so, the details of the target and the value and quantum of raw jute purchased so far by J.C.I.;

(c) the price paid by J.C.I. to the growers for such purchases;

(d) what was the position in relation to (b) and (c) during the last three seasons; and

(e) the State-wise break-up of (b), (c) and (d) above ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Jute Corporation of India has standing instructions to purchase whatever quantity of



raw jute is offered for sale to them by the growers at the statutory support price. Till 3rd December, 1985, the JCI, in association with State Cooperative has purchased a total quantity of 18.75 lakh bales valued at about 79.31 crores. The price paid by JCI to growers for purchases made during the

current season for W-5 ex-Assam ranged between Rs. 215 to Rs. 240 and for TD-5 ex-West Bengal between Rs. 244 to 273 per quintal.

(d) and (e). A statement is attached.

#### Statement

*Details of procurement of raw jute by JCI during the last three years are as follows :*

(Quantity in '000 bales/Value in lakh rupees)

State	Quantity procured	Principal variety	Procurement Price range		Approx. Value of qty. procured
			Price (Rs/Qtl)		
			Min.	Max.	
1	2	3	4	5	6
<b>1982-83</b>					
Assam	130.9	W-5	175.00	185.00	442.2
Bihar	69.3	W-5	184.50	195.00	239.1 (inclu. UP)
Meghalaya	1.7	Mesta Bot	154.00	154.00	1.1
Orissa	0.7	W-5	188.50	188.50	2.3
Tripura	34.0	Mesta Bot	159.50	159.50	98.3
U.P.	0.1	W-5	190.00	190.00	—
West Bengal	622.8	TD-5	194.50	229.50	2321.0
A. P.	—	Bimli Bot	No Purchases		—
<b>Total</b>	<b>859.5</b>				<b>3104.0</b>
<b>1983-84</b>					
Assam	130.9	W-5	245.00	285.00	546.7
Bihar	53.5	W-5	245.00	290.00	284.9
Meghalaya	2.9	Mesta Bot	225.00	255.00	3.9
Orissa	0.7	W-5	225.00	310.00	3.7
Tripura	24.1	Mesta Bot	260.00	295.00	127.1
U.P.	—	W-5	No Purchases		—
West Bengal	654.0	TD-5	255.00	325.00	3581.7
A.P.	—	Bimli Bot	No Purchases		—
<b>Total</b>	<b>839.1</b>				<b>4548.0</b>

1	2	3	4	5	6
<b>1984-85</b>					
Assam	155.3	W-5	575.00	920.00	2309.8
Bihar	98.8	W-5	600.00	910.00	1382.5 (Ind. U.P.)
Maghalaya	6.4	Mesta Bot	650.00	820.00	16.8
Orissa	23.8	W-5	595.00	965.00	394.7
Tripura	28.3	Mesta Bot	400.00	800.00	356.2
U.P.	4.1	W-5	800.00	800.00	—
West Bengal	683.7	TD-5	612.50	980.00	10268.1
A.P.	15.6	Bimli Bot	570.00	800.00	199.7
<b>Total</b>	<b>1016.0</b>				<b>14927.8</b>

**Subsidiaries of NTC, New Delhi  
Functioning with CMDS**

2876. SHRI H. N. NANJE GOWDA :  
Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that most of the nine subsidiaries of the National Textile Corporation Ltd., New Delhi are functioning at present without Chairman-cum-Managing Directors; and

(b) if so, the facts thereof and dates from which these are being managed without Chairman-cum-Managing Director ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Only three subsidiaries out of nine are at present without Chairman-cum-Managing Directors. Details are given below :

**(1) NTC (West Bengal, Assam, Bihar and Orissa) :**

The CMD of this subsidiary had resigned and was relieved on 31-8-1985. Offer of appointment has been sent to the selected candidate.

**(2) NTC (Madhya Pradesh) Ltd. :**

CMD of the subsidiary has processed on leave with effect from 1-10-1985 preparatory to completion of his tenure on 24-12-1985; and

**(3) NTC (UP) Ltd. :**

CMD of the subsidiary resigned on 13-9-1985. His resignation has since been accepted.

**Appointment of SC/ST Member on  
Board of Directors of  
Nationalised Banks**

2877. SHRI K. D. SULTANPURI :  
Will the Minister of FINANCE be pleased to state :

(a) the names of the nationalised banks which have one or more Scheduled Castes/Scheduled Tribes member on the Board of Directors to look after the interests of SC/ST beneficiaries; and

(b) whether Government propose to appoint at least one Director on the Board of Directors belonging to SC/ST community in view of the repeated recommendations of

the Committee on the Welfare of Scheduled Castes and Scheduled Tribes for the last several years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). It has been the endeavour of the Government to include representatives of Scheduled Castes/Tribes among the non-official Directors nominated on the Boards of the nationalised banks. Such representatives were functioning as Directors on Boards of most of the Nationalised Banks until they, alongwith other non-official directors, ceased to hold office after completion of three years terms since January, 1985. The resultant vacancies have not yet been filled. The process of selecting suitable persons for such vacancies is underway. At present among the non-official Directors whose terms are not yet over, there is a Director on the Board of Vijaya Bank who belongs to a Scheduled Caste.

#### Falling Drug Export

2878. SHRI RAM BHAGAT PASWAN : Will the Minister of COMMERCE be pleased to state :

(a) the names of drug companies which are going to set up drug companies abroad;

(b) whether Government will lose a huge amount of foreign exchange in the fall of drug export due to shifting of units abroad; and

(c) if so, the reaction of Government thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Government have accorded permission under FERA to the following Indian Companies to set up Joint Ventures abroad which are still reported to be under implementation.

#### Nigeria

1. M/s. Raptakos Brett and Co. Limited, Bombay.

2. M/s. Unique Pharmaceuticals Laboratories (P) Ltd. Bombay.

3. M/s. United Chemolide Industries P. Ltd. Bombay.

#### Malaysia

4. M/s. Ranbaxy Laboratories Ltd., New Delhi.

(b) No Sir.

(c) Does not apply.

#### Funds for Development of Rubber Plantation

2881. SHRI GEORGE JOSEPH MUNDACKAL :  
DR. K. G. ADIYODI :

Will the Minister of COMMERCE be pleased to state :

(a) the total outlay in the Seventh Five Year Plan for development of rubber plantation;

(b) whether Government propose to provide at least Rs. 150 crores for the rubber development scheme in view of the importance of natural rubber and loss of foreign exchange for importing rubber;

(c) rubber planting being more labour oriented and considering the unemployment problem of our country, whether Government propose to provide more funds for the development of rubber plantation; and

(d) if so, the details thereof State-wise ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). As against an actual expenditure of Rs. 32.10 crores incurred during the Sixth Plan period the Seventh Plan allocation has been tentatively put at Rs. 53.43 crores, which is an increase of 66.4% over the 6th plan actual expenditure. No State-wise allocations are made.

#### [Translation]

#### Special Allowance to Regional Rural Banks Employees Working in Tribal Areas

2882. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) whether the employees of regional rural banks working in the pay-scales prevalent in different States are being paid the special allowance for tribal areas as is being paid to State Government employees;

(b) if not, the reasons therefor;

(c) whether Government propose to pay the same special allowance to employees of regional rural banks working in the tribal areas; and

(d) if so, the steps taken in that direction ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Government have advised the National Bank for Agriculture and Rural Development that on the basis of broadly accepted principle of providing facilities comparable to State Government employees to employees of Regional Rural Banks, it will have no objection if special allowance for tribal areas is paid by a Regional Rural Bank to its employees strictly in accordance with the practice followed by the respective State Governments.

#### Full Utilisation of Mineral Wealth in Bihar

2883. SHRIMATI PRABHAWATI GUPTA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether there are reserves of mineral wealth in Bihar and they are not being utilized fully;

(b) the steps Union Government propose to take for full utilisation of this mineral wealth; and

(c) the amount being made available for this purpose in the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAMDULARI SINHA) : (a) to (c). The information is being collected and shall be laid on the Table of the House.

[English]

#### Clearance for Manufacturing Ferritic Steel Variety

2884. SHRI V. S. KRISHNA IYER : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have given clearance for the manufacture of ferritic steel variety by steel plants in the country;

(b) if so, the number of steel plants which have been given clearance and the quantity earmarked for each steel plant;

(c) whether Government propose to give clearance for the manufacture of more quantities of the above variety of steel; and

(d) whether there is any proposal to use this for making coins instead of nickel coins to solve the coin shortage in the country ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) to (c). It is presumed that the reference in the Question to ferritic steel is in respect of the ferritic variety of stainless steel. Licences have been issued for manufacture of stainless steel and not specifically for ferritic or any other variety of stainless steel. Units licensed for manufacture of stainless steel can manufacture any one or more of the different varieties of stainless steel.

Electric arc furnace units are permitted to diversify into production of all grades of carbon and alloy steels including stainless/heat resisting steel upto their licensed capacity.

(d) A suggestion has been made for making coins out of ferritic stainless steel.

#### Goods Worth Crores of Rupees Seized by Customs Department Lying Idle in Godown

2885. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that goods worth crores of rupees seized by the Customs Department are lying idle in the godowns in the absence of their disposal;

(b) if so, the details thereof; and

(c) the steps Government propose to take for their disposal ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Contraband goods seized by the Customs authorities and deposited in the godowns are not ripe for disposal immediately after the seizure. The goods become ripe for disposal only after they are finally confiscated to Government *i.e.* after appeal, revision and prosecution proceedings, if any, etc. are over. The total value of confiscated goods ripe for disposal, itemwise, lying with various Collectorates as on 30.9.1985 is given below :

Item	(Value : Rs. in lakhs)
Gold	33
Silver	29
Diamonds and precious stores	123
Currency	15
Watches	323
Electronic goods	137
Synthetic fabrics	172
Other goods	983
<b>Total</b>	<b>1866</b>
	(Provisional)

(c) perishable goods are sold directly to consumers across retail sale counters run by the Department. Consumer goods are sold to National Consumers' Co-operative Federation, State Civil Supplies Corporations, State Co-operative Federations, all Co-operative Societies approved by the Central and State Governments and duty registered under the Co-operative Societies Act, Military and Para-Military Canteens and through and retail sales. Trade goods like machinery parts, motor vehicle parts, etc. are disposed of by public auction, canalised drugs are offered to canalising agencies, gold and silver are deposited in the Government of India Mint.

Besides, the policy regarding disposal of confiscated goods is kept under constant review and appropriate measures as warranted are taken to expedite the disposal of such goods.

**Production of Film on 'World of ITDC'  
Assigned to Foreign Film Maker**

2886. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the rules and regulations in Government/Indian Tourism Development Corporation pertaining to the appointment of foreign agency for promotional work to tourism publicity;

(b) whether it is a fact that M/s. Oss Gretham of United Kingdom has been appointed to make film on Indian Tourism Development Corporation under the title "World of Indian Tourism Development Corporation";

(c) if so, the circumstances under which the production of the above film has been assigned to the foreign agency when India has a large film industry and very capable film-makers;

(d) whether any agreement or contract has been signed with the above foreign firm; and

(e) if so, the details of the same and the amount of fees and facilities to be provided to the said foreign company ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) The rules and regulations for the appointment of foreign advertising and PR Agencies in so far as the Government is concerned are drawn up jointly by the Department of Tourism and Air India offices within the scope of our overseas "Operations". As regards India Tourism Development Corporation, they have recently entered into a marketing and reservation agreements with M/s Golden Tulip worldwide Hotels, Netherlands and M/s Odner Hotel Representative, Honk Kong with the approval of the concerned Ministries.

(b), (d) and (e). M/s RGM Films, London was commissioned to produce two films at a consolidated fee of £ 20,750 only. (equivalent of Rs. 3.11 lakhs approximately). The India Tourism Development Corporation and the Department of Tourism have retained the rights to duplicate and screen the same on TV and other net works for promotional and commercial purposes. The cost was inclusive of script-writing and fee for the Director and crew of 5 persons. An Agreement to this effect was signed with them. One film is entitled the "World of ITDC" and the other is on "Goa". The Film Crew was extended hospitality within the Hospitality and Media Relations Programme of the Department of Tourism.

(c) The production of highly professional tourism oriented documentary film which can be used as much for motivational purposes as for hard-sell require not only experience and expertise in this line but often a well-known name in the line. M/s RGM Films are highly experienced in the production of tourism oriented films on India for commercial screening abroad and have produced a well-know film on the palace-on-wheels which has been screened by several TV net works in foreign countries providing valuable publicity exposure for India in the tourist generating markets.

**Seizure of Smuggled Gold Biscuits Medicinal Powder and Wrist Watches from the Cargo Godown of Foreign Airlines**

2887. SHRI U. H. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item captioned, "Rs. 77 lakhs worth contraband seized" appearing in the 'Hindustan Time' of 7 November, 1985;

(b) if so, whether it is a fact in a massive anti-smuggling operation detectives of the Preventive Unit of the customs at Palam (Delhi) on 7 November, 1985 seized smuggled gold biscuits, Medicinal Powder and wrist watches worth over Rs. 77 lakhs from the cargo godown of a foreign airline;

(c) how many persons and countries are involved therein; and

(d) action taken by Government in the matter ?

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

(b) to (d). On 5-11-1985, the officers of Customs Collectorate, Delhi, intercepted and examined two packages which had arrived from Hong Kong and were awaiting transhipment for Kabul/Kathmandu. On examination, 3392 wrist watches valued at Rs. 13.57 lakhs and 20 Kgs. of basic drug were recovered and seized.

In the follow-up action, 7795 wrist watches, 11,977 watch movements, 100 gold biscuits, weighing 10 tolas each, 83 Kgs. of medicinal powder, miscellaneous goods of foreign origin, Indian currency of Rs. 1.25 lakhs and a car were seized. The total value of seizure provisionally amounts to Rs. 1.03 crores.

In this connection, so far, four persons have been arrested. As the case is still under investigation, it will not be expedient to disclose further details at this stage.

**Suggestion from Kerala Government for Export of Coconut Oil and Copra**

2888. SHRI T. BASHEER :  
SHRI P. A. ANTHONY :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government of Kerala have suggested export of copra and coconut oil to save the coconut cultivation from the crisis; and

(b) if so, what decision Government have taken in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No such reference has been made to Commerce Ministry.

(b) There is no proposal to change the existing policy of export of copra and coconut oil. However, the Government has recently approved exports to Nepal of 500 MTs of copra and coconut products and 100 MTs of fresh coconut after dehusking.

**Proposal for Promotion of Tourism by  
Holland Promotion Foundation**

2889. SHRIMATI MADHURI SINGH :  
Will the Minister of PARLIAMENTARY  
AFFAIRS AND TOURISM be pleased to  
state :

(a) whether the Holland Promotion  
Foundation have offered various proposals  
for promotion of tourism between the two  
countries; and

(b) if so, the details thereof ?

THE MINISTER OF PARLIAMEN-  
TARY AFFAIRS AND TOURISM (SHRI  
H. K. L. BHAGAT) : (a) No, Sir.

(b) Does not arise.

**Losses In ITDC Hotels**

2890. SHRI MOOL CHAND DAGA :  
Will the Minister of PARLIAMENTARY  
AFFAIRS AND TOURISM be pleased to  
state :

(a) the number of hotels constructed by  
the Indian Tourism Development Corpora-  
tion till date and and their location;

(b) whether some of the above hotels  
are running in losses;

(c) if so, the number of those of them

running in losses for the last three years the  
amount of loss and the reasons for the same;

(d) whether it is a fact that Hotel  
Samrat under ITDC built in 1982, is running  
in losses; if so, the details thereof and reasons  
for the loss; and

(e) the steps taken to improve its working ?

THE MINISTER OF PARLIAMEN-  
TARY AFFAIRS AND TOURISM (SHRI  
H. K. L. BHAGAT) : (a) to (d). Information  
is given in the Statement attached.

(e) Various steps taken by ITDC to  
improve the working of its hotels including  
Hotel Samrat are as under :

—Entering into marketing and reserva-  
tion tie-ups abroad of ITDC hotels  
for chain use by foreign tourists;

—Setting up of ITDC's own Travel  
Agency;

—Grant of additional discount to local  
companies, Travel Agents, Public  
Sector Undertakings, etc.

—Introduction of cheap package for  
domestic clientele;

—Promotion of ITDC properties in  
overseas market through participation  
in the Travel Trade Forums;

—Product improvement, etc.

**Statement**

Sl. No.	Name of the hotel with location	Net Profit/Loss		
		82-83	83-84	84-85
1	2	3	4	5
1.	Ashok Hotel, New Delhi	(+)124.90	(+) 3.10	(+) 7.68
2.	Akbar Hotel, New Delhi	(+)109.28	(—) 18.01	(—) 58.39
3.	Qutab Hotel, New Delhi	(+) 10.75	(—) 2.15	(+) 8.45
4.	Hotel Samrat, New Delhi	(—) 70.89	(—)206.67	(—) 128.05
5.	Janpath Hotel, New Delhi	(+) 41.09	(+) 68.00	(+) 58.62
6.	Kanishka Hotel, New Delhi	(—) 24.11	(+) 51.10	(+) 42.94

1	2	3	4	5		
7. Lodhi Hotel, New Delhi	(+)	27.87	(+)	23.16	(+)	29.23
8. Ranjit Hotel, New Delhi	(+)	7.42	(-)	8.62	(-)	0.33
9. Ashok Yatri Niwas, New Delhi	(-)	26.71	(-)	14.18	(+)	17.28
10. Hotel Ashok, Bangalore	(-)	47.64	(-)	5.49	(-)	59.84
11. Kovalam Ashok, Beach Resort, Kovalam	(-)	10.34	(+)	1.35	(+)	3.62
12. Lalitha Mahal Palace Hotel, Mysore	(-)	2.34	(-)	1.09	(+)	5.66
13. Hotel Airport Ashok, Calcutta	(-)	10.46	(+)	38.53	(+)	52.02
14. Hotel Jaipur Ashok, Jaipur	(-)	3.19	(-)	3.75	(-)	2.86
15. Hotel Varanasi Ashok, Varanasi	(-)	8.17	(+)	0.34	(-)	3.27
16. Hotel Hassan Ashok, Hassan	(-)	0.72	(-)	1.68	(+)	0.03
17. Laxmi Vilas Palace Hotel, Udaipur	(+)	6.58	(+)	11.65	(+)	6.36
18. Temple Bay Ashok Beach Resort, Mamallapuram	(-)	3.91	(-)	3.22	(-)	3.02
19. Hotel Kalinga Ashok, Bhubaneswar	(+)	4.60	(+)	3.41	(-)	11.07
20. Hotel Madurai Ashok, Madurai	(-)	8.95	(-)	6.67	(-)	6.35
21. Hotel, Jammu Ashok, Jammu	(-)	2.76	(-)	2.32	(-)	4.12
22. Hotel Aurangabad Ashok, Aurangabad	(-)	6.10	(-)	1.06	(+)	0.03
23. Hotel Khajuraho Ashok, Khajuraho	(-)	6.45	(-)	3.34	(-)	2.11
24. Hotel Pataliputra Ashok, Patna	(-)	7.71	(-)	9.48	(-)	7.98

#### Main Reasons for Losses :

- Setting up of three new hotels in Delhi, which are under gestation period entailing financial burden on account of heavy interest and depreciation.
- surplus hotel accommodation in certain cities.
- location of certain hotels for purely promotional purposes.

#### Firms on Development of Deep Sea Fishing

2891. SHRI D. P. JADEJA : Will the Minister of COMMERCE be pleased to state whether his attention has been drawn to the news-item captioned "Seventh Plan export target faces a fishy problem" appearing in the Times of India of 12th November, 1985 :

(a) if so, what were the assurances given by Commerce Secretary in Cochin to big business firms on development of deep-sea fishing;

(b) whether his Ministry is aware of over-fishing of shrimp;



(c) the concrete measures are being taken to develop shrimp farming;

(d) the measures being taken to conserve deep-sea-shrimp resources on scientific lines; and

(e) the details of demands made at the Cochin meeting by the sea-food industry with respect of deep-sea fishing industry ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. No assurance was given to the big business firm on development of deep-sea fishing.

(b) It is not possible to draw any precise conclusion that there has been over-fishing of shrimp.

(c) and (d). Steps taken by the Marine Products Export Development Authority in this regard, include (i) setting up of three Regional and two Sub-Regional Prawn Training Centres, (ii) conducting Microlevel surveys in coastal States, (iii) setting up a Model Prawn Seed Hatchery and a Farm at Vallarpadom near Cochin, (iv) Plans for setting up three Prawn Seed Hatcheries one each in the States of West Bengal, Orissa and Andhra Pradesh, and (v) Evolving Schemes for providing technical and financial assistance to set up Hatcheries, Seed Banks and Prawn Farms.

(e) At the Cochin meeting, representatives of the Sea-food industry pointed out difficulties being experienced by them in their exploitation of deep-sea fishery resources and urged for a liberal and development-oriented policy in this regard.

#### **Delegation of Ship-Breaking Industries of Gujarat**

2892. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that delegation of representatives of ship-breaking industry of Gujarat (Bhavnagar, Saurashtra) met him in November 1985 and discussed matter regarding withdrawal of duty imposed on ship-breaking industry and other related issues;

(b) if so, the details of talks held and the assurances given by him to the delegation;

(c) the actions being taken to carry out the assurances;

(d) whether it is also a fact that almost all the works in this industry are at stand-still for the last two months; and

(e) if so, the steps being taken to give loans and other facilities to this industry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Representatives of the ship breaking industry in Gujarat have requested for relief in the Customs and Central Excise duties demanded from them. They had also met the Finance Minister in this regard. No decision has been taken by the Government in the matter.

(d) and (e). Ship-breaking units at Alang in Gujarat remained closed from 5th to 7th September, 1985 and again from 16th September. Financial assistance is provided by Ferrous Scrap Committee for purchase of necessary equipment by ship-breakers and by MSTC, by giving bill-discounting facilities.

#### **Proposal for Export of Bengal Desi Variety of Cotton**

2893. SHRI PRAKASH V. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether Bengal desi variety of cotton grown in Maharashtra was not exported at all during 1984-85;

(b) whether this year the arrivals of this variety is plentiful and would be in far excess to our demand; and

(c) if so, whether Government propose to take early decision for export and also formulate a more stable cotton export policy ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Bengal Deshi cotton is not grown in Maharashtra.

(b) and (c). The decision regarding export of cotton is taken after assessing the demand and supply position and price trend in the country. Government have already released a quantity of 27,000 bales of Bengal Deshi for export during the current cotton season.

[*Translation*]

#### **Inferior Quality of Imported Sugar**

2894. SHRI BANWARI LAL BAIRWA : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of sugar imported to meet the internal demand during 1985-86 uptill now and the agreement under which this import is being made and the rate at which it is being imported;

(b) how the quality of imported sugar compares with indigenous sugar; and

(c) if the imported sugar is positively inferior and less sweet than the indigenous sugar, what steps are being taken by Government to avoid import of sugar in future ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The quantity of sugar imported during April to October, 1985 is 12.10 lakhs MT. The average estimated CIF price PMT for imports during the current financial year on the basis of contracts already concluded is Rs. 2275 (Provisional) PMT.

(b) and (c). The polarisation/sucrose content level of imported sugar is higher than the polarisation of 99.5% (minimum) prescribed under Indian Sugar Standards. Therefore, imported sugar is not less sweet as compared to indigenous sugar.

[*English*]

#### **Export of Indian Garments to China**

2895. SHRI NITYANANDA MISHRA : Will the Minister of TEXTILES be pleased to state :

(a) whether some Indian garments have great demand in China;

(b) whether Government have established trade relation with China for the export of Indian clothes and garments;

(c) whether a Chinese company has undertaken the programme to set up some new weaving units in Maharashtra and some other States for producing grey cotton cloth for China; and

(d) the other steps taken by China and India in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). China like India is a major exporter of garments and, therefore, there is no worthwhile exports of garments to China. The Ministry of Textiles is not aware of any proposal of a Chinese company setting up weaving units in India.

#### **Review of Activities of Export Promotion Councils/Commodity Boards**

2896. SHRI HARIHAR SOREN : Will the Minister of COMMERCE be pleased to state :

(a) whether the activities of Trade Promotion Organisations, Export Promotion Councils, Commodity Board are under review;

(b) whether merger/disbanding/closure of a few organisations is also under active consideration;

(c) if so, the names of the organisation which are likely the affected by such move; and

(d) what will be the fate of their employees ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The working of the Export Promotion Councils, Commodity Boards and other Trade Promotion Organisations is reviewed from time to time.

(b) to (d). It is proposed to establish an Agricultural Products Export Development Authority and the present Processed

Food Export Promotion Council will be merged into this Authority. Another proposal is to have a Spices Board by merging the Cardamom Board and Spices Export Promotion Council now in existence. The staff affected by the proposed merger will be given the option to join the respective new organisation, when established.

**Clandstine Trades by Indian Exporters  
with South Africa**

2897. PROF. RAMAKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the clandestine trade being carried out by certain Indian exporters with South Africa;

(b) if so, the details thereof stating the names of the firms, traders involved in this clandestine trade with South Africa and the nature of the exports being done by them; and

(c) the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Cases of clandestine exports to South Africa have recently come to the notice of the Government.

(b) A vessel carrying export consignments which were alleged to be intended for export to South Africa was seized on arrival at Cochin. After investigation, 19 containers were seized on the basis of documentary evidence to show that the goods in these 19 containers were actually meant for South Africa and not for Maputo as declared. The goods seized included machinery, enamel plated wires, padlocks, agarbaties, bicycle parts, pressure stoves and stove parts, brass artware, wood carvings, marble statues, musical instruments and perishable goods like pappad, confectionery, betelnut, turmeric, dried fish, canned vegetables, beedis and snuff.

The parties to whom show cause notices have been issued are indicated in the attached Statement. Show cause notices

have also been issued to the owners of the vessel, their agents at Bombay and their local agents at Cochin.

Investigations conducted also revealed that M/s. Akai Impex Pvt. Ltd. have engaged in clandestine exports of goods viz. spices and sport goods valued at Rs. 1.5 lakhs to South Africa.

(c) The offending goods have been seized and show cause notices have been issued to the parties involved for necessary action under the Customs Act, 1962. Investigations are still in progress.

**Statement**

*List of Parties to whom Show cause  
Notices have been Issued*

- (i) M/s. Seema Silk and Sarres, Bombay;
- (ii) M/s. Jagdish and Co., Bombay;
- (iii) M/s. Waghji Lakmidas and Co., Bombay;
- (iv) M/s. V. N. P. Import Export (P) Ltd., Bombay;
- (v) M/s. Penguin (Mfg) International, Bombay;
- (vi) M/s. N. Himatlal and Co., Bombay;
- (vii) M/s. Bhoola Sons, Bombay;
- (viii) M/s. M. D. Bhoola and Co., Bombay;
- (ix) M/s. Roxy International, Ludhiana;
- (x) M/s. J. K. Traders, Bombay;
- (xi) M/s. Hajibhai and Sons, Bombay;
- (xii) M/s. Avon Industries Corpn., Muradabad;
- (xiii) M/s. Impulse Trading Corpn., Bombay; and
- (xiv) Arbee Shipping Co.

**Expansion of Steel Yard of Sail at Wellington Island in Cochin**

2898. PROF. K. V. THOMAS : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether it has been brought to the notice of Government that the supply of steel and other items to Kerala by the steel Authority of India is inadequate;

(b) whether there is any proposal to expand the steel yard of the SAIL at Wellington Island in Cochin; and

(c) if so, the details thereof ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Yes, Sir. Government of Kerala has informed us about inadequate availability of steel for its various Departments.

(b) and (c). Steel Authority of India Limited feel that their present stockyard at Cochin is inadequate due to its—

(i) being small in size and land being in two portions thus making the operations difficult; and

(ii) not having facilities for unloading a rake of iron and steel materials.

To overcome these constraints Steel Authority of India Limited have selected a suitable alternate plot of land closer to the railway station for their stockyard. The State Government has been requested to initiate acquisition proceedings. During preliminary survey Railways have found it feasible to provide a siding for the proposed site.

**Trade between Czechoslovakia and India**

2899. KUMARI PUSHPA DEVI : Will the Minister of COMMERCE be pleased to state :

(a) whether the overall trade turnover between India and Czechoslovakia Socialist Republic have increased in recent years;

(b) if so, the items presently being imported by Czechoslovakia from India; and

(c) the details of the items for which import and export take place between the two countries at present ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. The Ino-Czechoslovak trade increased from Rs. 114.29 crores in 1983-84 to Rs. 118.99 crores (provisional) in 1984-85.

(b) Items presently being imported by Czechoslovakia from Indian consists of agricultural products; textiles; engineering goods; minerals and ores; leather and leather manufactures; chemicals and allied products; and other miscellaneous items.

(c) In 1984, Czechoslovakia imported from India bulk tea; pepper and spices; cashew kernels; groundnut HPS; deoiled cakes; deoiled rice bran; mushrooms; castor oil; cashew shell oil liquid; shellac and shellac based products; gums; basmati rice; tobacco; mica and mica based products; iron ore; iron ore concentrates; manganese ore, hides and skins; finished leather; shoe-uppers and leather products; raw cotton; cotton yarn; cotton textiles; cotton readymade garments; handloom fabrics; wollen carpets; jute manufactures; organic and inorganic chemicals; finished pharmaceutical products; battery cells, textile machinery; railway wagon components; xerographic equipment; handicrafts; etc.

Indian imports from Czechoslovakia in 1984 consisted of rolled steel products; ball, roller and taper bearings; seamless pipes, tubes and castings; diesel generating sets and spares; machine tools; components and spares for Czechoslovak assisted projects; newsprint; plastic materials; urea; electronic instruments and components; turbo compressors; shunters and spare parts; shoe making, tanning and leather making machinery; painting machinery; textile machinery; flour mill equipment; equipment for manufacturing citric acid, cut glass, glass beads laboratory chemicals; organic and inorganic chemicals; pharmaceutical raw materials etc.

**Import of Sugar from EEC Countries**

2900. SHRI S. M. GURADDI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have been importing sugar from EEC countries at international price;

(b) if so, the quantity of sugar imported from EEC countries and other during the past one year (January 1985 to October 1985) and the rate at which it was purchased country-wise price per kg. or per ton;

(c) whether it is a fact that the international rate of sugar is about 80 paise per kg.; and

(d) whether it is also a fact that the imported sugar is being sold by Ration/Fair Price Shops at Rs. 5.80 per kg.

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

(b) The current year's import started arriving from April 1985. The quantity of sugar imported during April to October, 1985 is 12.10 lakhs MT and the average estimated CIF price PMT for imports during the current financial year on the basis of contracts already concluded is Rs. 2275 (provisional) PMT.

(c) No, Sir.

(d) Imported sugar is being allocated to the State Governments for distribution in free sale through controlled channels at a price not exceeding Rs. 5.80 per kg. but a few State Governments are also selling this imported sugar at Rs. 5.80 through fair price shops. A part of imported sugar is also being allotted to all the State Government as levy sugar and this is being distributed through the fair price shops at a uniform price of Rs. 4.80 per kg.

**Agreement to Set up Export Oriented Alumina Project in Andhra Pradesh with Soviet Collaboration**

2901. SHRI M. SUBBA REDDY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether setting up of an export-oriented alumina project in Andhra Pradesh was discussed during the Indo-Soviet Joint Commission meeting held at Moscow towards the end of April, 1985;

(b) whether any agreement/understanding had been reached to set up such a project with Soviet collaboration/assistance;

(c) if so, the details thereof; and

(d) if not the stage at which the matter rests at present ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAM DULARI SINHA) : (a) Cooperation in the setting up of an export-oriented bauxite mine of 2.3 million tonnes per annum capacity in Andhra Pradesh was discussed.

(b) and (c). It was agreed that the Soviet side will prepare a feasibility report on the Bauxite Mining Complex.

(d) Modalities of financing the cost of the feasibility report are under discussion.

**Rise/Fall in Import of Capital Goods**

2902. SHRI ANIL BASU : Will the Minister of COMMERCE be pleased to state :

(a) the total value of import of capital goods year-wise from 1982-83 to 1984-85; and

(b) rise or fall in the import of capital goods in percentage terms, year-wise, during the same period ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). A statement showing total value of imports of complete machinery and equipments during 1982-83 (Upto March, 1983) and rise or fall in percentage terms for the said period is attached. Figures for the period from March, 1983 onwards are not yet available.

**Statement**

*Statement showing the import of complete machinery and equipment (excluding spares & Components) during the years 1982-83 and percentage rise (+) or fall (—).*

Sl. No.	Description of Item	1982-83	Value in Rs. Crores
			Percentage rise (+) or fall (—) in 1982-83 over 1981-82
I.	Complete Machinery and Equipment	1213.08	(+) 25.9

Source : Advance data received in the Office of the Economic Adviser from the Directorate General of Commercial Intelligence and Statistics, Calcutta.

**Import of Luxury Item**

2903. SHRI MOTILAL HANSDA : Will the Minister of COMMERCE be pleased to state the total value of each luxury item imported year-wise from 1982-83 to 1985-86 (upto September, 85) ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : Import Policy does not allow import of luxury goods for commercial purposes. Import of certain consumer goods such as dry fruits and fresh fruits are allowed having regard to bilateral trade considerations and keeping in view the limited needs of the economy. The import of car and household effects are also allowed on transfer of residence. In the absence of specific mention of luxury items, it is not possible to furnish statistics of imports.

**Development of Tourist Centre At Maihar**

2904. SHRI AZIZ QURESHI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether he is aware that thousands of people visit Maihar in Satna District in Madhya Pradesh to offer prayers at the temples of Sharda Mata and also take part in the annual Ustad Alluddin Music Festival from India and abroad;

(b) if so, whether there is any proposal to develop Maihar town as a tourist centre and provide modern facilities there;

(c) if so, the details thereof; and

(d) if not, the reasons thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) Yes, Sir.

(b) and (c). Government of Madhya Pradesh has acquired land for construction of a cafeteria and washroom to provide modern facilities at temple of Sharda Mata at Maihar. These facilities are expected to be in operation during this year.

(d) Does not arise.

**Opening of a Coffee Auction Centre in Wayanad in Kerala**

2905. SHRI P. A. ANTHONY : Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry is aware of the serious problems facing the coffee growers; and

(b) whether there is any proposal to open a coffee auction centre in Wayanad in Kerala to partly solve the grievances of coffee growers ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir. Coffee has provided steady and remunerative returns to growers over the

years. Coffee Board has been able to take steps to solve the problems which have occurred from time to time.

(b) No, Sir. Coffee Board has not received any proposal relating to such a demand by Coffee growers of Kerala.

#### Visit by Foreign Tourists to India

2906. SHRI P. NAMGYAL : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the total number of foreign tourists who visited India during the year 1983-84 and 1984-85 (todate);

(b) whether the number of foreign tourists to India had declined during the year 1983-84 and 1984-85;

(c) the total number of tourists out of (a) above who visited Jammu and Kashmir State with special reference to Ladakh during the above period; and

(d) the reasons for decline of foreign tourists and the steps taken by Government to attract more foreign tourists to India ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). Foreign tourist arrivals, excluding the nationals of Pakistan and Bangladesh, since 1982 were as given below :—

Year	Number	%Change
1982	860,178	—
1983	884,731	2.9
1984	852,503	—3.6
1985 (Jan-Oct)	660,624	—6.7*

\*Compared to corresponding period of previous year.

(c) Reliable statistics of foreign tourists visiting different State/places in the country are not available on a regular basis. However, as per the Foreign Tourist Survey 1982-83 about 8.56% of the total foreign tourists visiting India spent at least a night in

the State of J and K and about 0.96% in Ladakh.

(d) The decline in tourist arrivals during 1984 and in 1985 is due to the adverse media coverage of some of the events that took place in the country in the latter half of 1984 and in the first half of 1985. The steps taken by the Government to attract more tourists include vigorous publicity campaign to counter-act the effects of adverse media coverage, emphasis on consumer advertising, stepping up of public relations with tour operators and travel agents abroad, participation in international travel fairs and exhibitions and expansion of internal transport systems etc.

#### Increase in Bank Charges for Services Rendered by Public Sector Banks

2907. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether commercial establishments have protested against the recent increase in bank charges for various services rendered by the public sector banks as reported in the 'Economic Times' of 18th October, 1985;

(b) whether this increase substantially affects the costs of operation for many establishments particularly the small and medium ones;

(c) if so, the reaction of Government thereto; and

(d) whether any relief would be given to small business in regard to bank service charges ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Government have received some representations regarding the upward revision of the service charges by public sector banks. These revisions have, however, been effected with the objective of covering to a substantial extent the cost incurred by the banks in rendering such services. The schedule of revised service charges provides for graded structure with lower rates on smaller requirements. Besides, bank charges do not normally form a substantial portion of the cost of operation

of an establishment and, therefore, the revisions are not likely to have any significant impact on cost of production.

**Import Licence issued for  
Coconut Oil**

2908. SHRI SURESH KURUP : Will the Minister of COMMERCE be pleased to state :

(a) how many licences have been issued till date under OGL to import coconut oil; and

(b) the quantity of coconut oil imported till date ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Import of coconut oil, as per current Import Policy is allowed to be made by State Trading Corporation, (STC)/Hindustan Vegetable Oil Corporation, New Delhi (A Government of India Undertaking) under open General Licence. Incidentally licences are not required for items imported under Open General Licence (OGL).

(b) STC has not imported coconut oil during 1982 and 1983. A quantity of only about 9,000 M.T. has been imported in April, 1984 by STC to relieve the pressure on indigenous prices of coconut oil. Hindustan Vegetable Oil Corporation has not imported any coconut oil during this period. (Direct import of coconut oil is permitted for export production against Replenishment/Advance/Imprest licences). The quantity of import under this category is negligible.

**Follow-up Action to be taken after  
Transfer of Production of Janta  
Cloth to the Handloom Sector**

2909. SHRI R. M. BHOYE :  
SHRI M. RAGHUMA REDDY ;  
SHRI MANIK REDDY :

Will the Minister of TEXTILES be pleased to state :

(a) whether the proposal to transfer the entire production of Janta cloth to the hand-

loom sector by the end of Seventh Five Year Plan may boomerang if follow-up steps are not taken by the Union Government;

(b) whether the representatives of the Maharashtra State Handloom Corporation and Vidarbha Weavers' Central Cooperative Society both in Nagpur and Experts in Hyderabad have stated clearly that the Union Government could not expect these bodies to continue uneconomic operation long enough; and

(c) if so, the details regarding the suggestions submitted to Government by them and the reaction of Government thereto ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Necessary follow up measures have been initiated.

(b) and (c). A visiting Journalist has been told about the uneconomic functioning of the scheme as reported in the newspaper. No detailed suggestions have been submitted to Government in this regard.

**Indebtedness of Union Government  
and State Governments to RBI**

2910. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India's net credit to the Union Government during the current seven months has shot up enormously;

(b) if so, the amount thereof and the corresponding figure for the last year;

(c) the reasons for such a whopping rise;

(d) whether the bank charges any interest on this amount from the Union Government and if so, at what rate and the mode of its recovery; and

(e) the indebtedness of the various State Governments as per latest figures available for the current year and how does it compare to the corresponding period of the previous year ?



THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Data on RBI's net credit to the Union Government during the seven months of the current financial year so far long with comparative data for 1984-85 are given below :

	April-October (Rs. crores)	
	Over last Friday of March	Over last day of March
1984-85	+2,387	+1,969
1985-86	+5,549	+1,712

RBI's credit to Central Government is a highly fluctuating series and any comparison on point to point basis is not indicative of the annual growth trend.

(d) The discount rate on treasury bills is presently 4.6 per cent per annum whereas that on long dated securities of Central Government varies with the period of maturity. The rate of interest applicable on the longest maturity of 30 years is 11.5 per cent per annum.

(e) Data on RBI's credit to State Government between April and October 1985 as well as the previous year are given below :

	April-October (Rs. crores)	
	Over last Friday of March	Over last day of March
1984-85	+148	+86
1985-86	-1,703	-2,327

#### Gold Jewellery Export Complex in West Bengal

2911. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether the site for the proposed gold jewellery export complex in West Bengal has since been finalised;

(b) whether the Falta Export Processing Zone Authority (FFPZA) has already received proposals from firms which are interested in locating their units at the complex;

(c) if so, the particulars thereof;

(d) whether action has been initiated for infrastructure development of the complex;

(e) whether the Industrial Development Bank of India (IDBI) has provided any assistance, as earlier agreed, for this project; and

(f) if so, the details thereof and how long will it take to implement the project ?

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

(b) and (c). Only one proposal for setting up a jewellery unit in FALTA export processing zone has been received.

(d) to (f). A Sub-Committee under the Chairmanship of the Chief Executive of West Bengal Industrial Infrastructure Development Corporation, the sponsoring agency, is to prepare plan and estimates for the project whereafter the Industrial Development Bank of India is proposed to be approached by the sponsoring agency for assistance. According to the sponsoring agency the complex is expected to be ready for operation by December, 1986.

#### Current Levels of Air and Water Pollution in Steel Plants

2912. SHRI SANAT KUMAR MANDAL : Will the Minister of STEEL AND MINES be pleased to refer to the reply given to Unstarred Question No. 5085 on 3 May, 1985 regarding control of pollution in integrated steel plants and state :

(a) the current levels of air and water pollution in each of the six integrated steel plants;

(b) the value and type of equipment, the import of which is envisaged as referred to in reply to part (d) of the above question; and

(c) the contents of the package requirement for pollution control ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT). (a) Analysis reports of water discharged at the steel plants of Steel Authority of India Limited are annexed in the form of a statement,

Regarding air pollution, preliminary studies at the Bhilai, Bokaro and Rourkela steel plants are indicative of general pollution conditions prevailing in the atmosphere and stacks. These will be further examined through detailed studies to be taken up. Preliminary studies in respect of air pollution will shortly be carried out at the Durgapur steel plant and Indian Iron and Steel Company, Burnpur.

Certain action plans have been drawn up for further pollution control for implementation in the Seventh Plan period.

(b) and (c). The value and type of equipments to be imported will be known after detailed studies have been completed.

**Statement**  
*Maximum and Minimum Range of Results of Analysis of Effluents from the Sail Plants*

Sl. No.	Characteristics	PH	Total suspended solids Mg/ltr.	BOD Mg/ltr.	COD Mg/ltr.	Ammonia Mg/ltr.	Phenol Mg/ltr.	Cynide Mg/ltr.	Oil and grease Mg/ltr.
	Drescribed Limits	5.5-9.0	100	30	250	50	1.0	0.2	10.00
1	2	3	4	5	6	7	8	9	10
<b>1. Bhilai Steel Plant</b>									
	Outlet 1-7	7.3—7.6	40—112	13—40	97—240	0.15—8.0	Nil	Nil	Nil
	Outlet 8-10	7.5—8.2	40—110	15—30	88—185	Traces 2.5	Nil	Nil	Nil—1.0
	Outlet 15-17	7.3—8.6	35—200	6—36	68—170	0.05—6	1.0	Nil	Nil—1.0
	Kutclabate Oxidation Pond	8.3—8.8	30—80	14—18	112—170	Traces 0.75	Nil	Nil	Nil
<b>2. Bokaro Steel Plant</b>									
	Outlet 1	8—8.3	25—30	8—10	170—200	—	Nil	Nil	Nil
	Gutlet 2	8.2—8.8	50—70	3—6	500—600	—	Nil	Nil	Nil
	Outlet 2-B	8.3—8.5	40—60	7—10	170—200	—	0.05—0.1	Nil	Nil
	Outlet 3	7.6—7.9	30—50	10—15	110—120	—	0.03—0.05	Nil	Nil

	1	2	3	4	5	6	7	8	9	10
<b>3. Rourkela Steel Plant</b>										
Final Outlet			7.5—8.5	30—90	5—8	30—50	6—12	0.22—0.05	0.05—0.07	2—8
<b>4. Durgapur Steel Plant</b>										
Outlet 1			7.3—8.2	10—70	—	—	—	—	—	3—8
Outlet 2			7.2—8.0	50—400	—	—	—	—	—	2—5
Outlet 3			7.5—8.2	30—600	—	—	—	5—11	—	1—6
Outlet 4			7.2—7.5	500—800	—	—	—	—	—	2—5
Outlet 5			4.0—7.5	10—100	—	—	30—100	50—80	5—20	20—80
<b>5. Indian Iron and Steel Co.</b>										
Damra outfall 300m down stream of Damodar river			7.2—7.5	10—40	8—15	30—50	1—2	Nil	Nil	Nil
Dahika outfall			7.2—7.5	30—50	20—50	80—150	0.2—4	0.1—0.7	Nil	10—15
Alkatara Talao			7.2—7.6	100—300	100—150	300—500	50—70	2.0—6.0	1.2—2.5	2—10
Township effluent			7—8.5	300—400	120—160	300—475	60—80	0.1—0.15	Nil	4—5

BOD = Biological Oxygen Demand.

COD = Chemical Oxygen Demand.

PH = Unit for indication of Acidity or Alkalanity of water.

**News Item Captioned "2 Steel Firms held under COFEPOSA"**

2913. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "2 Steel firms held under COFEPOSA" appearing in "The Statesman", New Delhi of 12th November, 1985;

(b) if so, the facts of the case referred to therein;

(c) the modus operandi of such fraud and why it could not be detected earlier; and

(d) the action taken or proposed to be taken in the matter presently and the preventive measures proposed to be taken for future ?

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

(b) to (d). S/Shri Govind Ram Agarwal, Shankarlal Saraf and Radheshyam Tulsian of Calcutta were detained under the COFEPOSA Act in connection with the cases of under-invoicing of imports, mainly of stainless steel circles, angles, G. P. Sheets, coils etc., evasion of customs duty amounting to crores of rupees and forgery of import licences pertaining to period from 1981 to 1984. The cases were detected from 1983 onwards but collection of evidence, including the information and real invoice value of the goods took some time. Also the parties were able to obtain injunctions from the High Court against the Customs officers investigating the cases, which are still in force. Steps have since been taken to have the injunctions vacated so as to investigate the cases thoroughly. Documents submitted by the importers for the customs clearance of high premium goods of these kinds are being subjected to closer scrutiny.

**Proposal to Export Raw Jute for Earning Foreign Exchange**

2914. SHRI INDRAJIT GUPTA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is proposed to export raw jute in order to earn foreign exchange;

(b) if so, to which countries and at what price;

(c) whether jute mills were asked to purchase raw jute stocks adequate for maintaining six weeks' inventory;

(d) whether 50 per cent of the mills have failed to do so; and

(e) whether any action will be taken against such defaulting mills ?

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

(b) The Jute Corporation of India is exploring the possibility of export of raw jute both to the Rupee Payment Area and General Currency Area countries. They have recently signed a contract with USSR for export of 28,000 bales of raw jute valued at Rs. 2.43 crores for December, 1985/March, 1986 shipments under Trade Plan for 1985. Negotiations for export contracts with Poland have been initiated.

(c) to (e). An statement is attached.

**Statement**

In order to arrest declining trend in raw jute prices, an Order dated 6-9-85 was issued by Jute Commissioner under Clause 9-A of Jute (Licensing and Control) Order, 1961 on 54 working private sector jute mills, directing them to make their purchases of raw jute in such a manner as to ensure raising of their individual inventory of raw jute equivalent to six weeks and weeks consumption requirements by 30-9-85 and 31-10-85 respectively. On a review of latest situation, timelimit for building up ten weeks' stock level has been extended by an Order dated 31-10-85 and mills have been directed to ensure that their stocks do not go below ten weeks' level upto 30-11-85.

The performance of 44 mills based in West Bengal, to whom the above order is applicable, is as under :

Raw Jute Stocks	No. of mills
(a) Ten weeks and above	30
(b) Six weeks and above but below ten weeks	6
(c) Five weeks and above but below six weeks	3
(d) Below five weeks	5
<b>Total</b>	<b>44</b>

As a punitive measure, Jute Commissioner debarred 15 defaulting mills from B. Twill quota allocation for the month of November, 1985. Withholding of B. Twill quota allocation has had a salutary effect and there has recently been a perceptible improvement in stock-building efforts by defaulting mills. Recently, the staff of Jute Commissioner physically verified the stock reports of 6 mills for checking accuracy thereof and in all these cases the reports have been found to be in order. The Jute Commissioner is keeping a continuous watch over the situation.

#### Purchases made by Jute Corporation

2915. SHRI INDRAJIT GUPTA : Will the Minister of TEXTILES be pleased to state :

(a) the total purchases made, State-wise, by the Jute Corporation of India upto October, 1985;

(b) whether the purchases conform to any target fixed by Government for the Jute Corporation of India;

(c) whether the purchases have been made at prices above or below the minimum support price; and

(d) whether jute mills other than those within the National Jute Manufacturers Corporation are buying jute from the Jute Corporation of India or from the open market ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The total purchases made of raw jute, State-wise, by the Jute Corporation of India upto October, 1985 are as under :

State	In bales of 18 Kgs.
Assam	1,68,889
Bihar	1,31,278
Bengal	6,94,444
Tripura	23,889
Orissa	15,798
Andhra	9,889
Meghalaya	6,111
	<b>10,50,298</b>

(b) JCI is obliged to buy as much of raw jute as may be offered to them by the farmers at the statutory minimum price.

(c) Purchases made by JCI are at minimum support price or above.

(d) The commercial operation of JCI are mainly for NJMC and other public and cooperative sector jute mills, although private sector jute mills can also buy on a back to back contract basis.

#### Loss Incurred by Off-Shore Branches of State Bank of India

2916. SHRI MURLIDHAR MANE : SHRI SOMNATH RATH :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some off-shore branches of State Bank of India have been incurring huge losses;

(b) if so, the names of those branches;

(c) since when;

(d) the amount of loss suffered upto 31st December, 1984 and the position between January to June, 1985;

(e) the factors responsible for the losses! and

(f) the steps taken to improve the performances of those branches of State Bank of India, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). A few foreign branches of State Bank of India, including its off-shore branch at Singapore, are reported to have suffered loan losses during the year 1984. According to the Reserve Bank of India, these losses have been occasioned due to failure of some large borrowers and the problem of externalisation of payment from some countries.

Commercial Banks, including Public Sector Banks, make provision every year out of their annual income for meeting their liability towards bad and doubtful debts to the satisfaction of their statutory auditors and write off the debts which are considered by their managements as ultimately unrecoverable against the provisions so made. State Bank of India has also made provisions for meeting its liability towards bad and doubtful debts, including those at the Singapore Branch. According to the form of balance-sheet and profit and loss account prescribed under the Banking Regulation Act, 1949 and according to practices and usages customary amongst the bankers, particulars of bad and doubtful debts, for which provision has been made to the satisfaction of their auditors, are not to be disclosed. In view of this, information in this regard can not be divulged. Reserve Bank of India, has, however, reported that it has already asked State Bank of India to look into the various loan losses incurred at its Singapore Branch and take appropriate action.

(f) The performance of the overseas branches of Public Sector Banks is reviewed by the Government and the Reserve Bank of India. Instructions have already been issued to the banks to strengthen the working of their overseas branches and close down unremunerative branches if they are not viable.

**Export of Wheat Agricultural Products and Agro based Commodities in Seventh Plan**

2917. SHRI MURLIDHAR MANE :  
SHSI SOMNATH RATH :

Will the Minister of COMMERCE be pleased to state :

(a) the quantum of wheat exported in the last three years;

(b) whether there is a vast potential in the country to export agricultural products and agro-based commodities;

(c) if so, the steps taken to increase the agricultural products and agro-based commodities in the Seventh Five Year Plan;

(d) the target set, if any, for the above purpose; and

(e) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Export of wheat has been allowed during 1985-86. However, shipment of wheat to drought affected African countries was also allowed during 1984-85. FCI has exported wheat since 1-1-1985 as under :

(i) Gift drought to affected African countries	87,27,46 MTs
(ii) Export to USSR	2,07,358 MTs.
(iii) Export to Vietnam as commodity loan.	20,771 MTs.

(b) Yes, Sir.

(c) The broad elements of strategy proposed to be followed during Seventh Plan to increase agricultural production are :

(i) Substantial increase in area under high yielding varieties.

(ii) Increased consumption of key inputs like chemical fertilizers.

(iii) Strengthening of institutional arrangements for timely delivery of inputs of assured quantity.

(iv) Intensification of pests and disease surveillance arrangements and timely control operations.

(v) Increasing cropping intensity and productivity.

- (vi) Reclamation and development of fallow lands, saline and alkaline land, water logged and coastal saline areas.
- (vii) Soil conservation measures to improve the quality of land.
- (viii) Provision of crop insurance.
- (ix) Assuring remunerative prices.
- (x) Strengthening of extension network for effective transfer of technology to the farm level.
- It is also proposed to take up special programmes for reducing inter-regional, inter-crop and inter-class disparities.
- (d) and (e). A Statement is annexed.

### Statement

#### *Targets of Production of Principal Agricultural Commodities for the Seventh Plan (1985-90)*

Agricultural Commodity	Unit	Seventh Plan (1985-90) Target	
1. Rice	Million tonnes	73.00	75.00
2. Wheat	„	56.00	55.00
3. Coarse Cereals	„	34.00	35.00
4. Pulses	„	15.00	15.00
Foodgrains	„	178.00	183.00
5. Oilseeds	„	18.00	
6. Cotton	Million bales of 170 Kg. each	9.50	
7. Sugarcane	Million tonnes	217.00	
8. Jute and Mesta	Million bales of 180 kg. each	9.50	
9. Milk	Million tonnes	51.00	
10. Eggs	Million numbers	19.90	
11. Fish	Lakh tonnes	40.00	

#### **Suggestions of Committee Reviewing Functioning of Regional Rural Banks**

2918. SHRI SYED MASUDAL HOSSAIN : Will the Minister of FINANCE be pleased to state :

(a) the main suggestions submitted by the Committee appointed by Government on 22 October, 1984 to review the functioning of Regional Rural Banks;

(b) the details of decisions taken by Government on the basis of these suggestions;

(c) whether there is any proposal to reorganise the Regional Rural Banks district-wise by segregation of the existing Regional Rural Banks; and

(d) if so, the details thereof ?



THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably, the Hon'ble Member has referred to the Working Group set up by the Government on 28-8-1984 to evaluate the functioning of regional rural banks. The Working Group has not yet submitted its report.

(b) Does not arise.

(c) and (d). The National Bank for Agriculture and Rural Development have proposed some amendments to Regional Rural Banks Act, 1976 with a view to streamline the organisational structure and functioning of the regional rural banks. Proposals in this regard when concretised will come before the Houses of Parliament in the form of legislative proposals.

#### Problem in Alloy Steels at Durgapur

2919. SHRI HANNAN MOLLAH : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether there are some problems in the Alloy Steels at Durgapur;

(b) if so, the details of the problems;

(c) the steps Government propose to take to solve those problems; and

(d) the details thereof ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Yes, Sir.

(b) The main problems of Alloy Steels Plant, Durgapur are as under :—

- (i) Low capacity utilisation due to non-availability of adequate power and coke oven gas. In the absence of sufficient power supply from DVC, full expanded plant could not be operated.
- (ii) Outdated technology resulting in lower yield and higher cost of production.
- (iii) Uneconomic selling prices due to stiff competition in the market for alloy steel.

(iv) Higher cost of production due to escalation in the cost of inputs. Prices of scrap, nickel, ferro nickel and other ferro alloys increased substantially during 1984-85 compared to 1983-84.

(v) High labour cost per unit of production due to large surplus labour force as compared to that envisaged in the Detailed Project Report.

(c) and (d). The following steps have been taken to solve the problems :

- (i) Efforts have been made to obtain additional power from DVC in order to implement the expanded capacity under Stage-I.
- (ii) The technology is being updated by providing Vacuum Arc Degassing, Vacuum Oxygen Decarburisation and continuous casting machine which will improve the product mix by producing high value items.
- (iii) The import duty on nickel oxide sinter has been reduced from 87% to 30% and that on ferro nickel from 85% to 30%.
- (iv) The expansion units of the Plant are being operated since 3rd November, 1985 by re-deploying the existing manpower. (The labour problem on the issue which led to stoppage of production in October, 1985 has since been sorted out through negotiations).

#### Income Tax Raids Carried Out at Delhi, Bombay, Calcutta and Madras during September & October, 1985

2920. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) the number of income tax raids carried out during the months of September, October and November in the metropolitan cities of Delhi, Bombay, Calcutta and Madras;

(b) the findings of the raids and the amount of unaccounted money seized from the parties concerned in each city;

(c) particulars of such among them as have been found with unaccounted money for over (i) Rupees 5 lakhs (ii) Rs. 10 lakhs (iii) Rs. 20 lakhs and (iv) above; and

(d) the follow up action taken in these cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The number of income-tax searches conducted and value of prima-facie, unaccounted assets seized during the months of September, October, and November 1985 in the four metropolitan cities are as under :—

Name of the city	(Rs. in lakhs)	
	Number of searches	Value of assets seized
Delhi	29	4.25
Bombay	500	445.33
Calcutta	315	345.74
Madras	100	36.60

(c) and (d). Number of cases as per value of assets seized during the months of September, October and November, 1985 is as under :—

Name of the city	Number of cases		
	Above Rs. 5 lakhs	Above Rs. 10 lakhs	Above Rs. 20 lakhs
Delhi	Nil	Nil	Nil
Bombay	4	3	2
Calcutta	4	1	3
Madras	Nil	Nil	1

Necessary action under various provisions of Direct Taxes Acts has been initiated in all these cases.

#### Amenities to Tourist in Darjeeling, Nalanda, Kaziranga and Konark

2921. SHRI ANANTA PRASAD SETHI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the steps taken to reverse the fall in tourist traffic in recent months;

(b) the trend of tourist traffic in Darjeeling, Nalanda, Kaziranga and Konark;

(c) whether the percentage of foreign tourists staying in these places is very low;

(d) if so, the reasons thereof; and

(e) the steps Government have proposed to take to improve the amenities at these four places during the Seventh Five Year Plan ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L.BHAGAT) : (a) In order to reverse the fall in tourist traffic, the Department of Tourism embarked on a vigorous reassurance campaign overseas aimed at projecting the fact that India is a vast country of continental dimensions, and that despite some disturbances at a few places the country as a whole is by and large free from disturbances and that foreign tourists are absolutely safe anywhere. Also the marketing plans of our overseas offices have been evolved on the basis of direct consumers advertising, press, inviting selected travel operators and media people to visit India and sending promotional delegations to key markets.

(b) and (c). The statistics on domestic tourists are not available with the Department. The arrival figures for foreign tourists visiting India from different States/ places in the country are calculated at the points of entry and not State-wise. As per the Foreign Tourist Survey 1982-83, 1.55% of the total foreign tourists visiting India spent at least one night in Darjeeling. Similar information in respect of Nalanda, Kaziranga and Konark is, however, not available.

(d) Kaziranga and Darjeeling are "Restricted Area" is covered in the Foreigners (Restricted Areas) Order 1963. The condition requiring foreign tourists to obtain prior permission to visit these places is a handicap for increased flow of tourists.

(e) The Department has received proposals from the Government of Orissa for provision of amenities at Konark such as construction of shopping complex and a day centre at an estimated cost of Rs. 11.50 lakhs and Rs. 16.85 lakhs respectively. An amount of Rs. 3.49 lakhs has already been sanctioned for the construction of a toilet block at Konark. Nalanda in Bihar is to be developed as one of Centres for National Heritage. No proposals have been received under the 7th Plan for Darjeeling or Kaziranga.

#### Foreign Countries Offer to Finance Major Projects

2922. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) whether some foreign countries have recently offered to finance some major projects in the country;

(b) if so, the names of those countries and the names of the projects for which they have offered their help; and

(c) the action taken by the Union Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). An agreement has been concluded with the Government of USSR, in May, 1985 under which USSR have extended a credit to Government of India for financing Soviet goods and services required for the construction of the Kahalgaon Thermal Power Plant, integrated exploration of hydrocarbons, construction of Open Cast Mines in Jharia Coalfields and Singrauli Coalfields, Sitnala Unerground Colliery, modernisation of Pathedib Washery, establishment of an Institute for designing of Coal Beneficiation Plants and introduction of new technology, modernisation and reconstruction in the field of Ferrous

Metallurgy and machine building. An agreement for loan assistance has been concluded with the Government of Japan in November, 1985 for the Gas Pipeline Project, Aonla Fertilizer Project, Sarovar Sarovar Hydro-Electric Project, Ujjani Hydro-Electric Project, and Telecommunications Project.

Offers from foreign countries are received from time to time for financing of projects in the country. The offers received from U.K., France, Italy, Netherlands, Austria, West Germany, Canada and U.S.A. cover major projects like Gas Turbines for HBJ Gas Pipeline, HBJ Gas Pipeline, Helicopters, Dul-Hasti Hydro-Electric Project, Farakka Super Thermal Project, dredging work at Nhava Sheva Port, Tehri Dam Project, Super Thermal Project, Rampura Arucha Mining Project, Rural Water Supply Project, Heavy Duty Cranes for Railway and Yerraguntla Cement Expansion Project. Decisions on these offers will be taken in consultation with the project authorities concerned and the administrative Ministries/ Departments, during clearance of the relevant projects.

#### Import of Steel

2923. SHRI AMARSINH RATHAWA : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether steel is being imported if so, the quantity of steel imported during 1983-84, 1984-85 and the amount spent thereon;

(b) the reasons for importing of steel while there was a huge stock of unsold steel lying in the country; and

(c) Government policy in regard to the import and export of steel for the year 1985-86 ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) and (b). Steel is imported to make up for shortfalls in domestic availability of the types and quantities required by consumers. Canalised import of steel by SAIL during 1983-84 and 1984-85 were 0.57 million tonnes valued at about Rs. 250 crores and 0.70 million tonnes valued about Rs. 346 crores. This was in addition to steel imported by

individual users. During these years, there was a decline in stocks with main producers. Data on total import of steel during 1983-84 and 1984-85 are, however, yet to be published.

(c) Import Policy for 1985-88, now in force, provides for import of steel to the extent the demand cannot be matched by supplies from domestic production. For certain items, the policy provides for imports by MMTC which has been made the canalising agency from 1985-86, certain items are importable direct under the Supplementary Licensing, whereas some other items can be imported under Open General Licence. The canalised imports and imports under Supplementary Licensing undergo prior scrutiny from the indigenous angle.

Export of steel produced by integrated steel plants, alloy steel plants, mini steel plants, secondary producers and re-rollers is canalised through SAIL. However, appreciable export is not taking place because of demand within the country and a highly competitive international export market.

**Taking over of Spinning Mill at Hastinapur in Meerut by N.T.C**

2924. SHRI ZAINUL BASHER : Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Uttar Pradesh have requested the Union Government for taking over of the Madan Industries Ltd.—a spinning mill at Hastinapur in Meerut district by the National Textile Corporation on the ground that closure of mill will effect the economy of Hastinapur and render workers/employees jobless; and

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

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

(b) The State Government has been informed that as per the the new Textile Policy take over/nationalisation of non-viable textile units does not provide a solution to

the sickness being faced by them and Government would not, as a rule, intervene in such cases.

**Changes proposed in Tea Marketing Plan**

2925. SHRI AMAL DATTA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government's tea marketing plan is mainly responsible for bringing down tea prices at pre-1976;

(b) if so, the changes Government propose to make now in the tea marketing plan with a view to reviving the situation and save the tea industry; and

(c) whether there is any long term marketing plan giving the tea industry a restriction free time ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) Does not arise.

(c) Since tea is the cheapest and most popular beverage and has been declared as an essential commodity, any Marketing Plan has to balance the need for maximising foreign exchange earnings with ensuring supply to the domestic consumer at reasonable prices. The means to achieve these objectives will depend on prevailing trends in International and national production, prices and demand at any point of time.

**Export of Steel**

2926. SHRI CHINTAMANI JENA : Will the Minister of STEEL AND MINES be pleased to state :

(a) the agency through which steel has been exported to the foreign countries during the last three years;

(b) whether any irregularity has been brought to the notice of Government in regard to the export of steel;

(c) if so, the details thereof and the action taken against the defaulters;

(d) whether any agreement has been made for the export of steel during the year 1985-86; and

(e) if so, the details thereof ?

**THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) :** (a) During the last three years export of most of the permissible Steel items was canalized through Steel Authority of India Limited.

(d) and (c). No irregularity in export has been reported to Government.

(d) No, Sir.

(e) Does not arise.

#### **Ban on Export of Certain Types of Tea**

2927. **SHRI AMAL DATTA :** Will the Minister of COMMERCE be pleased to state :

(a) whether due to ban on export of certain types of tea and introduction of quota for each country, the tea industry received tremendous set back in the export market; and

(b) if so, what Government propose to do in the marketing plan to revive the situation ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) No, Sir.

(b) Does not arise.

#### **Export/Import between India and China**

2928. **SHRI CHINTAMANI JENA :**  
**SHRI S. G. GHOLAP :**

Will the Minister of COMMERCE be pleased to state :

(a) the total value of the export from India to China and the total value of the imports from China during the last three years, year-wise;

(b) whether it is a fact that the export from India is declining and if so, the reasons therefor;

(c) whether a high-powered task force has been constituted to formulate an action plan to boost trade with China; and

(d) if so, the progress made so far in this regard ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) The total value of exports from India to China and total value of imports from China into India during the last 3 years is given below :

Year	(Rs. in lakhs)	
	Exports to China	Imports from China
1982-83	1216	10502
1983-84	572	7579
1984-85	212*	6655*

\*Provisional

(b) Yes Sir. The decline is due to the fact that some of the commodities earlier purchased by China are either not available or not being bought by China.

(c) The Ministry of Commerce has not set up any task force, but views on enlarging trade with China are exchanged in an informal group of some of the concerned organisations.

(d) A Trade Protocol has been signed on 23rd November, 1985 by the two countries for the year 1986.

#### **Concession To Boost the Export of Garment Knitwear and Woollen Cloths**

2929. **SHRI CHINTAMANI JENA :**  
Will the Minister of TEXTILES be pleased to state :

(a) the total value of the garments, knitwear, fabrics and woollen cloths exported during the years 1983-84, 1984-85 and likely to be exported during the year 1985-86;

(b) whether further concession has been announced by Government to boost the export of such items; and

(c) if so, the details therefor and how far it will help to increase the export ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The total value of exports of garments, knitwear, fabrics made-ups, yarn and wollen cloth was as given below :

	(Rs. in crore) (Provisional)
1983-84	1214
1984-85	1632

(Source : Export Promotion Councils)

The estimate of current year's exports is higher than that of last year.

(b) and (c). Following measures have been taken by Govt. to boost exports :

- (i) Soft loan scheme is available for modernisation of the textile industry.
- (ii) Sophisticated textile machines not manufactured indigenously are allowed to be imported on OGL.
- (iii) Wide width shuttleless looms and rotor spinning machines are allowed to be imported at concessional import duty linked with export obligation.
- (iv) 114 garment and hosiery making machines have been placed on OGL. 97 of these machines are allowed to be imported on payment of concessional duty.
- (v) With effect from 1st January, 1984 rates of Cash Compensatory Support (CCS) have been revised upwards for many categories of textile items. Sewing/embroidery threads were also made eligible for CCS w. e. f. 4th July, 1984. This policy has been made applicable for 1985 also,

(vi) A scheme of 100% Export Oriented Units is in operation which includes several textile items, 100% Export oriented Units and Units in Free Trade Zones are eligible for several facilities such as duty free import of capital goods, raw materials, components etc.

(vii) Government has been sponsoring and funding promotional activities such as market studies, buyer-seller meets, participation in international fairs/exhibitions in order to increase and diversify our exports in terms of products and areas.

(viii) The import-export policy has been further liberalised with a view to promoting export of textiles from India.

(ix) New Textile Policy has been announced with a view to give a further boost to our export effort.

#### Opening of Branches of SBI in Orissa in 1985-86

2930. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether steps have been taken for the expansion of the branches of the State Bank of India;

(b) if so, the number of new branches of State Bank of India proposed to be opened in the current financial year; and

(c) the names of places in Orissa identified therefor and the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The branch licensing policy for the period 1985-90 has recently been finalised by Reserve Bank of India in consultation with Government. Reserve Bank of India has advised the State Governments and the lead banks to identify undanked pockets in various blocks in accordance with the above policy. The question of allowing State

Bank of India to open more branches in Orissa as also in the rest of the country would be considered by Reserve Bank of India in the light of the new branch licensing policy and on the basis of the list of centres received from the State Government.

**Acceptance of Customs Duty by  
Draft issued by Scheduled Bank**

2931. SHRI MANVENDRA SINGH ; Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Bombay Custom Authorities are accepting customs duty by drafts issued by any scheduled bank;

(b) whether it is also a fact that the Delhi Custom Authorities of CWC Delhi are not collecting customs duty themselves and have appointed State Bank of India for the purpose;

(c) if so, the reason why uniform practice is not followed all over India for the above mentioned purpose; and

(d) the reaction of Government there-to ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Bombay Custom House Treasury accepts drafts, pay-orders and cheques issued by any nationalised/scheduled Bank drawn on the Reserve Bank of India for payment of Customs duty.

(b) Yes, Sir.

(c) and (d). Under the departmentalisation of accounts scheme, the deposit of duty by the assessee is required to be made to the Reserve Bank of India, State Bank of India and its subsidiaries and to other nominated nationalised bank. However, the Departmental Treasuries in the Custom Houses at Bombay, Calcutta, Madras and Cochin were retained in order to avoid hardship to the Trade. There is also a Departmental Treasury at Delhi Customs House for payment of duty which has been retained as an additional facility. These were in existence even before the departmentalisation of accounts in 1977. The practice of

depositing the Customs duty in the specified Banks is followed uniformly all over India except in the cities mentioned above where the Treasuries have been retained as a measure of facilitation to the trade.

**Strain on Finances of State Governments**

2932. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether a recent study by the Reserve Bank of India has expressed deep concern over the continuing strain on the finances of State Governments;

(b) if so, the causes attributed to this accentuation of the strain and the likely cumulative deficit at the end of March, 1986;

(c) the reasons for the deceleration of growth rate in disbursements of these States as compared to the previous year;

(d) the reasons for rise in the non-development expenditure and deceleration in the growth rate in development expenditure; and

(e) the various measures suggested by the Union Government to the States apart from the transfer of funds from Centre to improve the States' finances ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Reserve Bank of India has, in its annual study of States' finances during 1985-86 published in its Bulletin of July, 1985 based on the available final Budgets of seventeen States which had presented full Budgets for 1985-86, referred to the strain on the States' finances.

(b) The study anticipates accentuation of the strain because of the likely estimated cumulative deficit of Rs. 1792 crores at the end of 1985-86.

(c) The study shows that the growth rate in development expenditure has decelerated from 15.8% in 1984-85 to 4.4% in 1985-86 and that of non-development expenditure to 19.2% in 1985-86 from 24.0% in the previous year.

(d) The reasons for the increase and decrease in growth rate in non-development and development expenditure respectively is due to the shifting of maintenance expenditure of Sixth Plan schemes, which was originally part of plan/ development expenditure, to the non-Plan account from 1985-86 onwards.

(e) Centre has provided a medium term loan of Rs. 1628 crores in the current year to the States to relieve the strain on the States' resources caused by the deficit generated by them in earlier years. The Centre has also advised the States to improve tax collections and control non-Plan expenditure so that they fund their approved Plan outlays in the current year without resort to overdrafts with the Reserve Bank of India.

**Extension of take over of Swadeshi  
Group of Mills**

2933. DR. B. L. SHAILOSH : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have extended the take-over of the management of the Swadeshi Group of Mills for another six months;

(b) if so, the reasons therefor when the Swadeshi Group of Mills continues to make losses of several crores of rupees even after take over of its management;

(c) the total outstanding losses of this Group at present;

(d) the holding of the Swadeshi Cotton Mills of the Swadeshi Group in the Swadeshi Polytex Ltd.; and

(e) why can't this holding be frozen or taken over as one of the steps to cut down the continued losses being sustained by this Group under NTC's management ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The period of take-over of the group of six undertakings belonging to the Swadeshi Cotton Mills Co. Ltd., Kanpur, has been extended from 1-11-1985 upto and inclusive of 19th April, 1986 in the public interest.

(c) These six undertakings incurred net losses of about Rs. 51.59 crores from 1976-77 upto September, 1985.

(d) and (e). The Swadeshi Cotton Mills Co. Ltd., has a holding of 10 lakh equity shares of nominal value of Rs. 10 each in Swadeshi Polytex Ltd., It has not been possible to take over this holding in view of legal difficulties.

**Economically Non-Viable Textile  
Mills Under NTC**

2934. DR. B. L. SHAILOSH : Will the Minister of TEXTILES be pleased to state :

(a) which are the economically non-viable textile mills in the public sector and the amount of loss sustained by each one of these as at present; and

(b) how Government propose to deal with heavily losing mills under the N.T.C. ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Eight mills have been identified as the weakest mills. A statement showing the accumulated losses from 1974-75 to September, 1985, in respect of these 8 mills, is attached.

(b) It was felt that the potential viability of these 8 mills needed to be discussed further with representatives of the workers at the mill level and at NTC (Holding Company) level before a final decision regarding viability of these mills could be taken. Government have yet to receive the recommendations from the NTC. (Holding Company).



**Statement**

*Statement showing the accumulated profit/loss position in respect of 8 weakest mills under NTC (1974-75 to September, 1985)*

		(Rs. in lakhs)
S.No.	Name of the Mill	Profit/Loss
1.	Indore Malwa United Mills, Indore	(—) 2970.43
2.	Kalyanmal Mills, Indore	(—) 1712.57
3.	Swadeshi Cotton and Flour Mills, Indore	(—) 1846.49
4.	Hira Mills, Ujjain	(—) 1672.39
5.	Lord Krishna Textile Mills, Saharanpur	(—) 1953.46
6.	Mysore Spinning and Weaving Mills, Bangalore	(—) 2033.41
7.	Azam Jahi Mills, Warangal	(—) 1721.03
8.	Central Cotton Mills, Howrah	(—) 2989.87
<b>Total</b>		(—) 16899.65

**Refusal to Sanction Loans by Nationalised Banks for Gramodaya Schemes**

2935. SHRI C. SAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the nationalised banks are refusing to sanction loans for the Gramodaya Schemes;

(b) whether there is any proposal to remedy the situation to benefit the candidates who are selected and trained under the Gramodaya Scheme in Prakasam District of Andhra Pradesh; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Hon'ble Member is presumably referring to the Scheme for providing Self-employment to the Educated Unemployed Youth introduced in the year 1983-84 which is reported to be known as 'GRAMODAYA' Scheme in Andhra Pradesh. It is not true that the branches of public sector banks are refusing to sanction loans under the Self-

Employment Scheme. As per the data available with Reserve Bank of India, the banks sanctioned 13,084 cases in Andhra Pradesh involving an amount of Rs. 27.34 crores under the Self-Employment Scheme for the year 1984-85. However, in a scheme which is being implemented on a large scale, throughout the country, there may always be some complaints regarding delay/non-sanctioning of loans by banks. Specific complaints whenever received are got looked into with a view to taking suitable remedial action.

**Opening of Bank Branches in Andhra Pradesh during Seventh Plan**

2936. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state the number of bank branches proposed to be opened by Government in Andhra Pradesh during the Seventh Five Year Plan period, with details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The branch licensing policy for 1985-90 has recently been finalised by Reserve Bank of India (RBI).

The main objective of the policy is to achieve a coverage of 17,000 population per bank office in rural and semi-urban areas of each block and to eliminate large spatial gaps in the availability of banking facilities. No quantitative target regarding number of bank branches to be opened during the Seventh Plan Period has been fixed. Reserve Bank of India has advised the State Government and also the Lead Banks to identify the centres for opening bank offices to cover the under-banked pockets. The question of allowing more bank offices in Andhra Pradesh would be considered by RBI in the light of the branch licensing policy on the basis of the list of centres that may be identified and forwarded by the Government of Andhra Pradesh.

#### **Group Insurance Scheme to Cover Craftsmen**

2937. SHRI JAGANNATH PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under the consideration of Government to introduce Group Insurance Scheme to cover craftsmen; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government has introduced with effect from August 15, 1985, a Scheme of Personal Accident Insurance Social Security for poor families having a total annual family income of less than Rs. 5,000 to provide a survivor benefit cushion for the rehabilitation of a poor family affected by accidental death of its earning member who is not covered for compensation under any insurance scheme or any law/statute. The accidental death cover is Rs. 3,000. This Scheme also includes families of traditional craftsmen.

The Tamill Nadu Government has also introduced through Life Insurance Corporation a scheme known as Insurance Cum Retirement Benefit Special Scheme for the workers in the unorganised sector. This Scheme includes village artisans and craftsmen. A similar scheme introduced by the Government of Gujarat also includes craftsmen like handloom weavers.

#### **Absorption of Guarantee Fee Payable to DICGC by Banks**

2938. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the names of nationalised banks which are absorbing guarantee fee payable to the Deposit Insurance Credit Guarantee Corporation (DICGC) in respect of advances sanctioned to weaker sections;

(b) whether there is any anomaly amongst the nationalised banks in this regard; and

(c) if so, the reaction of Government thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). According to the guidelines issued by Reserve Bank of India to all scheduled commercial banks with respect to advances to priority sectors, all scheduled commercial banks are required to absorb guarantee fee payable to the Deposit Insurance Credit Guarantee Corporation (DICGC) in respect of advances sanctioned to weaker sections. In other cases, the guarantee fee may be passed on to borrowers. It should, however, be ensured that the interest rates charged by the bank together with guarantee fee should not exceed the ceiling of the interest prescribed by Reserve Bank of India. Thus, in view of the above guidelines, there is uniformity among all scheduled commercial banks in the matter of absorption of guarantee commission.

#### **Charging of DICGC Commission by Banks**

2939. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the percentage of Deposit Insurance Credit Guarantee Corporation (DICGC) commission that is charged by banks in the country from small scale units over and above the rate of interest;

(b) whether it is a fact that small scale units are being charged 3/4% per annum Deposit Insurance Credit Guarantee Corporation Commission in addition to the concessional rate of interest charged by nationalised banks from small scale units;

(c) whether it is also a fact that by doing so, the nationalised banks are charging the same rate of interest from small scale units where advances are more than Rs. 25 lakhs; and

(d) if so, how Government justify their policy of offering concessions to small scale units ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The guarantee fee is borne by the banks in respect of advances where individual credit limits do not exceed Rs. 25,000. In respect of others, the banks may pass on the guarantee commission to the borrowers concerned.

#### Funds of Commercial Banks for Loan to Private Housing

2940. SHRI SHARAD DIGHE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the funds earmarked by commercial banks for loans to private housing are not fully utilized;

(b) if so, the causes for their under-utilization; and

(c) the remedial steps proposed to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). During the year 1983 Reserve Bank of India had allocated Rs. 150 crores being provided by banking system as housing finance to various categories of borrowers. Of this, an amount of Rs. 65 crores was earmarked for being provided directly to individuals/groups of individuals and balance of Rs. 85 crores as indirect finance to institution like HUDCO, State Housing Board and HDFC. It is true that banks could not fully utilise the funds allocated for private housing. However, under-utilized amount has been made available to HUDCO and State Level Agencies for construction of houses for Scheduled Castes/Scheduled Tribes/Economically weaker Sections and Low Income Groups.

#### Second-Hand Wollen Garments

2941. SHRI K. P. UNNIKRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether second-hand wollen garments and apparel and rugs are allowed to be imported labelled as 'Rags';

(b) the volume and total cost of such imports in 1982-83, 1983-84 and 1984-85;

(c) whether attention of Government has been drawn to the reports that these are sold in bazars in Delhi and other North Indian towns in violation of the condition of licences;

(d) whether it thus poses a public health hazard in view of the outbreak of diseases like 'AIDS' in the western countries; and

(e) the steps proposed to be taken to prevent such mishaps in India ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Wollen rags are allowed import by Actual Users in pre-mutilated condition as per the current Import Policy AM 1985-88.

(b) Quantity	1982-83	1283-84	1984-85
Kg. (in lakhs)	178.84	267.65	335.20
Value Rs. (in lakhs)	1163.28	1598.56	2198.56

(Source IWME, Bombay)

(c) to (e). Malpractices in import of wollen rags have come to the notice of the Government. To prevent the abuse, the policy for import of rags has been amended, so as to allow import of woollen rags only in pre-mutilated condition. The question of import of second-hand woollen garments and apparels for use by public may not, therefore, arise.

#### Demand of Rubber

2942. DR. K. G. ADIYODI : Will the Minister of COMMERCE be pleased to state :

(a) the present demand of natural rubber in the country per year and for the last three years;

(b) whether it is commensurate with the per centage increase in production; and

(c) if not, the steps taken to increase production of nature rubber ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) to (c). The consumption and production of natural rubber during the last three years and estimated for the current year are as under :

Year	Production (Tonnes)	%age increase over previous years	Consumption (Tonnes)	%age Increase over previous year
1982-83	165,850	8.5	195,545	3.8
1983-84	175,280	5.7	209,480	7.1
1984-85	186,450	6.4	217,510	3.8
1985-86	201,000*	7.8	230,000*	5.7

\*Estimated.

The annual percentage increase in production of natural rubber is more than the percentage increase in consumption. The Rubber Board provides subsidies, extension advisory support rain-guarding materials high yielding planting material etc. for growers and is also undertaking research on various aspects of rubber cultivation with a view to increasing rubber production in the country.

#### News Item "Barley Shortage Hits Malt Based Industries"

2943. SHRI BANWARI LAL PUROHIT: Will the Minister of COMMERCE be pleased to state :

(a) whether attention of Government has been drawn to news-item captioned "Barley shortage hist malt-based industries" appearing in the 'Indian Express' at 22 October, 1985;

(b) if so, the reasons behind the shortage of barley in the market;

(c) whether Government are aware that a large number of barley malt-based and pharmaceutical industries are suffering due to shortage and poor quality of barley; and

(d) if so, the steps contemplated by Government to meet the shortage of barley in the market ?

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

(b) Decline in production of barley in recent years is due to shrinkage of area under barley cultivation and low yield rates.

(c) and (d). Malt based industry is reported to have been hit by the shortage of barley. The review of import-export policy is a continuous process and appropriate steps and corrective measures are taken, keeping in view the demand and supply position.

#### Coffee Plantation in Hilly Areas of Andhra Pradesh

2944. SHRI V. SOBHANADREE-SWARA RAO: Will the Minister of COMMERCE be pleased to state :

(a) whether the hilly areas in Visakhapatnam and East Godavary Districts in Andhra Pradesh are quite suitable for coffee plantations;

(b) if so, the steps taken by the Coffee Board to encourage coffee plantation there; and

(c) when Government propose to set up Coffee Research Station in Araku Valley in Vizag. District of Andhra Pradesh which has immense potentiality for coffee growth ?

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

(b) Coffee Board, besides research and extension support, training facilities, high yielding seed material and expansion subsidy, have opened a number of offices during 1970-1980 to encourage coffee plantations there.

(c) The regional research station at Chintapalli is adequate to provide the requisite research know-how for the whole of Andhra Pradesh as well as Orissa.

#### Distress Sale of Jute by Bihar Farmers

2945. SHRI KAMLA PRASAD SINGH :  
SHRI VIJOY KUMAR YADAV :

Will the Minister of TEXTILES be pleased to state :

(a) whether attention of the Government has been drawn to the news item "distress sale of jute by Bihar farmers" appearing in the 'Hindustan Times' of 3 September, 1985;

(b) if so, whether the farmers have burnt their stocks of jute on not getting even the cost of production;

(c) whether Government of West Bengal have approached the Union Government to raise the support price of jute from Rs. 200 to 600 a quintal;

(d) if so, the steps being taken to raise the support price of jute;

(e) the support prices of other agricultural commodities remunerative; and

(f) whether a statement will be laid on the Table of the House showing the names of the products of the farmers and their support prices fixed and whether the farmers are getting those minimum prices ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Government has not received any report of farmers burning their stocks of jute. In view of the bumper crop this year, the Jute Corporation of India has launched a massive procurement drive and have mopped up over 19 lakh bales of jute so far. They are advising the farmers through mass media to bring their produce to JCI/Co-operative purchase Centres for sale at statutory minimum price.

(c) No such proposal has been received from the Government of West Bengal.

(d) Does not arise.

(e) and (f). A statement is attached.

#### Statement

The procurement/minimum support prices for other commodities are as under :

(Procurement/Minimum Support Prices (According to Crop Year)

(Rs. per quintal)

Commodity	Variety	Crop Year	Price
1	2	3	4
Wheat	FAQ	1984-85	157
Barley	FAQ	1984-85	130
Gram	FAQ	1984-85	245
Rapeseed and Mustard	FAQ	1984-85	385
Flue-Cured	Farm Grade	1984-85	11.50*

1	2	3	4
Virginia tobacco (Rs/Kg)	F—2	1984-85	9.25***
Paddy	Common	1985-86	142
Coarse Cereals (Jowar, Bajra, Maize and Ragi)	FAQ	1985-86	130
Arahr	FAQ	1985-86	300
Moong	FAQ	1985-86	300
Urad	FAQ	1985-86	300
Sugarcane	**	1985-86	16.50
Cotton	320F/414F/J-34	1985-86	425 (F—414) (H—777) 535 (H—4)
Groundnut	FAQ	1985-86	350
Sunflower	FAQ	1985-86	335
Soyabean (Black)	FAQ	1985-86	250
Soyabean (Yellow)	FAQ	1985-86	275

\* Light Foil.

\*\* These prices are linked to a basic recovery of 8.5% with a proportionate premium for every 0.1% increase above the level.

\*\*\* Black Foil.

The Govt. not only fixed procurement price/minimum support price for various agricultural commodities but also ensures that market prices do not fall below these levels through the market support operation by public/cooperative agencies.

#### Incentives to States Producing Rubber

2946. SHRI SOMNATH RATH : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have ever considered the proposal of giving incentives to the State producing rubber;

(b) if so, when and the amount allotted for that purpose;

(c) the annual production and consumption of rubber in the country;

(d) the quantum of rubber imported during the last two years; and

(e) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Various incentives for Rubber Plantation Development are being given to rubber growers in rubber growing States through the Rubber Board. No state-wise allocations are made. An amount of Rs. 53.43 crores has been tentatively earmarked for rubber

plantation development during the VIIIth Plan period.

(c) The production and consumption of natural rubber during 1984-85 is placed at 1,86,450 tonnes and 2,17,510 tonnes respectively.

(d) and (e). The quantity and value of natural rubber imported during the last two years has been as under :

Year	Quantity (Tonnes)	Value (Rs. Lakhs)
1983-84	32,175	3566
1984-85	32,408	3529

#### Monitoring of the Banking Activities in Eastern Region

2947. SHRI MURLIDHAR MANE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have been closely monitoring the banking activities in the Eastern Region;

(b) if so, whether steps have been taken to improve the performance of the nationalised banks in the region; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The banking activities in the country including those in the Eastern Region are continuously/monitored through various forums such as the Regional Consultative Committee, the State Level Bankers Committee, the State Level Coordination Committee and the District Consultative Committee. In addition, the Boards of the public sector banks also continuously monitor the activities and performance of the banks in all sectors of activity.

The Minister of State for Finance recently presided over the meeting of the Regional Consultative Committee meeting of

the eastern region held at Calcutta on November 4, 1985 where the banks were advised to draw up action programmes for accelerating banking development in the region, maintain the tempo of branch expansion and step up the credit deposit ratio in the region. Subsequently he also met a cross-section of bank customers at Calcutta on November 16, 1985 when their complaints were heard and appropriate remedial action was indicated.

#### Leakage of Government Decision Regarding Hike in the Import Duty on TPA

2948. SHRI BALASAHEB VIKHE PATIL : SHRI KAMLA PRASAD SINGH : SHRI JAGANNATH PATTNAIK :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a textile manufacturing unit of Bombay, through an engineered leak got over the Government's decision to hike import duty on TPA the main raw material for producing polyester yarn:

(b) whether Government have ordered an enquiry into the whole matter; and

(c) when the enquiry report is likely to be submitted ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). There is no clear evidence of any leakage of the Government's decision hiking import duty on TPA. However, it has come to the notice of the Government that a textile company at Bombay had placed orders for import of TPA in huge quantities immediately before the change in the Import Policy, whereby, on 29-5-1985, TPA was transferred from OGL into "limited permissible" category for purposes of import licensing.

(c) The matter is presently under investigation but no definite date can be indicated for the completion of the investigation.

**Shares of Indian Companies in US  
Share Markets**

2949. SHRI SUBHASH YADAV :  
SHRI DHARAM PAL SINGH  
MALIK :  
SHRI M. RAGHUMA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item appearing in the 'Financial Express' of the 31st October, 1985 wherein it has been stated that steps are being taken by stock booking firms and investment companies in US to get the shares of Indian Companies listed on Wall Street and other share markets in North America;

(b) if so, the details thereof; and

(c) the reaction of Government in regard thereof ?

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

(b) and (c). There is no proposal at present for permitting the enlistment of the shares of Indian companies on the Stock Exchanges in the USA or other foreign countries.

**Adverse Effects of New Textile Policy  
on Handloom**

2950. SHRI S. JAIPAL REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether the new textile policy has produced adverse effects on handloom sector and cotton producers; and

(b) if so, the steps proposed to be taken to protect the interest of weavers and farmers ?

THE MINISTER OF STATE OF THE  
MINISTRY OF TEXTILES (SHRI  
KHURSHID ALAM KHAN) : (a) No,  
Sir.

(b) Does not arise.

**Lime Stone Deposits in Cuddapah  
District**

2951. SHRI D. N. REDDY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government are aware of huge deposits of lime-stone in Cuddapah district;

(b) whether Government propose to encourage lime-stone based industries in the district; and

(c) if so, whether any application for licence are pending with Union Government ?

THE MINISTER OF STATE IN THE  
DEPARTMENT OF MINES (SHRIMATI  
RAM DULARI SINHA) : (a) Yes, Sir.

(b) and (c). The limestone in Cuddapah district of Andhra Pradesh is mostly of cement grade and is already under exploitation. One cement plant owned by Cement Corporation of India having production capacity of 4 lakh tonnes per year at Yerraguntla is in operation and letter of intent for substantial expansion to 11.20 lakh tonnes has been received. M/s Texmaco Co. Ltd. and Coromandel Fertilizers are operating cement plants having annual capacity of 5 lakh tonnes and 10 lakh tonnes at Yerraguntla and Kalamalla respectively. No new application for industrial licence is at present pending with the Department or Industrial Development.

**Expansion and Modernisation of  
Engineering Industry**

2952. SHRI SOMNATA RATH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have a proposal to expand and modernise the engineering industry in the country;

(b) if so, the extent of World Bank Loan expected to be received for the purpose;

(c) whether the proposal includes the installation of new industrial estates in the country in addition to the expansion of the existing ones:



(d) if so, whether Government propose to establish new industrial estates in the States where such engineering industries are less in number;

(e) if so, the details of places identified for this purpose; and

(f) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The World Bank have approved a loan of \$ 250 million for the Industrial Export (Engineering Products) project. The objective of the project is to assist the Government of India in carrying out its programme to increase competitiveness and exports of manufactured products, particularly in the engineering sub-sector. World Bank financing would cover the foreign exchange portions of eligible term loans made by ICICI and participating commercial Bank to engineering enterprises and ancillaries.

(c) No Sir.

(d) to (f). Do not arise.

[*Translation*]

**Delay in Completion of Machkot Dolomite Project, Tagdalpur**

2953. SHRI KALI PRASAD PANDEY : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether an amount of rupees 20 crores approximately has been blocked in Machkot Dolomite Project, Jagdalpur, steel factory under construction at Visakhapatnam due to carelessness and shortsightedness of the National Mineral Development Corporation;

(b) if so, the reasons for delay in issuing no objection certificate and mining licence for the supply of raw material to this steel factory under construction;

(c) the time by which this factory is likely to be commissioned;

(d) the total expenditure likely to be incurred on this factory and the actual expenditure incurred thereon so far; and

(e) whether Government have taken or proposed to take any steps to complete the Machkot Dolomite Project as early as possible ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) No, Sir.

(b) The Government of Madhya Pradesh has rejected the mining lease application of NMDC for the Machkot Dolomite Project on the ground that the dolomite deposits are located in a reserved forest area containing high quality Sal forests.

(c) According to the existing schedule, stage-I of the Visakhapatnam Steel Plant is to be commissioned in 1987-88 and stage-II by 1991-92.

(d) The approved cost of Visakhapatnam Steel Project is Rs. 3897.28 crores (IV quarter 1981 prices). The present estimated cost is Rs. 7467 crores. The cumulative expenditure in VSP till October, 1985 is 1903.42 crores.

(e) NMDC have identified alternative deposits of Kotmi Sonar in Madhya Pradesh for dolomite supply to Visakhapatnam Steel Project.

**Smuggling from Pakistan Border**

2954. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the smuggling being done on Indo-Pakistan border;

(b) if so, the extent of smuggling;

(c) whether some officials are also involved in smuggling there; and

(d) if so, the action being taken against them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government and the seizures made indicate that India-Pakistan border continues to be vulnerable to smuggling activities.

(b) Smuggling being a clandestine activity, no reasonable estimate of the extent of smuggling across the Indo-Pak border is feasible. However, the value of the goods seized under the Customs Act in the Indo-Pakistan region during the years 1983, 1984 and 1985 is given below :

Year	Value (Rs. in lakhs)
1983	384
1984	560
1985	2253
(Upto October)	(Provisional)

(c) and (d). No general involvement of officials in smuggling activities has been noticed. However, as and when any specific case comes to the notice, the matter is enquired into and appropriate action taken as warranted.

[English]

#### Investment by Non-Resident Indians

2955. SHRI S. M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some non-resident Indians visited India in August-September, 1985 and met the Prime Minister and Finance Minister and gave certain proposals for investing in India in a big way;

(b) if so, the details of the proposal given by the non-resident Indians;

(c) Government's reaction thereto; and

(d) whether Government have identified fields in which the non-resident Indians may be permitted to invest ?

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

(b) The memorandum/proposal submitted by the delegation of non-resident Indians contains the following main suggestions :

(i) Removal of 5% ceiling on portfolio investment;

(ii) Reduction/removal of one-year-lock-in period for resale of shares bought under the portfolio investment scheme;

(iii) Extension of tax concessions available to individual NRIs to overseas corporate bodies, predominantly owned by NRIs; and

(iv) Issue of debentures/deposits by public limited companies and securities by Central Government in designated foreign currency for subscription of NRI investors so as to protect them against foreign exchange risk.

(c) The above suggestions were examined in the Ministry and it has not been found feasible to agree to any of them for the present.

(d) Government have already identified and announced the fields in which NRIs are permitted to invest. These are briefly as follow :

On non-repatriation basis upto 100% in any activity except those dealing in real estate business and agriculture/planatation activities.

On repatriable basis upto 40% in new issues of any new or existing companies (other than FERA Co.) engaged in the industrial/manufacturing activities.

Upto 74% in priority industries (industries listed) Appendix I of Industrial Licencing Policy, export oriented industries Hotel of 3-5 star categories and hospitals having large investment requirement and requiring sophisticated equipment.

[Translation]

#### Smuggling of Indian Currency from Rajasthan Border

2956. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item appearing captioned "Rajasthan ki seema se Bhartiya

currency ki taskari" (smuggling of Indian currency from the Rajasthan Border) in the "Novbharat Times" of 11 September, 1985;

(b) if so, the concrete action taken by Government in this regard; and

(c) if no action has been taken, the reasons therefor ?

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

(b) Reports received by the Government indicate that Indian currency is one of the items sensitive to smuggling across the Indo-Pak border in Rajasthan.

The drive against smuggling in the region has been intensified. The preventive and intelligence machinery of the Customs department in the region remain vigilant against smuggling activities in general, including smuggling of Indian currency. The trends in smuggling and seizures made in the region are kept under constant review for taking appropriate remedial measures in close co-ordination with the concerned Central and State Government authorities.

(c) Does not arise.

[English]

#### Projects Financed by United Kingdom

2957. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to a news report that the United Kingdom is giving an aid of Rs. 50 lakhs a day for various projects; and

(b) if so, the details of projects being financed in the country by this 50 lakh a day aid from the United Kingdom ?

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

For the current year 1985-86, UK assistance to India, in terms of disbursements, will be of the order of £ 115 million

equivalent to about Rs. 195 crores or about Rs. 53 lakhs per day.

U. K. assistance, available on grant terms, is to be used for mutually agreed projects, and includes a portion for meeting local costs. Current years' assistance is expected to be used *inter alia* for imports for power projects including captive power plants, coal mining projects, railways and oil companies, as well as for local costs of poverty alleviation projects such as forestry programmes and health and family welfare programmes.

#### Anomalies between the Rules Framed under the Employees Provident Fund Act and the Income Tax Act

2958. SHRI SHARAD DIGHE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received a number of representations from the trustees of Provident Fund Schemes of establishments exempted from income tax pointing out hardships to employees desirous of getting loans for housing, arising out of anomalies in the rules framed under the Employees Provident Fund Act and those framed under the Income Tax Act;

(b) whether Government propose to revise the Income-tax rules to bring these in line with the Employees Provident Fund Rules; and

(c) if not, the reasons thereof ?

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

(b) and (c). Under the provisions of the Income-tax Rules, 1962, the conditions for withdrawals from provident funds for house building purposes in the case of employees drawing a monthly pay of Rs. 1600 or less are more liberal than those applicable in the case of employees drawing a monthly pay exceeding Rs. 1600. The object underlying the said provisions is to ensure that the tax exemptions available regard to contributions to provident funds are not taken undue advantage of by the salaried employees. However, pursuant to the amendments made

in the Employees' Provident Fund Scheme, 1952 by the Government Notifications dated 27th June, 1985 and 14th August, 1985, the Government have decided to amend rules 68, 69 and 70 of the Income-tax Rules, 1962 so as to raise the monthly pay limit of Rs. 1600 laid down in the said rules to Rs. 2500 with a view to increasing the quantum of withdrawal. It has also been decided to amend rule 62 (2A) of the Income-tax Rules, 1962, so as to raise the limit of the employees's basis wages and dearness allowance for 24 months laid down in the said rules to the employee's basic wages and dearness allowance for 36 months.

#### **Export of Cotton Fabric to Soviet Union**

2959. SHRI SHARAD DIGHE : Will the Minister of TEXTILES be pleased to state :

(a) how many million metres of cotton fabrics are to be exported to the Soviet Union in 1985;

(b) whether the textile exports to the Soviet Union have virtually come to a halt following large-scale rejections by that country's inspection agency; and

(c) if so, the steps Government propose to take to retain the projected growth of textile exports to that country ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) 207 million metres of cotton fabrics have been contracted by USSR during 1985.

(b) No, Sir. The exports of cotton fabrics to USSR from January, 1985 to 15th November, 1985 were 143 million metres.

(c) The Government have impressed on the exporters and the Cotton Textiles Export Promotion Council the need to ship the contracted quantities during the year 1985.

#### **Excessive Supply of Synthetic Fibre and its effect on Cotton Growers**

2960. DR. A. K. PATEL : Will the Minister of TEXTILES be pleased to state :

(a) whether cotton growers are scared of the new Textile Policy of Government;

(b) whether they fear an excessive supply of synthetic fibre a substitute to cotton; and

(c) if so, the steps proposed to take to remove their fear, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The new textile policy envisages "the pre-eminent role of cotton as the main raw material of the textile industry would be maintained."

(c) Does not arise.

#### **Mining Potentials in Orissa**

2961. SHRI SURESH KURUP : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government are aware of the mining potentials in Orissa;

(b) whether the Directorate of Mining of Orissa have demanded facilities for instrumental analysis and modern techniques in order to accelerate exploration efforts; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAM DULARI SINHA) : (a) Yes, Sir.

(b) No such specific proposal has been received from the Directorate of Mining of Orissa.

(c) Does not arise.

#### **Rise in Wholesale Price Index during October & November, 1985**

2962. SHRI B. V. DESAI :  
SHRI P. M. SAYEED :

Will the Minister of FINANCE be pleased to state :

(a) whether for the wholesale price index was 359.5 for the previous week;

(b) whether the price index for the 4th successive week rose to 360.2 in the week ending 26th October, 1985;

(c) whether the price index in the 1st and 2nd week of November has shown upward trend;

(d) the main reason for unexpected rise of price index during these months; and

(e) the steps being taken to check this trend ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The wholesale price index (base 1970-71=100) declined from 358.3 on 5th October, 1985 to 356.7 on 16th November, 1985 (the latest available). Data on weekly movement of wholesale price index during October and November 1985 are given below :

Week ending	Wholesale Price	Index percentage change
5.10.85	358.3 (p)	0.4
12.10.85	358.9 (p)	0.2
19.10.85	359.5 (p)	0.2
26.10.85	360.2 (p)	0.2
2.11.85	358.7 (p)	-0.4
9.11.85	357.7 (p)	-0.3
16.11.85	356.7 (p)	-0.3

(Latest available)

(P) Provisinal

Govt. has been closely watching the price situation and has taken a number of steps for effective supply and demand management including strengthening of the public distribution system : enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control.

**STC Scheme for Supply of Imported Drugs**

2963. SHRI B. V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation has evolved a scheme for supply of

imported bulk drugs at internationally competitive prices and on duty-free basis, in order to improve the competitive position of its associates engaged in export production;

(b) if so, the salient features of the scheme; and

(c) to what extent it has helped ?

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

(b) The scheme envisages supply of major canalised bulk drugs to STC's existing associates/Consortium members who have received orders against global tenders quoted through STC only, initially and later on it is proposed to cover Associates who have procured direct export orders also.

In addition to above it is also proposed to undertake high seas sales of items not canalised through STC, but permissible for imports under ITC policy. STC will obtain 10% Bank Gurantee alongwith the indent from the Associate/Consortium Member, or alternatively a Demand Draft which will be adjuted against final payment after the delivery of the material on high seas basis.

(c) The scheme has been introduced in November 1985 only and it is too early to make any assesement of the effectiveness of the scheme.

**Re-Examination of Unviable NTC Mills**

2965. SHRI B. V. DESAI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Union Government have decided to re-examine unviable National Textile Corporation mills closure;

(b) whether the Department of Textile has set up Regional Committees to have a look at the economics of 8 heavily loosing mills under the National Textile Corporation;

(c) whether an earlier official committee constituted by the Department of Textiles which went into the operation of these mills, had recommended the closure of all of those as they could not be made economically viable; and

(d) the main reasons for re-examination of these mills ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). The Study team, which was constituted by the Government to undertake an indepth study of the working of 8 weakest NTC mills, reported lack of viability by merely increasing the investment in these mills. It was felt that this matter need to be discussed further with representatives of the workers at the mill level and at NTC (Holding Company) level before a final decision regarding viabilities of these mills could be taken. Government have yet to receive the recommendations, resulting from the discussions with representatives of workers.

#### Demand for Synthetic Fibre Under New Textile Policy

2966. SHRI ANAND PATHAK : Will the Minister of TEXTILES be pleased to state :

(a) whether Government expect substantial growth in the demand for synthetic fibres under the new Textile Policy;

(b) if so, whether the expected growth in demand will be utilised only in the internal market or outside market also; and

(c) how much of the said growth in the demand will be earmarked for external market so that handloom and other sectors are not affected adversely ?

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

(b) The expected growth in demand is envisaged to be utilised both in domestic market and the foreign market by keeping the export window open.

(c) No earmarking for the external market has been made. However, in the handloom sector the steps envisaged by the Government include reservation of articles under the Handloom (Reservation of Articles of Production) Act, 1985 for exclusive production in the Handloom sector, modernisation of looms, provision for adequate

availability of yarn, development of infrastructure, for preloom and postloom activities programmes for marketing and strengthening of the machinery for implementation supervision and evaluation of handloom programmes. With regard to other sectors, the textile policy envisages full fibre flexibility between cotton and man-made fibres/yarn, rationalisation of fiscal levies, removal of restrictions on capacity expansion healthy development of the powerloom sector through a suitable package of measures, optimum utilisation of the spinning capacity and modernisation as well as rehabilitation package for the textile industry.

#### Refresher Courses for Bank Officers

2967. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that many of the senior officers of the nationalised banks do not have banking background resulting in the malfunctioning of the banks; and

(b) what steps are being taken to give periodic refresher courses to such officers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Banks have reported that all their senior officers have got sufficient background in banking and that they are given necessary training whenever needed.

#### Personal Accident Insurance Social Security Scheme in Anantpur District (Andhra Pradesh)

2968. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Anantpur District in Andhra Pradesh has been included in the list of 100 districts in which the Personal Accident Insurance Social Security Scheme, sponsored by the Union Government will be introduced soon; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Scheme has already been introduced in Anantapur District of Andhra Pradesh with effect from 15th August, 1985.

(b) The Personal Accident Insurance Social Security Scheme for the Poor Families covers all persons in the age group of 18 to 55 who are earning members of the poor families whose total annual family income from all sources does not exceed Rs. 5,000 and who meet fatal accidents occurring in the specified districts. The survivor benefit under the scheme is Rs. 3,000 payable to the surviving spouse/dependent children/surviving dependent parents.

The Scheme is designed to provide a survivor benefit cushion for the rehabilitation of the poor families affected by accidental death of its earning members who are not covered for compensation under any insurance Scheme or any law/statute.

The Scheme is to be operated through the General Insurance Corporation of India and its subsidiaries with the active involvement of the State Government concerned. The claims under the Scheme are to be processed and settled by the claims Enquiry-cum-Settlement Officers of the Sub-District or Taluka notified by the State Governments/ Union Territories in the specified districts.

#### Circulation of Black Money

2969. SHRI AMAR ROYPRADHAN :  
SHRI P. M. SAYEED :  
SHRI VIJOY KUMAR YADAV :  
SHRI ANANTA PRASAD  
SETHI :  
SHRI KAMAL NATH :

Will the Minister of FINANCE be pleased to state :

(a) the present position of circulation of black money in the country; and

(b) what precise steps Government are taking or propose to take to prevent the generation of black money in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No official estimate of the amount of black money in circulation at present has been made.

(b) All possible steps, including administrative legislative and institutional, are being taken from time to time to prevent generation of black money in the country ?

#### Financial Assistance to Scheduled Castes/Scheduled Tribes persons in Orissa under Consumer Loan Scheme

2970. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the amount of financial assistance given to Scheduled Caste and Scheduled Tribe persons in Orissa under consumer loan scheme during the last two years; and

(b) The amount to be provided to Orissa during the current year for the purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) \* : (a) Presumably the Hon'ble Member is referring to Consumption Loan Scheme. Based on the recommendations of Sivaraman Committee on Consumption Credit, banks were advised by Reserve Bank of India to grant Consumption loans for certain specified purposes to weaker section of the community including SC/ST. The data of Scheduled Commercial Banks under consumption loan in Orissa for the two years is given below :

(Amount in Rs. lakh)

Year Ended	Consumption Loan			
	Weaker Sections		Of which to SC/ST	
	No. of A/cs.	Balance Outstanding	No. of A/cs.	Balance Outstanding
December 1982	13887	142.39	4759	43.80
December 1983	6211	43.06	2046	16.26

(b) There are no specific targets prescribed for bank advances under consumption loan.

#### Export of Poor Quality of Cotton Yarn

2971. SHRI K. RAMAMURTHY : Will the Minister of TEXTILE be pleased to state :

(a) whether the foreign buyers of cotton yarn in Czechoslovakia, U. K. and West Germany have complained of poor quality of the yarn;

(b) if so, the steps being taken to improve the quality of the cotton yarn meant for export;

(c) whether any action has been taken against exporters of cotton yarn who have resorted to such malpractices; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The Cotton Textiles Export Promotion Council has received no complaints on the quality of yarn from buyers in Czechoslovakia, U.K. and West Germany.

(b) to (d). Do not arise.

#### Benefits to Trade Fair Authority of India as a Member of Union of Fairs International

2972. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether the Trade Fair Authority of India (TEAI) has been recognised as a member of the Union of Fairs International (UFI);

(b) the main condition that a member-country has to fulfil before it is admitted as a member of the Union; and

(c) the benefits that Trade Fair Authority of India shall derive as a member of Union of Fairs International ?

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

(b) A statement is attached.

(c) By becoming a member of the Union of Fairs International, India International Trade Fair will become one of the recognised International Fairs of the world and will secure all publicity abroad through various media of UFI and recognition as an established International Trade Fair.

#### Statement

For being admitted as a member of the Union of Fairs International (UFI), Paris, an exhibition presented by member organiser will only be approved by the Union of Fairs International if it satisfied the following condition :

(1) It is international and considered as such by the official authorities of its country.

(2) It gets a total number of foreign visitors not less than 10% or of foreign exhibitors, direct or indirect not less than 20% of the total



number of exhibitions or occupying an area not less than 20% of the total surface of rented stands; those statistics have to be verified if there exists an Audit Bureau for statistics.

- (3) It make use of appropriate permanent installations and provides users with any services they may need, particularly welcome, assistance and information service for exhibitors and foreign visitors; application files, advertising material and the fair catalogue have to be published, not only in the country's language but also in another foreign language, either French or German.
- (4) It does not include any non-commercial activity on the premises and during the exhibition. Not governed by this article are scientific, technical or education congresses and conferences organised to coincide with, and taking place within the exhibition.
- (5) It admits as participants, only producers, exclusive agents and wholesalers, to the exclusion of all other dealers or agents.
- (6) It forbids cash sales which entail taking delivery from the exhibition stand of merchandises sold by the exhibitors.
- (7) It has a regular schedule and duration which does not exceed three weeks.
- (8) It has taken place regularly at least three times as an international exhibition.

Furthermore, in view of the wide variety of exhibitions organised by Union of Fairs International (UFI) members, exceptions may be made in favour of exhibitions hitherto failing to satisfy all the conditions enumerated above. Approval in such cases is subject to a two-Thirds majority of the congress.

#### Smuggling by Indian Airlines Officers

2973. SHRI P. M. SAYEED : Will the Minister of FINANCE be pleased to state :

(a) whether some officers of the Indian Airlines were involved in a contraband recovery in New Delhi;

(b) The investigations made indicating the modus operandi of the smugglers; and

(c) the steps Government propose to take to prevent future smuggling in this particular manner ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Hon'ble Member is presumably referring to the seizure of 3392 wrist watches and 20 Kgs. medicinal powder at Delhi airport on 5-11-1985. In connection with this seizure, 4 persons, including an employee of Indian airlines, were arrested.

(b) Preliminary investigations revealed that contraband goods were used to be booked from Hong Kong to Kabul/Kathmandu as transhipment cargo via Delhi airport by making false declarations on the covering cargo manifest and Airway Bills. The said consignments, on arrival at Delhi were reportedly being substituted with goods as per declaration, in connivance with Airlines staff handling the transhipment goods.

(c) The drive against smuggling activities has been intensified. The preventive and intelligence machinery of the Customs Department remain vigilant against smuggling activities in general and have been alerted for maintaining close watch on such transhipment goods from sensitive areas. The custom surveillance in and around vulnerable areas like international airports has been strengthened.

Stringent action is taken against persons found involved in smuggling activities both departmentally as well as through prosecution in the Courts. Apart from confiscation of the goods involved and imposition of personal penalties on the persons concerned, preventive detention under the COFEPOSA Act is also resorted to in appropriate cases.

**Losses in Hindustan Copper Ltd.**

2974. SHRI V. SREENIVASA PRASAD : Will the Minister of STEEL AND MINES be pleased to state

(a) whether Hindustan Copper Limited has been suffering huge loss every year;

(b) if so, the total amount of loss suffered by the Company during the last three years;

(c) the reason therefor; and

(d) the steps proposed to be taken to put the Hindustan Copper Limited on sound footing ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAM DULARI SINHA) : (a) and (b). Yes, Sir. The loss incurred during the last three years has been :

Year	Loss incurred (Rs. Crores)
1982-83	29.63
1983-84	6.78*
1984-85 (Provisional)	3.15*

\*After interest holiday on Govt. loan.

(c) The main reasons for the adverse financial performance of the Company have been low grade of ore and scale of operations, design deficiency in certain sections, as also shortage and high cost of power.

(d) Steps being taken to improve the working of Hindustan Copper Limited include debottlenecking and modernisation of smelters and refineries at the Khetri Copper Complex and the Indian Copper Complex, stepping up of ore production at Malanjkhand and manpower planning.

**Review of Working of General Insurance Corporation and Life Insurance Corporation**

2975. SHRI CHINTA MOHAN :  
SHRIMATI D. K. BHANDARI

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the clauses in the Health Insurance Scheme of the General Insurance Corporation forbids payment of claims in case diseases such as gastroenteritis is contracted within 30 days of issuance of the cover;

(b) if so, whether the entire working of GIC/LIC would be reviewed; and

(c) whether Government propose to associate/nominate a representative of the consumer Organizations on the Governing Body of LIC/GIC in order to protect policy-holders' common interests.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Hospitalisation and Domiciliary Hospitalisation Benefit Policy recently introduced by the general insurance industry contains an exclusion clause which excludes any disease or illness, including gastroenteritis, contracted by the insured person within the first thirty days from the date of commencement of the policy. A waiting period before commencement of risk is the general practice in such policies throughout the World. This is, however, only with a view to avoid an insured persons claiming benefits under the policy for a disease already contracted by him prior to commencement of the policy, as the policy is issued on the basis of insured's own declaration without any medical examination. This exclusion does not apply in cases of renewal of policy on its expiry.

(b) In view of reply to (a), the need to review the entire working of GIC/LIC is not considered necessary. However, performance of GIC/LIC is reviewed periodically.

(c) No such proposal is under consideration of the Government. However, various interests are represented on the Boards of LIC/GIC.

**Seizure of Heroin, Smack and other Narcotics by Customs**

2976. SHRI MAHENDRA SINGH :  
SHRI ANAND SINGH :

Will the Minister of FINANCE be pleased to state :

(a) the total quantity of gold, heroin, smack and other narcotics seized by Customs and other authorities during anti-smuggling operations and other raids during the first ten months of the 1985 indicating the details of the major baules; and

(b) the major sources, vulnerable points of smuggling and the ways adopted in smuggling and hoardings of such items detected as a result of investigations in such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total quantity of gold, heroin, opium, ganja, charas, morphine and mandrax tablets seized by Customs and other authorities during the first ten months of 1985 is given below :

Name of the item	Quantity seized (in Kgs.)
Gold	2086
Heroin	451
Morphine	107
Opium	1146
Charas	7170
Mandrax tablets	564
Ganja	25564

(Figures are provisional)

The details of major seizures of gold and dangerous drugs are given in the Statements annexed.

(b) Report received by the Government indicate that gold continues to be sensitive to smuggling into India by air, sea and land from Gulf countries, Hongkong, Singapore, Pakistan and Nepal. Gold is also found concealed on person of the passengers, inside their baggage and the cargo.

India is increasingly used as a transit country for smuggling of narcotic drugs and psychotropic substances to the Western countries.

### Statement

The details of the major seizures of gold (market value of Rs. 1 crore and above) and dangerous drugs are given below :

#### I. Gold :

- (i) On 5-2-1985, the officers of Customs Preventive Collectorate, Ahmedabad, intercepted the vessel 'Al-SARAS' at Kutch Mandvi and recovered 1161 pieces of foreign marked gold/bars weighing 11,610 tolas, valued at Rs. 2.62 crores, found concealed under the cargo of wet dates alongwith other contra-band goods. In this connection, 13 persons were apprehended.
- (ii) On 23rd February, 1985, the officers of the Customs Preventive Collectorate, Bombay, recovered and seized gold weighing 16,679 tolas valued at Rs. 4.08 crores from the sea-bed off Haji Bunder, under the Customs Act, 1962.
- (iii) On 23rd April, 1985, the officers of Bombay Zonal Unit of the Directorate of Revenue Intelligence, recovered from a specially made cavity in an Ambassador car near Roopam Cinema, Sion, Circle, Bombay, 12 belts containing 1196 pieces of foreign-marked gold, each weighing 10 tolas, and 4 pieces of gold each weighing 10 tolas. Gold totally weighing 12,000 tolas valued at Rs. 2.95 crores and the car valued at Rs. 50,000 were seized under the provisions of the Customs Act, 1962. There was no occupant in the car.
- (iv) On 13th May, 1985, officers of the Customs (Preventive) Bombay, intercepted a jeep at Roha which resulted in the recovery and seizure of foreign marked gold weighing 11,990 tolas valued at Rs. 3.06 crores. In this connection, two persons were arrested.
- (v) The officers of the Directorate of Revenue Intelligence, Bombay, Zonal Unit, searched the premises

at No. 10 Patel Building, Station Road, Jogeshwari (West), Bombay, on 13-9-1985 and seized 1400 gold biscuits of foreign origin, weighing 14,000 tolas valued at Rs. 3.35 crores alongwith foreign/Indian currency. In this connection three persons were arrested.

## II. Dangerous Drugs :

### 1. Heroin :

- (i) On 17-7-1985, B.S.F. authorities seized 325.7 Kgs of heroin at Indo-Pak border in Barmer District of Rajasthan after an encounter with smugglers.
- (ii) On 17-8-1985, the B.S.F. authorities detected 40 Kgs. of heroin at Indo-Pak border in Jaisalmer district of Rajasthan. In this connection, one person was apprehended.

### 2. Morphine :

On 21-8-1985, the Customs authorities seized 47 Kgs. of Morphine at Sahar Airport, Bombay. In this connection. 8 persons were arrested.

### 3. Opium;

- (i) On 17-1-1985, 119 Kgs. of opium, was detected on the Indo-Pak border in Punjab by B.S.F. authorities.
- (ii) On 28-3-1985, B.S.F. authorities detected 110 Kgs. of opium on the Indo-Pak border at Ferozpur, Punjab. In this connection, one person was apprehended.

### 4. Charas

- (i) On 4-3-1985, the Customs authorities seized 899 Kgs. of charas at Sahar Airport, Bombay. In this connection, 7 persons were arrested.
- (ii) On 5/6-3-1985, Delhi Police detected 510 Kgs. of charas and arrested two persons in this connection.

(iii) On 22-5-85, the officers of Preventive Collectorate Bombay recovered and seized 1909 Kgs. of charas from 113, Clare building, Byculla, Station Road, Bombay. In this connection, one person was arrested.

(iv) On 13/14-8-1985, the officers of Delhi Police detected 800 Kgs. of charas at Gulmohar Park, New Delhi.

### 5. Ganja;

(i) On 9-6-1985, the officers of Customs Preventive Collectorate, Patna, recovered and seized 2600 Kgs. of Ganja at Bideshwar, Bihar.

(ii) On 10-7-1985, the officers of Customs Preventive Collectorate, Patna at Raxaul seized 1110 Kgs. of ganja at Kattia-Malia under Police Station Sikta, West Champaran, Bihar.

(iii) On 22-7-1985, the officers of the Customs Preventive Collectorate, Patna seized 1070 Kgs. of ganja at vilage CHIKNI, Raxaul on the Indo-Nepal border.

(iv) On 25-7-1985, officers of Customs Preventive Collectorate, Patna assisted by Local Police seized 8200 Kgs. of ganja at Raghupur Railway crossing in Bihar.

(v) On 1-8-1985, 2257 Kgs. of ganja was detected by the Police officers of Jadupur (Police Station), Bihar. In this connection, 10 persons were arrested.

(vi) On 7-9-1985, the officers of Customs Preventive Collectorate, Patna seized 4391 Kgs. of Ganja at Bidhipur, Bihar.

### Infrastructure Facilities to Directorate of Mining

2977. SHRI ZAINAL ABEDIN : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether the Directorate of Mining has demanded infrastructure facilities including rail, rad communications, power and port facilities for expeditions development of mineral resources of potential mining areas of Orissa and identified by the Geological Survey of India and the Directorate of Mining and Geology;

(b) if so, the measure initiated by Government in this matter; and

(c) if not, the time by which necessary arrangements will be made therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAMDULARI SINHA) : (a) No proposal from the Directorate of Mining, Orissa for infrastructure facilities, has been received.

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

#### SC/ST Employees in State Bank of India

2978. DR. PHULRENU GUHA : Will the Minister of FINANCE be pleased to state :

(a) the number and percentage of Scheduled Caste and Scheduled Tribe Employees in the State Bank of India;

(b) the grades in which reservation is given;

(c) whether the reservation quota is full in all grades; and

(d) if not, the measures taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) State Bank of India has reported that the number and percentage of Scheduled Castes and Scheduled Tribes employees in the State Bank of India as on 31-12-84 is as under :

Total No. of Employees	Total No. of SC/ST Employees	Percentage
1,93,012	33091	17.1

(b) Reservation is given in Junior Management Grade-I subordinate and clerical cadres.

(c) As per figures readily available the backlog in various cadres is as under :—

Subordinate Staff	29
Clerical Staff	305
Officers in direct recruitment	103

(d) Efforts and being made to clear the existing backlog by giving relaxation, in age, qualifying marks in interview and written test, and by importing pre-recruitment training and conducting exclusive tests in respect of clerical recruitment, wherever necessary.

#### Advertisement to Save Money

2979. DR. PHULRENU GUHA : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry advertises to save money for son's education and save money for daughter's marriage; and

(b) if so, whether it is not encouraging dowry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In the advertisements issued by the Ministry of Finance through the Directorate of Advertising and Visual Publicity there is no stress on savings for marriage for daughters. In the vide spot on National Savings Certificates (VI Issue) the script mentions that the parents have saved money for the higher education of their son who was always a topper.

(b) Does not arise in view of the position stated at (a).

#### Evasion of Excise Duty by Cigarette Manufactures

2980. SHRI BHOLANATH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received report (s) indicating that a large part of the cigarette production in the country is passed out of the factories surreptitiously to evade excise payments with or without the connivance of excise officials;

(b) if so, the details thereof;

(c) the estimated annual loss to public exchequer by such malpractices by cigarette manufactures; and

(d) the steps taken/proposed ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) No Sir. The Government has only received reports that M/s. New Tobacco Co. Ltd. has removed packed cigarettes surreptitiously at two places *i.e.* at Calcutta and Guntur. No connivance by the Central Excise officials was noted.

(b) and (c). The Collector of Central Excise, Calcutta-II has issued show cause notices to M/s. New Tobacco Co. Ltd. 24 Parganas, Calcutta demanding the alleged excise duty evasion of Rs. 8,09,50,204. The Collector of Central Excise, Guntur has also registered a case against M/s. New Tobacco Company Ltd., Biccavole in November, 1985 involving evasion of excise duty of Rs. 9 lakhs approximately. However, the estimated loss to public exchequer cannot be calculated on the basis of these cases which are yet to be decided.

(d) The Deptt. has increased vigilance over the cigarette factories to guard against surreptitious removal of cigarettes and officers with impeachable record/integrity are posted in these factories.

**Proposal to Disburse Instalments of D. A. in the Form of National Savings Certificates, etc.**

2981. **SHRI BHOLANATH SEN :** Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have received any suggestion that instalments of Dearness Allowance should be disbursed in the form of national savings certificates or other such instruments of savings to ensure

that additional disposal income received by the employees does not spill over the into market;

(b) if so, the details thereof; and

(c) the contemplation of the Government in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) While no Such suggestion has been formerly received by Government, the Chief Minister of Karnataka had referred to the possibility of paying instalments of Dearness Allowance in the form of National Savings Certificates in his speech in the meeting of the National Development Council held on 8-9 November 1985.

(b) and (c). Dearness Allowance, being a partial compensation for increase in the cost of living, is normally paid in cash. However, at least on one occasion in the past arrears on account of a few instalments of Dearness Allowance was deposited in the Provident Fund accounts of the employees in consultation with the Staff Side of the National Council, J. C. M. Disbursement of instalments of Dearness Allowance in the form of National Savings Certificates can be considered in consultation with the Staff Side.

**Amendment of Regional Rural Banks Act**

2982. **PROF. NARAIN CHAND PARASHAR :** Will the Minister of FINANCE be pleased to state :

(a) whether any further amendments are proposed to be made to the Regional Rural Banks Act, 1976 in the near future so as to streamline the functioning of these banks as per the demands of the employees working in these banks; and

(b) if so, the details of the amendments proposed in this regard and the purpose and scope thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA) POOJARY) :** (a) and (b) **The National Bank for Agriculture and**

Rural Development have proposed some amendments to the Regional Rural Banks Act, 1976 with a view to streamlining the organisational structure etc. of the Regional Rural Banks. Proposals in this regard when concretised will come before the Houses of Parliament in the form of legislative proposals.

#### Incentives for Persons Declaring True Income

2983. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state;

(a) whether any incentives have been announced by Government for those persons who declare their income;

(b) if so, the nature of incentives offered and whether those making such declarations would be exempted from penal provisions of the Income Tax Act which they would have attracted otherwise; and

(c) if so, the number of persons who have come forward to make such declarations in the first fortnight of its declaration and the likely trend in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government has assured that the assessee, both old and new, who want to come forward voluntarily to make a full and true disclosure of their income can do so by filing estimates of Advance tax based on true incomes for the current year, by March 1986, without fear of any penal consequences such as penalty or prosecution. It has also been clarified that such assessee would not be subjected to any roving enquiries nor would their earlier assessments be opened/reopened only on the basis of such higher estimates.

(c) It is not possible to ascertain the exact number of persons who have made such voluntary compliance. However, the collection of Income-tax (including corporation tax) has considerably increased. Upto 31-10-1985 it was Rs. 2100.35 crores as against Rs. 1674.45 crores in the corresponding period of last year, thus recording an increase of Rs. 425.90 crores.

The future trend of voluntary compliance is expected to be brighter.

#### Opening of New Branches of Banks in Rural Areas during Seventh Plan

2984. SHRI JAGANNATH PATTANAIK : Will the Minister of FINANCE be pleased to state :

(a) the policy of Government in regard to the opening of new branches of banks in rural areas of the country;

(b) the total number of bank branches proposed to be opened during the Seventh Five Year Plan period in the rural areas; and

(c) the performance of the bank branches already functioning the rural sector *vis-a-vis* the urban bank branches ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Branch Licensing Policy for 1985-90 has been finalised recently by Reserve Bank of India (RBI). The main objective of the policy is to achieve a coverage of 17,000 population per bank office in rural and semi-urban areas of each block and to eliminate large spatial gaps in the availability of banking facilities. RBI has advised the State Governments and the Lead Banks to identify unbanked pockets in various blocks and the question of opening more branches would be considered in the light of branch licensing policy on the basis of the lists of centres received from the State Governments and requests received from the banks. The total number of branches to be opened during the Seventh Plan Period has not been quantified. This would depend on the number of centres identified as per RBI guidelines.

(c) RBI has not carried out any study to compare the relative performance of rural, urban and metropolitan branches. As the nature of operations, potential for business and availability of infrastructural facilities in rural, urban and metropolitan areas are not uniform, any comparison between the branches located in such areas may not be appropriate.

**Progress in Setting up of Export Oriented Complexes for Gold Jewellery**

2985. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of COMMERCE be pleased to state :

(a) the progress made in setting up export-oriented complexes for the manufacture of gold jewellery under the Central-Government Scheme; and

(b) the reasons for delay, if any ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The new concept of export oriented gold jewellery complexes perforce involves considerable preparatory work to be done by the sponsoring agencies in conjunction with several organizations including selection and Development of suitable premises and finalisation of operational procedures if adequate interest is shown by the entrepreneurs. Substantial progress has been made in the case of some of the centres.

[*Translation*]

**Yatri Niwas at Chittor in Rajasthan**

2986. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Chittorgarh city in Rajasthan has been a centre of attraction for tourists from the historical point of view;

(b) whether there is neither a hotel nor a dak bungalow for the stay of tourists;

(c) if so, whether Indian Tourism Development Corporation propose to construct a 'Yatri Niwas' in Chittor for the conveniences of the tourists; and

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

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) Yes, Sir.

(b) It is reported by the Government of Rajasthan that hotels, a circuit house, dak bungalows and retiring rooms are available

at Chittorgarh. A Tourist Bungalow at Panna and a Janata Avas Garh at Chittorgarh are managed by the Rajasthan Tourist Development Corporation.

(c) ITDC has no proposal for construction of any Yatri Niwas at Chittorgarh. Nor has any proposal been received from Government of Rajasthan by the Central Department of Tourism for construction of a Yatri Niwas at Chittorgarh.

(d) Does not arise.

**Commodities Export Target for Seventh Plan**

2987. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the present position of foreign exchange reserves in the country and the total increase in the foreign trade during the last three years;

(b) the names of the commodities exported by India along with the names of the countries to which they were exported and the names of the commodities mainly exported during 1985-86; and

(c) the target set in the Seventh Five Year Plan for increase in export ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) India's foreign exchange reserves (excluding Gold and SDRs) in the week ended 1st Nov., 1985 stood at Rs. 6788.61 crores as against Rs. 6816.76 crores on 31st March, 1985. The figures of India's overall imports and exports for the last three years are as below :

	(Value Rs. Crores)	
	Imports	Exports
1982-83	14355.76	8907.75
1983-84	15762.95	9872.10
1984-85*	16812.93	11493.72

\*Updated till July 1985.

Source : DGCI and S, Calcutta.



(b) The principal items of exports include Tea, Coffee, Tobacco, Cashew Kernels, Vegetables and Fruits, Spices, Marine Products, Oil Cakes, Iron Ore, Cotton Fabrics, Readymade Garments, Jute Manufactures, Leather and Leather Mfrs., Chemicals and Allied Products, Gems and Jewellery, Handmade Carpets, Works of Arts, Machinery and Transport Equipment, Metal Manufactures, etc. The main markets of India's exports include USA, USSR, Japan, U.K., Federal Republic of Germany, France, Hongkong, Singapore, Saudi Arabia, Kuwait, UAE, Arab Republic of Egypt, etc.

(c) Exports are projected to rise by 6.8 per cent per annum to attain a total figure of Rs. 60,700 crores at 1984-85 prices in the five-year period of the Seventh Plan.

[English]

#### Decline in Price of Cotton in Punjab

2988. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether price of cotton in Punjab is less than that of the last year;

(b) if so, the reasons thereof; and

(c) the steps being taken by the Union Government in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The prices of cotton are at present ruling at a level lower than those which prevailed in the corresponding period of the last season. This can be attributed to large carry-over stocks as a result of an excellent cotton crop during the last cotton season and the prospects of a satisfactory crop during the current cotton season. Government have already announced minimum support prices of different varieties of kapas for the current cotton season. The Cotton Corporation of India is there in the markets to ensure to the farmers remunerative returns for their produce. The Corporation has been directed to undertake price support operations whenever the prices fall below the support level. Government have already released for export during the current cotton season 2.00 lakh

bales of long and extra-long staple cotton 27,000 bales of Bengal Deshi and 25,000 bales of Yellow Pickings. Further export quota will be released if considered necessary.

#### Letters of Credit for Import of TPA by Reliance Textile Industries

2989. SHRI S. JAIPAL REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that various banks in India had opened letters of credit totalling Rs. 110 crores for import of TPA by Reliance Textile Industries in the last week of May, 1985; and

(b) if so, whether some banks have been found guilty of violating lending norms and banking practices ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In accordance with the provisions of the statutes governing the nationalised banks and in accordance with the practices and usages customary among bankers, the information relating to or the affairs of individual constituents of the banks cannot be divulged.

(b) The Reserve Bank of India and the C.B.I. are seized of the matter.

[Translation]

#### Development of Tussore Industry in Hilly Areas of Uttar Pradesh

2990. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether he is aware that there are vast possibilities of development of Tussore industry in hilly areas of Uttar Pradesh; and

(b) if so, the steps being taken by his Ministry to boost the production of tussore in these areas ?

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

(b) With a view to boost the production of tassar in hilly areas of Uttar Pradesh,

Central Silk Board has established a Regional Research Station at Bhimtal to assess the nature grown oak flora in those areas and also to impart training to the farmers in improved technologies of oak tassar rearing. This Research Station maintains stock races and supplies the seeds to the farmers. Besides, the State Sericulture Deptt. is also implementing oak tassar development programme for hilly areas.

**Sanction of Loan by Nainital Almora Regional Rural Bank in Almora during 1984-85**

2991. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the amount of loan sanctioned by Nainital-Almora Regional Rural Bank in Almora District (Uttar Pradesh) during 1984-85;

(b) whether it is in accordance with the target fixed;

(c) if not, the reasons for not achieving this target; and

(d) the remedial steps being taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Nainital-Almora Regional Rural Bank covers Nainital and Almora Districts. The National Bank for Agriculture and Rural Development has reported that the outstanding advances of each of the two districts in the jurisdiction of this bank are as follows :

(Rs. in lakhs)

	December 1984	June 1984
Nainital	16.07	20.28
Almora	10.16	16.75
<b>Total</b>	<b>26.23</b>	<b>37.03</b>

During 1984, the total disbursement of loan for both the districts of Nainital and Almora amounted to Rs. 51.18 lakhs as against the allocated target of Rs. 53.50

lakhs. Separate targets for loans in Almora district are not available. The performance of the bank can, therefore, be considered as satisfactory.

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

**Crisis in Indian Export Garment due to Groupism in Apparel Export Promotion Council**

2992. SHRI RAJ KUMAR RAI : Will the Minister of TEXTILES be pleased to state :

(a) whether export of Indian garments is facing serious crisis these days and there is groupism in Apparel Export Promotion Council and organisation dealing in garments;

(b) if so, the action being taken by Government in this regard;

(c) whether due to the problem of quota system most of garments exporters have shifted to Nepal; and

(d) if so, the Government's policy in regard to such exporters ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) There is no crisis in the export of Indian garments on account of groupism in the Apparel Export Promotion Council.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

**Loss in Foreign Exchange due to Export of Indian Garments from Nepal**

2993. SHRI RAJ KUMAR RAI : Will the Minister of TEXTILES be pleased to state :

(a) whether Indian garment exporters take their raw material and garments to Nepal and export them to U.S.A. and other European countries from there; and

(b) the action being taken or proposed to be taken by Government in view of the loss of foreign exchange and suffering to labour as a result thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The Ministry of Textiles is not aware of garments exporters taking their raw material and garments to Nepal and exporting them to USA and European countries from there.

(b) Exports of garments to USA and EEC Member-states during January-October, 1985 have been higher than the exports to these countries during the corresponding period of the last year. There is, therefore, no loss in foreign exchange or employment.

**Looting in South Extension Part-II, New Delhi Branch of Canara Bank**

2994. SHRI RAJ KUMAR RAI :  
SHRI BANWARI LAL  
PUROHIT :  
SHRI BALASAHEB VIKHE  
PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether some unknown persons burgled Rs. 3 lakhs from South Extension Part-II Branch of Canara Bank, New Delhi as reported in the 'Navbharat Times' of 14 November, 1985;

(b) if so, the number of persons arrested in this connection so far and the amount recovered from them;

(c) whether it is also a fact that although such a large amount was lying with the bank, no security guard was posted there; and

(d) if so, the steps Government are taking to check such type of burglaries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Delhi Police has reported that a burglary took place in the South Extension Part II (New Delhi) Branch of Canara Bank on the night between 12/13 November, 1985 involving an amount of Rs. 3,25,200. No person has been arrested so far in this connection nor has any amount been recovered.

(c) The bank's Security Guard was not on duty at the time of occurrence as it was a holiday. The security guard remains on duty during working hours only.

(d) The Delhi Police has reported that in order to strengthen security for banks, armed patrolling on motor-cycles and jeeps has been started in the area, specially near the banks. Area Security Plan has also been introduced to curb the crime. The other steps taken by the Delhi Police include the following :

- (i) Static pickets equipped with arms and wireless sets have been posted at strategic points.
- (ii) Day and night patrolling has been intensified and the staff put on duty is being properly briefed.
- (iii) Attempts are being made to make better coordination with the neighbouring States regarding exchange of intelligence pertaining to activities of criminals.

[English]

**Misuse/Diversion of Funds by Sick Units Received from Banks/Financial Institutions**

2995. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received reports about management of sick units engineering sickness deliberately in order to obtain assistance from financial institutions/banks and later on misusing or diverting the funds received from banks/financial institutions;

(b) if so, the details of such reports received during the last three years;

(c) the steps taken in such cases; and

(d) the steps proposed to ensure proper utilisation of such assistance for the purpose for which it has been sanctioned by the financial institution/bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Whenever any specific complaint is received regarding deliberate mismanagement of a unit it is got looked into. Banks and financial institutions keep a close watch over their assisted units as a part of their normal activities. For proper monitoring of their assisted units banks and financial institutions also obtain periodic reports from the units and hold discussions with the managements of assisted concerns if need arises and review their affairs in the inter-institutional meetings held from time to time.

**Sick Industrial Units Identified by Banks**

2996. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) the number of large, medium and small industrial units identified as 'sick units' by the banks during the last three years;

(b) the number of such units which were placed under nursing programmes by the banks after carrying on viability studies;

(c) the number of sick units placed under nursing programmes during the last three years rehabilitated so far;

(d) the total investments made by the banks in (a), (b) and (c) above; and

(e) the State-wise break-up of (a), (b), (c) and (d) above ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). On the basis of information available from Reserve Bank of India (RBI), the number of large, medium and small industrial units identified as sick by the scheduled commercial banks and the total amount outstanding against them during the last three calendar years are indicated below :

(Amount in crores of Rupees)

	1982 (July to December)		1983		1984 (Provisional)	
	No. of units	Amount Outstanding	No. of units	Amount Outstanding	No. of units	Amount Outstanding
Large	24	54.19	70	157.51	90	279.99
Medium	121	34.38	286	58.63	390	54.40
Small	33,334	186.30	27,418	232.51	30,063	244.43
	33,479	274.87	27,774	448.65	30,543	578.82

(b) As at the end of December, 1982, December, 1983 and December, 1984 (Provisional), the total number of sick units in the assistance portfolio of scheduled commercial banks which were put under the nursing programme was 2577, 2919 and 2712 respectively.

(c) The information is being collected and, to the extent available, shall be placed on the Table of the House

(e) The present data collecting system does not yield information in the manner asked for.

**Business Inquiries Regarding Export of Jute**

2997. SHRI PRIYA RANGAN DAS MUNSI : Will the Minister of TEXTILES be pleased to state :

(a) what has been the trend of business inquiries from internal and overseas buyers of jute goods during January-October, 1985 as compared to the inquiries received during the corresponding period in 1984; and

(b) the impact of Government's decision to export jute fibre to rupee-currency and free-foreign exchange countries ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Figures of export contracts for jute goods received for registration as also despatches of jute goods by mills for internal consumption during January-October, 1985 and for corresponding period in 1984 are as under :

Period	Export contracts received for registration with J.C.'s office	Despatched for internal consumption of jute goods
	(In tonnes)	(Qty. in '000' tonnes)
January 85- October 85	2,22,338	801.6
January 84- October 84	2,27,515	716.2

(b) Government has authorised Jute Corporation of India to export upto one lakh bales of mainly medium and low-grade jute to both rupee-currency and free-foreign exchange countries. So far, JCI has been able to conclude an export contract with USSR for 5,000 M.T. of raw jute valued at about 2.43 crores for December '85-March '86 shipment. JCI is also negotiating with Poland for exports of raw jute. The impact of exports on raw jute price will depend on the quantum of exports.

**Deterioration in Recovery Rate of Advances Sanctioned by Nationalised Banks in West Bengal**

8. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether there has been any deterioration in the recovery rate of advance sanctioned by the nationalised banks in West Bengal recently;

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

(c) the present recovery rate in West Bengal as compared to the recovery rate in other States; and

(d) the steps taken/proposed to be taken to improve loan recovery ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The percentage of recovery to demand of direct agricultural advances in West Bengal was 39.8 as at the end of June 1979 and declined to 27.3 as on 30th June 1982. Thereafter, it showed a marginal improvement but still continues to be much below the All-India average. The main reasons for poor recovery, are wilful default, inadequate supervision, lack of infrastructure etc. The State-wise recovery position of direct agricultural advances of public sector banks for the years ending June 1979, June 1982, June 1983 and June 1984 is set out the attached statement.

(d) The performance of public sector banks in the field of recovery is being regularly monitored. Banks have been asked by R.B.I. to ensure that the total amount of overdues as at the end of December 1985 is not more than what it was at the end of December, 1983 and thereafter to aim at further deceleration in overdues over the preceding year.

**Statement**

*(Direct Finance) of Public Sector Banks as at the end of June*

*(Percentage of recovery to Demand)*

State/Region/ Union Territory	1979	1982	1983	1984
1	2	3	4	5
<b>Northern Region :</b>	<b>65.0</b>	<b>62.2</b>	<b>63.7</b>	<b>55.6</b>
1. Haryana	65.8	55.9	59.9	57.3
2. Himachal Pradesh	44.0	41.9	48.0	50.7

1	2	3	4	5
3. Jammu and Kashmir	46.9	48.9	40.9	36.3
4. Punjab	79.1	73.1	74.1	61.3
5. Rajasthan	50.5	46.4	48.0	47.3
6. Chandigarh	35.9	59.7	43.5	14.8
7. Delhi	35.3	46.1	44.2	46.8
<b>North Eastern Region :</b>	<b>31.7</b>	<b>32.9</b>	<b>34.1</b>	<b>38.5</b>
1. Assam	26.7	26.9	29.0	34.2
2. Meghalaya	22.9	26.0	33.0	46.6
3. Manipur	30.0	24.4	23.9	19.9
4. Nagaland	50.6	49.8	46.9	66.7
5. Tripura	46.2	49.2	45.3	33.5
6. Arunachal Pradesh	—	34.4	31.8	42.1
7. Mizoram	—	54.1	62.2	38.6
8. Sikkim	—	—	62.2	78.7
<b>Eastern Region</b>	<b>38.1</b>	<b>35.1</b>	<b>45.8</b>	<b>36.1</b>
1. Bihar	31.7	39.5	38.9	38.2
2. Orissa	45.4	40.6	38.8	36.4
3. West Bengal	39.8	27.3	28.3	33.8
4. Andaman and Nicobar Islands	30.0	41.9	45.9	23.2
<b>General Region :</b>	<b>50.8</b>	<b>48.6</b>	<b>50.9</b>	<b>50.4</b>
1. Madhya Pradesh	38.3	42.7	44.3	42.1
2. Uttar Pradesh	57.1	51.5	53.8	53.9
<b>Western Region</b>	<b>43.6</b>	<b>47.5</b>	<b>46.3</b>	<b>46.0</b>
1. Gujarat	48.6	53.4	52.6	52.8
2. Maharashtra	39.9	44.2	42.3	41.9
3. Goa, Daman and Diu	68.9	39.2	40.2	39.4
4. Dadra and Nagar Haveli	50.2	66.7	63.0	66.2

1	2	3	4	5
<b>Southern Region :</b>	56.6	55.2	55.9	56.0
1. Andhra Pradesh	60.1	54.0	55.3	55.9
2. Karnataka	48.7	51.1	51.4	48.4
3. Kerala	68.4	65.9	65.9	68.1
4. Tamil Nadu	53.9	57.2	56.8	58.3
5. Pondicherry	65.4	59.0	65.2	63.6
6. Lakshadweep	96.6	70.4	84.5	75.5
<b>All India</b>	52.2	52.2	53.2	51.6

#### Acquisition of Under Valued Flats

2999. SHRI MOHD. MAHFOOJ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have issued guidelines regarding evaluation of the transactions in the sale of flats and acquisition of under valued flats;

(b) if so, the details thereof;

(c) whether the new method of the evaluation of flats is considered to be scientific, and if so, how; and

(d) the result of the operation of new system in so far as its impact on the flat-buyers is concerned ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No, Sir.

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

#### Decline in Export of Agricultural Products

3000. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that there is decline in the export of agricultural products;

(b) whether any study has been made to know the causes, if so, the details thereof;

(c) whether a meeting between the Agricultural Production Commissioners and the Commerce Secretary was held in New Delhi to discuss the problems; and

(d) if so, the details of the discussion held and the suggestions made to increase the export of agricultural products in future ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) Does not arise.

(c) A meeting was taken by Commerce Secretary with State Agriculture Production Commissioners and representatives of Export Promotion Councils on exports of agricultural products.

(d) The Conference discussed issues relating to generation of exportable surplus of commodities like Basmati Rice, Wheat of internationally acceptable quality, Fruits and Vegetables and Processed Foods, and Marine Products. In addition, various bottlenecks in increasing exports of some of the items including transportation bottleneck were discussed and the State were advised to identify nodal agencies to deal with matters relating to agricultural exports.

**Concession to Synthetic Cloth and its  
Effect on Cotton Growers**

3001. SHRI ZAINUL BASHER : Will the Minister of TEXTILES be pleased to state :

(a) whether his Ministry has received representation from the cotton growers and the handloom industry regarding their fear that concessions given to the manufacture of synthetic cloths will ultimately adversely affect them;

(b) if so, the main points of their representation; and

(c) the reaction of Government thereto ?

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

(b) The main points in their representation are that the full fibre flexibility between the cotton and the manmade fibres/yarn and reduction in fiscal levies on synthetic fibres would adversely affect them.

(c) The Textile policy announced in June, 1985 envisages the pre-eminent role of cotton as the main raw material of textile industry would be maintained and the cotton growers shall be assured off-take of their produces remunerative prices. The Policy also seeks to preserve the unique role of handlooms and envisages several measures to enable the handlooms to realise their full potential as also to ensure high earnings for the handloom weavers. Follow up action on these policy guidelines has already been initiated by Government.

**Withdrawal of Excise Duty on Jute Goods**

3002. SHRIMATI GEETA MUKHERJEE : Will the Minister of TEXTILES be pleased to state :

(a) whether the India Jute Mills Association has placed for withdrawal of excise duty to the tune of 10 per cent of the present value of jute goods; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Indian Jute Mills Association approaches Government of India from time to time for waiver/reduction of excise duty on various items of jute manufactures. Proposals for rationalisation of excessive duty on various items are examined by the Government, whenever necessary, after taking into account all relevant factors.

[Translation]

**Housing Loans to Weaker Sections at  
Concessional Rates**

3003. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether it has been decided to give loans at concessional rates to the weaker sections in Delhi for construction of houses;

(b) if so, the amount of loan and the rate of interest thereof;

(c) when it is proposed to be given;

(d) whether there is any proposal to introduce such schemes in other parts of the country also;

(e) if so, when; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (f). In terms of Reserve Bank of India's existing guidelines on Housing Finance; banks are instructed to allow loans for construction of houses for various categories of borrowers as under :

SC/STs	upto and inclusive of Rs. 5,000	4.00% per annum
Others	Upto and inclusive of Rs. 5,000	12.50% per annum
Over Rs. 5,000	and up to Rs. 50,000	13.50% per annum.
Above Rs. 50,000		15.00% per annum.



The State Level agencies are also allowed to avail of bank credit for their construction activities meant exclusively for Scheduled Castes/Scheduled Tribes and economically weaker sections conforming to the eligibility criteria under priority sectors lending at the above prescribed interest rates. The above instructions by Reserve Bank of India are applicable to the housing loans extended by commercial banks not only in Delhi but also throughout the country.

**Government Directive to Jute Corporation of India**

3004. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have issued any directive to Jute Corporation of India to buy jute direct from the farmers;

(b) if so, whether Jute Corporation of India has started purchasing jute from the farmers; and

(c) if not, the reasons for not issuing such directive ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). According to Government's directive JCI is to buy raw jute direct from the farmers. JCI has already procured about 18 lakhs bales of raw jute by 29th November, 1985. Further purchases are in process.

[English]

**Quantum of India's Export in Terms of Indian Rupee**

3005. SHRI HUSSAIN DALWAI : Will the Minister of COMMERCE be pleased to state :

(a) the total quantum of India's export every year in terms of Indian rupee;

(b) the item-wise break-up of such export;

(c) the incentives given to exporters and for which items such incentives are given; and

(d) the total quantum of the annual value of such incentive licences.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) India's annual exports during 1983-84 and 1984-85 amounted to Rs. 9872.10 crores and Rs. 11493.72 crores (updated till July 1985) respectively.

(b) Based on provisional data, the item-wise figures of exports for 1983-84 and 1984-85 are shown in the table annexed in form of a statement.

(c) and (d). A variety of measures have been taken by the Government to stimulate and diversify country's export. These include assistance from Market Development Fund for surveys, product development and promotion; availability of a number of raw materials at international prices or access to imported raw materials; retention of part of the profits derived from exports for purposes of business etc. Special incentives are granted for 100% Export Oriented Units and those established in Export Processing Zones.

The value of import licences issued to registered exporters under scheme for Replenishment Licences amounted to Rs. 1963.50 crores in 1982-83, Rs. 2294.49 crores in 1983-84 and Rs. 2163.54 crores (provisional) in 1984-85.

**Statement**

*India's Export of Principal Commodities*

(Value Rs. crores)

No.	Item	1983-84 (Provisional)	1984-85 (Preliminary)	%centage in 1984-85/ 1983-84
1	2	3	4	5
1.	Tea and mate	501.37	706.57	+40.9
2.	Coffee and coffee substitutes	183.26	198.13	+8.1

1	2	3	4	5
3.	Tobacco unmanufactured	149.61	147.33	-1.5
4.	Sugar and sugar preparations	139.86	21.74	-84.5
5.	Cashew kernels	156.62	174.48	+11.4
6.	Vegetables and fruits (other than cashew kernels)	155.16	158.86	+2.4
7.	Oil cakes	146.29	131.19	-10.3
8.	Spices	109.26	172.42	+57.8
9.	Marine products	327.30	335.60	+2.5
10.	Meat and meat preparations	68.32	75.46	+10.5
11.	Rice	147.13	121.68	-17.3
12.	Cotton raw	148.95	56.79	-61.9
13.	Iron ore	385.34	446.88	+16.0
14.	Manganese ore	17.98	20.11	+19.8
15.	Mica	26.52	19.32	-27.2
16.	Cotton yarn	19.57	21.96	+12.2
17.	Cotton fabrics	276.54	411.83	+48.9
18.	Readymade garments	607.20	837.26	+37.9
19.	Madeup articles wholly or chiefly of cotton	76.28	91.42	+11.8
20.	Fabrics of man-made fibre	26.52	25.76	-2.9
21.	Silk Farios	40.58	44.74	+10.3
22.	Jute manufactures	164.52	333.74	+102.9
23.	Coir and coir mfrs.	23.48	22.42	-4.5
24.	Leahter and Leather mfrs. (Excl. footwear)	349.88	421.91	+20.6
25.	Footwear	23.23	31.15	+34.1
26.	Chemicals and Allied products	277.68	364.54	+31.3
27.	Gems and Jewellery	1288.65	1128.42	-12.4
28.	Carpets handmade	194.04	226.72	+16.8

1	2	3	4	5
29. Works of Arts		116.61	133.72	+14.7
30. Metal Manufactures (excl) Iron and Steel		194.29	189.91	-2.3
31. Machinery and transport equipment		493.98	537.19	+8.7
32. Iron and steel (incl. mfrs.)		46.53	61.94	+33.4
33. Crude Oil		1231.10	1563.16*	+27.0
34. Mineral fuels, lubricants and related products		361.96	255.65*	-29.4
Grand Total (Including other items)		89865.30	11358.97	+15.1

Note : (P) Commodity-wise figures are provisional/preliminary and subject to revision.

Source : DGCI and S, Calcutta

\*Ministry of Petroleum.

#### Rise in Issue of Shares and Debentures

3006. SHRI DHARAM PAL SINGH MALIK :  
SHRI M. RAGHUMA REDDY :  
SHRI SUBHASH YADAV :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item appeared in 'The Economic Times' of 28 October, 1985 wherein it has been stated that total excluding over-subscriptions of issue raised from the Capital Market through fresh issue of the share and debentures and right shares recorded a rise from Rs. 80.5 crores in the second quarter of 1985 (April to June) to 125 crores in the third quarter (July to September); and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Government has seen the News item which appeared in the Economic Times on 28th

October, 1985 which showed a rise in the capital issue from the capital Market from Rs. 80.5 crores in the second quarter of 1985 to Rs. 125 crores in the third quarter 1985. The details of the issued covered are already reported in the Tables R-2, R-4 and R-5 in the same Newspaper. The rise in the capital raised can be attributed, amongst others, to the liberalisations in the investment policy announced by Government from time to time.

#### New Foreign Markets for Garment Exporters

3007. SHRI DHARAM PAL SINGH MALIK : Will the Minister of TEXTILES be pleased to state :

(a) whether the Apparel Export Promotion Council has achieved a breakthrough in helping garment exporters to the new foreign markets;

(b) if so, the name of the foreign countries where new market for garment export has been found;

(c) the time by which this export will start; and

(d) the amount of the foreign exchange likely to be earned thereby ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The exports of garments to countries outside the bilateral agreement show an increasing trend in the recent past. There has been substantial exports to a few new countries recently. These countries are Saudi Arabia, Kuwait, Spain, Hungary and Bulgaria.

(d) The value of garments exported to these countries in 1984 was Rs. 17 crores.

**Closing of Transport Section of ITDC Hotel Ashoka-Kalinga in Bhubaneswar (Orissa)**

3008. SHRI CHINTAMANI JENA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government have decided to close the transport section of the Indian Tourism Development Corporation Hotel Ashoka-Kalinga in Bhubaneswar in Orissa;

(b) if so, the reasons therefor;

(c) whether the Indian Tourism Development Corporation authorities have advertised for the sale of all the vehicles of this transport section;

(d) whether a large number of tourists and others staying in the hotel and using the vehicles will face a lot of difficulties for transport;

(e) if so, the alternate arrangements made;

(f) whether Government of Orissa have requested the Union Government not to close the transport section of the hotel; and

(g) if so, the reaction of the Union Government thereto ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (e). Since adequate transport facilities are being provided in Bhubaneswar by the State Tourism Organisation and the private sector

which will also meet the needs of Hotel Ashoko-Kalinga, the ITDC Management has withdrawn its transport fleet from its hotel in Bhubaneswar.

Out of the total fleet of 5 Ambassador cars at Bhubaneswar, disposal of four cars is in process as per rules of the ITDC and the remaining one airconditioned car has been transferred to Patna Ashok Travels and Tour Unit.

(f) No such request has been received from the Government of Orissa.

(g) Does not arise.

[*Translation*]

**Import of Soyabean Oil**

3009. SHRI KALI PRASAD PANDEY : Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation has a per report received from G.C.G. and Sons, an international firm purchased 20,000 tons of soyabean oil in the shipment of 10 November-10 December, at the rate of \$ 467 F.O.B.;

(b) whether it is a fact that this purchase has been made at the highest rate;

(c) if the answer to both parts be in the affirmative, whether this step is in line with the announcement made by the Finance Minister to bring down import of edible oils;

(d) the purpose behind concluding this deal at a high rate and the persons responsible for India losing foreign exchange in this way; and

(e) whether Government/State Trading Corporation are taking any action for such import of edible oils ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). No, Sir.

(c) to (e). Do not arise.

[English]

**Financial Assistance to Persons Belonging to Scheduled Castes and Scheduled Tribes in Uttar Pradesh under Consumer Loan Scheme**

3010. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the amount earmarked for giving financial assistance to persons belonging to Scheduled Castes and Scheduled Tribes in Uttar Pradesh under consumer loan scheme in the last year; and

(b) the amount to be provided in Uttar Pradesh in 1985-86 for this purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably, the Hon'ble Member is referring to Consumption Loan Scheme. Based on the recommendation of Sivaraman Committee on Consumption Credit, banks were advised by Reserve Bank of India to grant consumption loans for certain specified purpose to weaker section of the community including SC/ST. The data of Scheduled Commercial Banks under consumption loan in Uttar Pradesh for the two years is given below :

(Amount in Rs. lakhs)

Year Ended	Consumption Loans			
	Weaker Sections		Of which to SC/ST	
	No. of A/cs.	Balance Outstanding	No. of A/cs.	Balance Outstanding
December 1982	2611	17.60	954	3.72
December 1983	1810	14.90	631	5.30

(b) There are no specific targets prescribed for bank advances under consumption loan.

**Sanction of Loan to Nabard by IBRD**

3011. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether the IBRD has since finalised the details of the \$ 300 million loan to be sanctioned by it to the National Bank for Agriculture and Rural Development (NABARD);

(b) if so, when the Union Government are likely to get this loan and on what terms and conditions;

(c) the amount of the earlier loan provided by the World Bank for promoting agricultural activities in India;

(d) the terms and conditions on which Government will in turn allot this loan to NABARD; and

(e) the projects in the agricultural sector State-wise, to which NABARD will allot this loan and on what terms and conditions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Hon'ble Member is presumably referring to a general line of credit loan proposed to be obtained by NABARD from IBRD. The IBRD has not yet sanctioned the loan.

(b) and (d). The terms and conditions on which the Union Government will get the loan and allot to NABARD will get a final shape only after the loan proposal is sanctioned by IBRD.

(c) Under the earlier general line of credit loan for ARDC-IV, a sum of US \$ 350 million was provided by the IBRD/World Bank.

(e) The proposed loan is not for any specific project or State but will form a part of the total amount of refinance made available by NABARD to lending institutions.

**Allotment of Foreign Exchange to  
Indian Tobacco Company Ltd.**

3012. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government are that M/s. Indian Tobacco Company Ltd. has been allotted a huge amount of foreign exchange in the name of conference and study tours, maintenance of offices abroad and other business travels during 1984; and

(b) if so, the details of foreign exchange allotted to Indian Tobacco Company Ltd. and Maurya Group of Hotels during 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). Information is being collected by the Reserve Bank of India and will be laid on the Table of the House.

**Steps to Replace Damaged One and  
Two Rupee Notes**

3013. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the estimated number of one rupee and two rupee notes presently in circulation in the country;

(b) the total number of damaged/soiled one rupee and two rupee notes in circulation presently; and

(c) the steps being taken by Government to replace these notes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The latest available information regarding the estimated number of one rupee and two rupee notes presently in circulation in two country is given below :

As on	Denomination	Pieces in million	Value in rupees crores
End December, 1984	Re. 1/-notes	1,980	198.0
End October, 1984	Rs. 2/-notes	2,518	503.6

(b) and (c). No estimate of total number of damaged soiled one rupee and two rupee notes in circulation is available with the Reserve Bank of India. However, in view of short supply of fresh notes in relation to demand, some soiled but serviceable and re-issuable notes have been re-cycled into circulation. Government are aware of the problem and have taken a number of steps to augment the production and supply of fresh notes for circulation. In addition, various steps have been taken to increase production of one rupee coin in the Mints as also to import 1000 million pieces of one rupee coin.

**Revamping of Public Sector Banks**

3014. SHRI P. R. KUMAR-MANGALAM : Will the Minister of FINANCE be pleased to state :

(a) whether an indepth review and revamping of public sector banks is on the anvil;

(b) if so, the details of Government's strategy to ensure better running of our banks and better utilisation of our limited resources;

(c) whether the profitability of our banks has been eroding; and

(d) if so, the corrective steps proposed in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). With a view to securing an alround improvement in the working of public sector banks, Government and the Reserve Bank of India have been keeping their operations

under review. Improvement in customer service, modernisation of operations, streamlining and strengthening of systems and procedures, orderly housekeeping and improved profitability have been some of the major objectives which the banks have been advised to pursue. The published profits of the 28 public sector banks was Rs. 84.35 crores in 1983. It was Rs. 82.54 crores in 1984. Several measures taken by the Government and the Reserve Bank such as enlarging the capital base of the nationalised banks, enhancement in the rates of interest on deposits with Reserve Bank, revision of service charges, etc., are expected to help improve profitability of the banks.

#### Thrust Industry Status for Processed Mica

3015. SHRI P. R. KUMAR-MANGALAM : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have given "Thrust Industry" status for processed mica and aircraft spares on the basis of Kapoor Committee report as reported in the "Economic Times" of 18th October, 1985;

(b) if so, the details thereof;

(c) what are the salient recommendations of the Committee and which have been accepted or rejected;

(d) whether with the application of the special status the export earnings are likely to go up; and

(e) if so, projected benefits of this plan ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No Sir.

(b) Does not arise.

(c) to (e). The D. V. Kapur Committee has recommended a two-pronged strategy for engineering exports :

(i) Continuation and strengthening of the existing broad system of incentives for export.

(ii) To make the basic structure of our domestic industry internationally competitive in terms of technology, quality and cost. For this purpose, special efforts on a more selective basis have been recommended by selection of a few 'thrust' industrial in which the existing industrial structure is sufficiently developed and in which we have a potential comparative advantage. The committee recommended that these selected industries be offered a special policy environment keeping in view consideration of optimum scale of production; technological modernisation and competition with a view to make them internationally competitive. Principle of selectivity has also been recommended in case of export markets and project exports.

The Government has approved the basic strategy recommended by the Kapur Committee. It is expected that this strategy would provide a significant increase in the exports of engineering products during the Seventh Plan period.

#### Export of Stainless Steel Utensile

3016. SHRI S. M. BHATTAM : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have started export of stainless steel utensils with a view to give a boost to stainless steel industry for utensils;

(b) if so, the annual exports during the last three years and foreign exchange earned therefrom; and

(c) the names of countries which import these utensils ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Stainless steel Utensils are already being exported from India. The foreign exchange earned through these exports during the last three years was as follows :

Year	Value (in Rs. lakhs)
1982-83	690.51
1983-84 (Provisional)	725.00
1984-85 (Provisional)	775.00

Major importing countries of stainless steel utensils from India were : Bahrain, Canada, Kuwait, Malaysia, Oman, Qatar, Saudi Arabia, Singapore, U. K., United Arab Emirates, U. S. A.

#### Closure of Powerloom in Bhiwandi in Maharashtra

3017. SHRI SUBHASH YADAV :  
SARI RAJ KUMAR RAI :  
SHRI PRAKASH V. PATIL :

Will the Minister of TEXTILES be pleased to state :

(a) whether attention of Government has been drawn to the news item appearing in the 'Economic Times' of 31 October, 1985 where in it has been stated that more than 60 per cent of the 1.80 lakhs Registered powerloom industries of the textile town of Bhiwandi in Maharashtra have been closed down;

(b) whether more than 40 per cent of registered powerloom industries are partially operation and 20 per cent more are likely to be closed;

(c) the number of workers who have become jobless due to the closure of these units; and

(d) the measures taken by Union Government to restart the industries in Bhiwandi ?

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

(b) to (d). The information received by Government does not indicate that 60 per cent of the powerlooms in Bhiwandi have

been closed down or that there is such a substantial reduction in weaving activity.

The daily engagement of workers fluctuates with the levels of weaving activity, which change from time to time. No precise estimate is available regarding the number of workers presently without employment.

Government had received some reports that yarn dealers/traders in Bhiwandi were charging premium money for supply of yarn to powerlooms. National Textile Corporation has opened a yarn booking depot at Bhiwandi to facilitate direct sale to powerloom owners.

#### Export of Iron Ore through Paradip Port in Orissa

3018. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) the present level of export of iron ore per annum through Paradip Port in Orissa;

(b) whether Government propose to raise the present level of export through Paradip Port in 1986-86; and

(c) if so, the details of efforts made therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The iron ore exports through Paradip Port in Orissa during 1984-85 were 16.07 lakh tonnes. Exports through this port during the current financial year 1985-86 (1st April-31st October, 1985) are estimated at 11.30 lakh tonnes.

(b) Yes, Sir.

(c) Following steps have been taken to increase the present level of export of iron ore through Paradip Port in 1985-86;

(1) Foreign buyers have been provided incentive by way of discounts to compensate for high freight incidence due shipment by smaller sized vessels, and larger distance



involved as compared to Madras and Vizag, Ports.

- (2) Quota restrictions for procurement of iron ore from mine owners have been removed by MMTC consequent upon higher off-take from the port.
- (3) In order to meet long term requirements, of the port, a proposal for improving iron ore handling facilities and deepening of the port is being examined.

#### Setting up of Super Mini Steel Plants

3019. SHRIMATI JAYANTI PATNAIK : Will the Minister of STEEL AND MINES be pleased to state :

(a) whether Government have a proposal to set up some super-mini-steel plants in the country;

(b) if so, the names of the States where such steel plants are proposed to be set up;

(c) the cost of each of those projects; and

(d) the details of the steps taken to implement the above proposal ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) to (d). It is presumed that the reference to 'super-mini-steel plants' is in respect of larger sized electric arc furnace units. The Government had decided in principle to set up two new such steel plants, one at Vijayanagar in Karnataka and the other at Daitari in Orissa. The cost of setting up each of these plants with a finished steel capacity of 2.1 lakh tonnes per annum was approximately Rs. 400 crores. However, due to overall constraint of resources, it would not be possible to take substantial steps for setting up these plants during the 7th Five Year Plan.

#### Flight of Capital to Foreign Countries and Foreign Banks

3021. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of "Flight of Capital" to foreign countries and foreign banks; and

(b) if so, the estimate thereof from 1982 to 1984 year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) While violations of FERA regulations come to notice from time to time and are dealt with severely, there is no question of any flight of capital as such taking place from India to foreign countries and foreign banks. R. B. I. keeps a close watch over foreign exchange transactions and operations by all banks, including foreign banks, and measures are taken as necessary to ensure that illegal transfers are corbed and severe action taken against offenders.

(b) Does not arise.

#### Delay in Clearance of International Flights Passengers by Customs at Airports

3022. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that many of the passengers coming by international flights are inordinately delayed at Delhi, Bombay and other airports by Customs clearance department; and

(b) if so, the steps taken to reduce the time for customs clearance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The present system of baggage clearance provides that passengers not carrying dutiable articles in excess of their free allowance are permitted to walk through the green channel. Examination of baggage of such passengers is done only at random. Even in the case of passengers carrying dutiable articles, the assessment of duty is being done on the basis of their own declaration since 1983, and only in case of suspicion, the baggage is examined.

These arrangements ensure that the bulk of the passengers arriving by international flights are cleared quickly. Even so,

instances of delays in clearance of passengers arriving from abroad at airports in India have come to the notice of the Government from time to time. Such complaints, whenever received, are carefully looked into for appropriate action. It has been ascertained that delays in clearance takes place on account of variety of reasons, *inter alia*, including delay in arrival of baggage from the airlines to the Customs Arrival Hall and due to passengers bringing large amounts of dutiable articles or a large number of flights arriving in quick succession. Lack of adequate space in the arrival hall is another bottleneck in quick clearance.

Steps have been taken to strengthen and streamline supervisory control by senior officers to ensure quicker clearance. The commissioning of new terminals at Bombay and Delhi, and posting of more staff at these airports, is likely to considerably reduce the congestion and delay in clearance.

#### Measures for Increasing the Production of Tea

3023. SHRI AMAL DATTA : Will the Minister of COMMERCE be pleased to state :

(a) whether according to current estimates the internal demand for tea is rising;

(b) if so, the estimated demand for 1990, 1995 and 2000 AD;

(c) whether any measures have been proposed or taken to increase production of tea to keep pace with rising demand both internal and external;

(d) if so, the measures proposed and taken so far; and

(e) the effect of the measures taken so far ?

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

(b) According to Study Report on domestic consumption of tea carried out by the Indian Institute of Management, Calcutta, domestic consumption of tea during 1984 was estimated at around 400 M. Kgs. The demand is presently

estimated to be increasing at the rate of 15 M. Kgs. per annum and is likely to be of the order of 475 M. Kgs. by the end of 7th Plan.

(c) to (e). Measures taken include tax concessions to enable tea industry to plough back surplus income in years of high prices for development of gardens, treatment of expenditure on replanting as revenue expenditure, loan and subsidy schemes and research project for increasing productivity and area under tea and schemes for tea promotion. The production of India has increased from 561 M. Kgs. in 1982 to 644 M. Kgs. in 1984.

#### Coffee Board to Build up Internal Market for Coffee

3024. SHRI V. S. KRISHNA IYER ; Will the Minister of COMMERCE be pleased to state :

(a) the action taken by the Coffee Board to build up the internal market for coffee in the country; and

(b) whether the Coffee Board propose to give some quota to the growers for marketing coffee on a Co-operative basis so that the internal market could be built up ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The steps taken by the Coffee Board include :

(i) Sale of coffee in the domestic markets at prices which are substantially lower than international prices;

(ii) Making available quality coffee through its promotional wing at subsidised rates; and

(iii) Sale of coffee filters, popularisation of coffee making techniques, demonstrations of coffee brewing, participation in exhibitions, distribution of technical literature etc. Increase in instant coffee manufacturing capacity is also likely to increase coffee consumption in non-traditional areas.

There is no proposal at present for internal sales quota.

**Present Value of Rupee vis-a-vis  
Dollar, Rouble, Pound and  
Other Convertible  
Currencies**

3025. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) the value of rupee now with 1960-100 as base;

(b) the position of rupee in relation to dollar, rouble, pound and other convertible currencies; and

(c) how has the rupee deteriorated from 1980 to 1985;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : (a) The purchasing power of the rupee, measured as the reciprocal of All India Consumer Price Index for Industrial Workers (Base 1960=100), works out to 16.16 paise in September 1985 (latest available).

(b) and (c). The exchange value of rupee is determined with reference to the daily movements of a basket of selected international currencies with pound sterling as the intervention currency.

Movements in Indian rupee vis-a-vis the major international currencies from 1980 to 1985 is given below :

Currency	Position as on*		Percentage Appreciation (+) Depreciation (-) of the rupee
	3-1-'80	29-11-'85	
1. Pound sterling (1£=Rs.)	17.80	17.80	—
2. U.S. dollar (1\$=Rs.)	7.9376	12.0433	—34.09
3. Deutsche Mark (DM 1=Rs.)	4.6409	4.7616	—2.53
4. Japanese Yen (Jy 100=Rs)	3.3474	5.9783	—44.01
5. Swiss Franc (SF 1=Rs.)	5.0518	5.7694	—12.44
6. French Franc (FF 1=Rs.)	1.9872	1.5610	+27.30
7. Dutch Guilder (DG 1=Rs.)	4.2230	4.2328	—0.23

\*data supplied by Reserve Bank of India, Bombay.

**Recovery of Counterfeit Currency**

3026. SHRI S. M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether forced notes of the value of Rs. three lakhs were recovered at Ahmedabad recently as these were counterfeit currency;

(b) how much such cases were detected

in the last six months at other places and the amount involved; and

(c) the action taken in all such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The position is being ascertained.

(b) The details of forged notes detected in the last six months (*i.e.*) from May, 1985 to November, 1985 are given below :

State of Detection	Denomination	No. of notes	Total amount involved
Tamilnadu	Rs. 100	3184	Rs. 3,18,400
Karnataka	Rs. 50	1780	Rs. 89,000
Karnataka	Rs. 20	2764	Rs. 55,280
Manipur	Rs. 100	502	Rs. 50,200
Mizoram	Rs. 100	391	Rs. 39,100
Maghalaya	Rs. 100	6476	Rs. 6,49,600
Tamilnadu	Rs. 50	1806	Rs. 98,300
	<b>Total :</b>	16903	Rs. 12,89,880

(c) Do the basis of information received from the States/Union Territories Police Authorities and banks including Reserve Bank of India branches all over the country, the Central Bureau of Investigation consolidates figures of all denominations and action is taken to publish it in the CBI Bulletin. Monthly, Quarterly and Yearly reviews are also prepared by the CBI and sent to all States/Union Territories. The material published in the CBI Bulletin as well as the periodical reviews circulated to all States/Union Territories help them in detection of forced currency notes of all denominations.

**Time-Bound Plans for Toning up  
Operation and Profitability  
of Banks**

3027. SHRI M. V. CHANDRA-SEKHARA MURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has asked the public sector banks to submit time-bound plans for toning up operations and the profitability of the banks;

(b) if so, whether he had series of meetings with Chairman and top executives of the banks in September and October, 1985;

(c) if so, the details of plan discussion;

(d) whether the Reserve Bank of India

has received the detailed reports from the individual banks; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). In order to closely monitor and review the performance of the public sector banks, the Finance Minister and meetings with the Chief Executives of these banks and the Reserve Bank of India in May, July and October, 1985. Governor, Reserve Bank of India also held discussions with the Chief Executives of all the public sector banks individually in the month of September, 1985 on important aspects of working of each bank in the light of inspections carried out by Reserve Bank of India (RBI). The banks have been advised by RBI to draw up an 'Action Plan' for the alround improvement in the quality of services and operations and upgrade their financial viability and profitability. The key areas which the banks have been advised to cover in the 'Action Plan' are organisational structure and personnel, training, customer service, resource mobilisation, mechanisation and computerisation, financial viability and profitability, management of liquid reserves, housekeeping etc. The 'Action Plans' are to cover the period from November 1985 to December 1987. Reserve Bank of India has received so far 'Action Plans' drawn up by 13 banks and the same are under scrutiny of the Reserve Bank of India.

**Area Under Tea Plantation in Kerala  
and Fall in Prices**

3028. PROF. P. J. KURIEN :  
SHRI V. S. VIJAYA-  
RAGHAVAN :

Will the Minister of COMMERCE be pleased to state :

(a) the total area under tea plantation in Kerala;

(b) whether it is a fact that the tea growers in Kerala are facing a crisis due to fall in prices; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Total area under tea plantations in Kerala at the end of 1983 was 35021 hectares.

(b) No, Sir.

(c) Does not arise.

**National Census of Handloom**

3029. SHRI M. V. CHANDRA-SEKHARA MURTHY : Will the Minister of TEXTILES be pleased to state :

(a) whether national census of handlooms is being proposed for the first time;

(b) if so, the main reasons thereof;

(c) whether he has urged the State Governments to abolish Sales Tax on all handloom products of cotton, wool and silk;

(d) if so, the extent to which it will be helpful to the handloom sector; and

(e) the other measures being considered to help the handloom weavers in the country ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Yes, Sir. The Census is being proposed on a national level to get a correct picture of the basic data relating to handlooms such as

the number of handlooms, number of weavers, their yarn requirement, their earnings etc.,

(c) and (d). Yes, Sir. This measure, by reducing the consumer price of handloom products, will help generate demand for handlooms, on the one hand, and also facilitates free movement of handlooms products across the country.

(e) The other important measures to help the handloom industry are as under :

- (i) Development of handlooms through cooperatives and handloom corporations.
- (ii) Modernisation of handlooms and provision of technological and other inputs;
- (iii) Special efforts to ensure adequate availability of yarn and other raw materials to the handloom sector,
- (iv) Encouraging production of mixed and blended fabrics on handlooms to improve the earnings of weavers.
- (v) Strict enforcement of the provision of the 'Handlooms (Reservations of Articles for Production) Act, 1985'.
- (vi) Removal of the cost handicap of the handloom sector vis-a-vis powerlooms by suitable fiscal measures.
- (vii) Introduction of welfare schemes, such as, contributory Thrift Fund Scheme and Workshed-cum-Housing scheme to improve the working conditions of handloom weavers.

[Translation]

**Export of Foodgrains by Export  
Organisations**

3030. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of COMMERCE be pleased to state :

(a) whether Export Organisations have sought Government approval for exporting foodgrains;

(b) if so, whether Government propose to consider their request; and

(c) if so, by what time and if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Export of foodgrains, *viz.* wheat and wheat products; Basmati Rice and Maize, is permitted subject to conditions, such as, Minimum Export Price and ceiling. Export of non-basmati rice is not permitted.

#### Removal of Ban on Recruitment

3031. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state:

(a) whether in public sector there is no ban on recruitment whereas there is a ban on Central Public Works Department, although both organisations employ workers and labour in a big way;

(b) whether it is a fact that this is adversely affecting the maintenance work of CPWD, apart from blocking all avenues of absorption of casual labour some of whom have been working for year; and

(c) whether Government propose to remove the ban on recruitment in all Government employments, irrespective of whether these are in the public sector or the Government Departments ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Department of Public Enterprises of the Ministry of Industry have recently reviewed the orders regarding ban on recruitment in the public sector enterprises. It is not considered feasible to impose an absolute ban on recruitment to posts in the public sector enterprises which are dealing with production and supply of essential goods and services. Accordingly, subject to certain conditions, relaxation has been permitted on recruitment to vacancies in the public sector enterprises.

The CPWD is, however, governed by the extant Government orders placing a ban on recruitment in all Government Departments. Each case, however, is considered on merits and relaxations are given

by the Finance Ministry in deserving cases. The Government have recently permitted regularisation of over 3000 muster roll workers of the CPWD in relaxation of the ban orders.

(c) Instructions issued in January, 1984 advising Ministries/Departments of the Government of India not to fill up existing vacancies except where recruitment action had been taken, were part of a package of anti-inflationary measures. The circumstances in which these economy instructions were issued have not changed since then to necessitate any relaxation thereof.

#### Manufacture of Metal Mirrors in Kerala

3032. SHRI THAMPAN THOMAS : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken note of artisans in Kerala making metal mirrors by hand;

(b) whether Government of Kerala have represented to Government to help this trade of metal mirrors made out of bell metal;

(c) if so, the details thereof; and

(d) Government's reaction thereto ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). The information is being collected and will be laid on the Table of the House.

#### Issue of New Equity to Workers

3033. SHRI ATISH CHANDRA SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made it compulsory for all companies to offer a certain percentage of their fresh and new issues of equity to their workers and employees to encourage their participation in the management;

(b) if so, the details thereof;

(c) the steps taken/proposed; and

(d) the progress is the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The details of the Schemes for participation of the employees by purchasing shares of their companies were announced in the Lok Sabha on 1st August, 1985 and copies of these schemes were laid on the Table of the House on the same day.

(c) and (d). As on 31st October, 1985, 94 companies were allowed by the Controller of capital Issues to issue shares to their employees as part of their proposals for issue of share capital.

#### Distribution of Controlled Cloth

3034. SHRI MOHANBHAI PATEL : Will the Minister of TEXTILES be pleased to state :

(a) when the statutory schemes for the distribution of controlled cloth was introduced;

(b) the rate of controlled cloth being distributed to a weaker sections of the society;

(c) the rate at which this quality of cloth is available in open market;

(d) whether it is a fact that there is very narrow difference in the price in open market and in fair price shops;

(e) whether it is a fact that the off-take of controlled cloth from fair price shops is very low; and

(f) if so, whether Government propose to reduce the price of controlled cloth ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The statutory schemes for the distribution of controlled cloth was introduced in 1972.

(b) The prices of controlled cloth per linear metre vary from Rs. 2.20 to Rs. 3.85 for dhoty, Rs. 2.90 to Rs. 5.85 for saree and Rs. 2.90 to Rs. 5.70 for longcloth.

(c) and (d). Prices of controlled cloth are cheaper than similar varieties of mill made non-controlled cloth sold in the open market.

(e) The distribution of controlled cloth is primarily the responsibility of the State Governments. There is no indication to suggest that the off take of controlled cloth from the retail outlets is very low.

(f) No, Sir.

#### Cost of Indian Rubber

3035. SHRI E. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the rubber produced in India is three times costlier than the rubber produced in other countries;

(b) the number of foreign companies which are owing rubber plantations in India; and

(c) the reasons for the high cost of rubber in India ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) No Foreign Company is owning any Rubber Plantation in India, though a few companies have foreign share participation.

(c) The main reasons for the high cost of rubber in India as compared to other Rubber producing countries like Malaysia are :

(i) Lower Productivity on account of less favourable climate conditions.

(ii) High cost of inputs.

(iii) High cost for controlling various diseases obtaining in rubber plantations;

(iv) High cost of fuel resulting in higher cost of transportation and fertilizers.

**Fall in Jute Prices and Quantity of Jute Purchased by Jute Corporation of India**

3036. SHRI HANNAN MOLLAH : Will the Minister of TEXTILES be pleased to state :

(a) what measures the Union Government have adopted to prevent steep decline in raw jute prices;

(b) the quantity of raw jute purchased so far by the Jute Corporation of India;

(c) the total production of raw jute during the present season, State-wise details thereof; and

(d) the production cost of raw jute per metric tonne ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) A statement is attached.

(b) The Jute Corporation of India has already procured 18 lakh bales by 29-11-1985 of raw jute which is substantially higher than the highest ever recorded during this period in the past.

(c) So far as production of raw jute during 1985-86 season is concerned, the final estimates as published by the Ministry of Agriculture, are not yet due.

(d) The Commission for Agricultural Costs and Prices while formulating their recommendations on price policy for raw jute for the year 1985-86 have stated that the updated cost of production of raw jute works out to about Rs. 208 per quintal for West Bengal and Rs. 212 per quintal for Assam.

**Statement**

(a) With the harvesting of a bumper crop of raw jute this season, prices have declined to support level in almost all up-country markets. With a view to protecting the interest of jute growers, the following steps have been taken :

(i) The jute Corporation of India has been directed to undertake large scale purchases of raw jute at minimum statutory prices fixed by the Government;

(ii) Sufficient credit has been placed at the disposal of Jute Corporation of India for undertaking price support operation;

(iii) A directive has been issued on 6-9-85 by Jute Commissioner to all working jute mills in the private sector to build up stocks of raw jute up to specified levels so as to step up purchases of raw jute by mills;

(iv) The Jute Corporation of India has been permitted to export a limited quantity of raw jute.

**Differences in Printed and Selling Prices of Cigarette**

3037. SHRI C. SAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether Government is aware that the cigarette manufacturing companies print low prices on the cigarette packets whereas while selling the same cigarette packets to the whole-sale dealers and the retailers they charge higher price; and

(b) the details of the measures taken to fix the selling price of the cigarette packets to the wholesale dealers and the retailers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Instances of sale of certain brands of cigarettes manufactured by some of the cigarettes companies, where the printed prices as declared on the packages were lower than the prices at which such brands were sold in retail, have come to the notice of the Government.

(b) The prices of cigarettes are not statutorily controlled. It is not possible for the Government to fix the prices at which cigarettes should be sold by the manufacturers to the wholesale dealers and retail sellers.



**Fall in Production of Gold**

3038. SHRI R. M. BHOYE : Will the Minister of STEEL AND MINES be pleased to state :

(a) the production of gold during the last five years, year-wise, mine-wise details thereof;

(b) whether there have been any fall in its production; and

(c) if so, the reasons thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAMDULARI SINHA) : (a) The production of gold by the Bharat Gold Mines Ltd., a Govt. of India Undertaking during the last five years standing from 1980-81 is indicated below :

(In Kgs.)

	1980-81	1981-82	1982-83	1983-84	1984-85
(i) Mysore Mine	258.61	222.84	236.53	217.80	202.14
(ii) Champion Mine	666.82	565.70	568.62	441.64	383.99
(iii) Nundydroog Mine	627.81	621.72	548.54	509.27	437.74
(iv) Yeppamana Mine	3.07	4.44	2.31	—	25.66
(v) Others	6.33	6.29	13.94	16.86	41.68
	1562.64	1420.63	1369.94	1185.57	1091.21

Besides, Bharat Gold Mines Ltd., Kutti Gold Mines Co. Ltd., a State Govt. of Karnataka Undertaking is also producing gold. The production of gold by this company during the last five years starting from 1980-81 is indicated below :

Years	(In Kgs.)
1980-81	783.24
1981-82	964.80
1982-83	753.62
1983-84	821.09
1984-85	865.12

(b) Yes, Sir. There has been fall in the production of gold especially in BGML.

(c) The reasons for fall in production of gold by Bharat Gold Mines Ltd. is mainly due to declining trend of high grade ores and operational problems due to ultra deep mining.

[*English*]

PROF. MADHU DANDEVATE : Mr. Speaker Sir, yesterday you had given a direction that there will be a discussion on the gas leakage in Delhi. Sir, unfortunately the Government is not in a mood to have the discussion at all. I am afraid, they will put it off beyond Delhi election. Therefore, allow it as an adjournment motion.

SHRI BASUDEB ACHARIA : We had also given an adjournment motion.

[*Translation*]

MR. SPEAKER : First listen to me. I have heard professor Saheb also. I had stated yesterday that it was received late and, therefore, we shall convene a meeting of BAC on Monday and place it before that.

(Interruptions)

MR. SPEAKER : If you do not listen to me, what can I do ?

(Interruptions)

[English]

PROF. MADHU DANDAVATE : They are likely to put it off beyond Delhi elections...

(Interruptions)\*\*

MR. SPEAKER : Not allowed.

(Interruptions)\*\*

MR. SPEAKER : It is not their decision, it is my decision.

[Translation]

MR. SPEAKER : Your worry is unfounded. We shall call a meeting of BAC on Monday and decide the issue.

(Interruptions)

[English]

SHRI BASUDEB ACHARIA : We are walking out.

(Interruptions)\*\*

(At this stage Shri Basudeb Acharia and some other Hon. Members left the House)

#### PAPERS LAID ON THE TABLE

[English]

#### Notifications under Section 17 of the Export (Quality Control and Inspection) Act, 1963

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : On behalf of Shri Arjun Singh I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963 :

- (i) The Export Inspection Agency (Recruitment) Second Amendment Rules, 1985 published in Notification No. G.S.R. 853 in Gazette of India dated the 14th September, 1985.

(ii) The Export of Coir Mettings (Inspection) Amendment Rules, 1985 published in Notifications No. S. O. 756(E) in Gazette of India dated the 15th October, 1985.

(iii) The Export of Non-baled Coir Yarn (Inspection) Amendment Rules, 1985 published in Notification No. S. O. 456(E) in Gazette of India dated the 15th October, 1985.

(iv) The Export of Coir Products (Inspections) Amendment Rules, 1985 published in Notifications No. S.O. 757(E) in Gazette of India dated the 15th October, 1985.

(v) The Export of Coir Yarn (Inspection) Amendment Rules, 1985 published in Notification No. S. O. 758(E) in Gazette of India dated the 15th October, 1985.

(vi) The Export of Jute Products (Quality Control and Inspection) Amendment Rules, 1985 published in Notification No. S. O. 759 (E) in Gazette of India dated the 15 October, 1985.

(vii) The Export of Jute Yarn and Jute Twine (Quality Control and Inspection) Amendment Rules, 1985 published in Notification No. S. O. 760(E) in Gazette of India dated the 15 Octobsr. 1985.

(viii) The Export of Double Warp Jute Tarpaulin Cloth and Bag and Double Warp Jute Canvas Cloth and Bag (Quality Control and Inspection) Amendment Rules, 1985, published in Notification No. S.O. 761 (E) in Gazette of India dated the 15th October, 1985.

(ix) The Export of Fishmeal (Inspection) Rules, 1985 published in Notification No. S. O. 762 (E) in Gazette of India dated the 15th October, 1985.

(x) The Export of Canned Fish and Fishery Products (Quality Control and Inspection) Rules, 1985 published in Notification No. S.O. 763(E) in Gazette of India dated the 15th October, 1985.

(xi) The Export of Fish and Fishery Products Quality Control and Inspection) Amendment Rules, 1985 published in Notification No. S. O. 764 (E) in Gazette of India dated the 15 October, 1985.

(xii) The Export of Frozen Froglegs (Quality Control and Inspection) Rules, 1985 published in Notification No. S. O. 765(E) in Gazette of India dated the 15th October, 1985.

(xiii) The Export (Quality Control and Inspection) Amendment Rules, 1985 published in Notification No. S. O. 5227 in Gazette of India dated the 16th November, 1985.

(xiv) The Export Inspection Council, Death-Cum-Retirement Gratuity (Amendment) Rules, 1985 published in Notification No. S. O. 5225 in Gazette of India dated the 16th November, 1985.

(xv) The Export of Vacuum Flasks (Quality Control and Inspection) Rules, 1985 published in Notification No. S.O. 4259 in Gazette of India dated the 14th September, 1985.

[Placed in Library. See No. LT-1558/85]

(2) A copy of the Annual Accounts (Hindi and English versions) of the Cardamom Board, Cochin, for the

years 1984-85 together with Audit Report thereon, under sub-section (4) of section 19 of the Cardamom Act, 1965.

[Placed in Library. See No. LT-1559/85]

**Annual Reports and Reviews on the working of the Central Cottage Industries Cooperation of India Limited for the year 1982-83, Central Silk Board Man Made Textile Research Association, Surat etc. etc.**

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) I beg to lay on the Table :

(1) A Copy each of the the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :

(i) Review by the Government on the working of the Central Cottage Industries Corporation of India Limited, for the year 1982-83.

(ii) Annual Report of the Central Cottage Industries Corporation of India Limited for the year 1982-83 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

(2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No LT-1560/85].

(3) (i) A copy of the Annual Report (Hindi and English (versions) of the Central Silk Board, Bangalore, for the year 1984-85, under section 12-A of the Central Silk Board Act, 1948.

- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Central Silk Board, Bangalore, for the year 1984-85.  
[Placed in Library. See No. LT-1561/85]
- (4) (i) A copy of the Annual Report (Hindi and English versions) of the Man Made Textiles Research Association, Surat, for the year 1983-84 along with Audited Accounts.
- (ii) A Copy of the Review (Hindi and English versions) by the Government on the working of the Man Made Textiles Research Association, Surat, for the year 1983-84.
- (5) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (4) above.  
[Placed in Library. See No. LT-1562/85]
- (6) (i) A copy of the Annual Report (Hindi and English versions) of the Wool and Woollens Export Promotion Council, New Delhi, for the year 1982-83 along with Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Wool and Woollens Export Promotion Council, New Delhi, for the year 1982-83.
- (7) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (6) above.
- (8) (i) A copy of the Annual Report (Hindi and English versions) of the Wool and Woollens Export Promotion Council, New Delhi, for the year 1983-84 along with Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Wool and Woollens Export Promotion Council, New Delhi, for the year 1983-84.
- (9) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (8) above.  
[Placed in Library. See No. LT-1563/85].

Notifications under the Customs Act,  
1962 and the Central Excise  
Rules, 1944

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY) : I beg  
to lay on the Table :

- (1) A copy of Notification No. G.S.R. 872(E) Hindi and English versions) published in Gazette of India dated the 29th November, 1985 together with an explanatory memorandum making certain amendment to Notification No. 179/85-Customs dated the 27th may 1985 so as to extend the concessional rate of basic customs duty of 10 per cent *ad velorem* on aluminium ingots upto the 31st December, 1985, under section 159 of the Customs Act, 1962.  
[Placed in Library. See No. LT-1564/85]
- (2) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944 :
- (i) G.S.R. 877 (E) published in Gazette of India dated the 2nd December, 1985 together with an explanatory memorandum regarding exemption to all article of silver from the whole of the duty of excise leviable thereon.
- (ii) G.S.R. 878 (E) published in Gazette of India dated the

2nd December, 1985 together with an explanatory memorandum making certain amendment to Notification Nos. 31/76-CE dated the 28th February, 1976 and 111/78-CE dated the 9th May, 1978.

[Placed in Library. See No. LT-1565/85].

**Annual Report and Review on the working of the National Aluminium Company Limited for the year 1984-85**

THE MINISTER OF STATE IN THE DEPARTMENT OF MINES (SHRIMATI RAM DULARI SINHA) : I beg to lay on the Table a copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :

- (1) Review by the Government on the working of the National Aluminium Company Limited, Bhubaneswar, for the year 1984-85.
- (2) Annual Report of the National Aluminium Company Limited, Bhubaneswar, for the year 1984-85 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT-1566/85].

**COMMITTEE ON ABSENCE OF MEMBERS**

**Second Report**

[English]

SHRI MADHUSUDAN VAIRALE (Akola) : I beg to present the Second Report (Hindi and English versions) of the Committee on Absence of Members from the sittings of the House.

**PUBLIC ACCOUNTS COMMITTEE  
Sixteenth Report**

[English]

SHRI RANJIT SINGH GAEKWAD (Baroda) : I beg to present the Sixteenth Report (Hindi and English versions) of Public Accounts Committee on Action Taken on 205th Report (Seventh Lok Sabha) regarding construction of staff quarters at Pankha Road, New Delhi and Construction of staff quarters at Salt Lake, Calcutta.

12.04 hrs.

**CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE**

[English]

**Situation arising out of the large scale accumulation of paddy in various States**

SHRI MOOL CHAND DAGA (Pali) : Mr. Speaker, Sir, I call the attention of the Minister of Food and Civil Supplies to the following matter of urgent public importance and request that he may make a statement thereon :

“Situation arising out of the large scale accumulation of paddy in various States due to inadequate procurement arrangements made by the Food Corporation of India resulting in distress sale thereof by farmers and steps taken by the Government in regard thereto”.

12.05 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI K.P. SINGH DEO) : The Government of India have declared the report prices of paddy for the 1985-86 marketing season. The prices of the three varieties of common, fine and superfine paddy are, respectively, Rs. 142, Rs. 146 and Rs. 150 per quintal.

2. The prices fixed by the Government are for grains conforming to

[Shri K. P. Singh Deo]

the specifications approved by the Central Government. These specifications are fixed in consultation with the State Governments and circulated before the commencement of the marketing season to all the State Governments and the Food Corporation of India for observance at the time of purchase.

3. The Food Corporation of India and the State agencies purchase at the support prices all paddy offered for sale and conforming to the prescribed specifications so that the farmers do not have to resort to distress sale of their produce. Paddy is purchased by the millers at or above the support price level. The role of the public agencies in extending price support is of a supplementary nature and comes into play when the farmers is unable to obtain support prices for paddy in the market. The farmer has the option to sell paddy to FCI/State agencies or in the market as is advantageous.

4. When reports of paddy being sold at prices less than the support level are received, they are promptly investigated. It is generally found that, in such cases, the low prices are due to the poor quality of paddy, and not due to lack of support purchases. In some cases, it was found that the quality of such paddy was below specifications on account of high moisture content and in some cases, damage to the grains.

5. The Food Corporation of India makes purchases of grains under support operations. The State Governments have also the responsibility to see that distress sale does not take place. In fact, in the major surplus States of Punjab and Haryana, the State agencies have a significant role in the price support operations. The FCI and the State agencies have been procuring paddy during the current kharif marketing season in the respective centres allotted to it by the State Governments. The procurement of paddy has been to the extent of 40.07 lakh tonnes, as on 4.12.1985, as compared to 32.59 lakh tonnes corresponding last year. The total procurement this

year is higher by 7.48 lakh tonnes, which is about 25% higher.

MR. DEPUTY SPEAKER : Mr. Daga. Ten minutes for you. Please be brief and put your questions. Within ten minutes whatever you want, you can ask from the Minister.

[*Translation*]

SHRI MOOL CHAND DAGA : Mr. Deputy Speaker, Sir, the farmer is the backbone of a country and you are fixing time for the problems relating to the farmers. Sir, in view of the condition of the farmers I expect that you will be a little liberal because the question is not of Calling Attention only. I never want to take more time and if any of my question is irrelevant you may point it out and I shall accept it. In that situation, I shall abide by your direction.

Mr. Deputy Speaker, Sir, the farmer produces wheat and paddy in the fields. His entire life is devoted to cultivating the fields. Due to the efforts of the farmers the country produced 150 million tonnes of paddy last year and this year 151 million tonnes have been produced, but the way the hon. Minister has explained the situation, it seems that he has just read out whatever his officers have written for him. Have the Government over thought as to what quantity of paddy it should have purchased in view of the bumper paddy crop and what was the target of the Food Corporation of India? This will be my first question to him. If he tells us about the target, then my second question will be as to what is the percentage of the target that has been achieved. Thirdly, he has said that he has not received any complaint. Why do they say such things? Haryana's Chief Minister Shri Bhajan Lal and his Agriculture Minister Shri Shamsher Singh complained to the Prime Minister that paddy was being sold at throw-away prices. They toured the districts of Nabha and Jind and found that :

[English]

“In most *mandis*, according to Mr. Surjewala, the paddy is sold for less than even Rs. 130 per quintal against the support price of Rs. 150.”

[Translation]

This report is not mine. It is the report from a Congress Minister and that too from the Chief Minister Shri Bhajan Lal. He has complained that there are no paddy buyers in the *mandis*. Therefore, I request that when the hon. Minister replies, he should keep in mind the following complaint made by him.

[English]

“Nowhere has the FCI started paddy procurement operations leaving the farmers no option but to sell the produce at less than the support price.”

[Translation]

The situation is so miserable that no one is coming forward to purchase their produce. Punjab's Agriculture Minister, Shri Amrendra Singh, has stated the position of paddy in Punjab. I am talking of the Food Corporation of India. In the entire country, the situation is miserable. The hon. Minister is defending stoutly because he has been a Defence Minister. He has, therefore, inculcated the habit of defending.

Mr. Deputy Speaker, Sir, I was referring to the Punjab Agriculture Minister's statement that there was an understanding that 65 per cent paddy would be purchased by the Food Corporation of India and other Central agencies and 25 per cent would be purchased by the Punjab Government. This target has not been achieved. They have not achieved the target.

[English]

“The FCI, he said, had procured only 83,000 tonnes of paddy till yesterday against the 27 lakh tonnes for the current season.”

[Translation]

This is the position as on 18 October, 1985. Till then, they had not made the purchases. In Punjab, you have fixed three varieties of paddy—common, fine and super-fine. Sir, I want to know how much paddy you have purchased under the common category, how much under the fine and how much under the superfine category, and which are the places from where the paddy has been purchased. I would also like to know the State-wise quantity which was available and the quantity which arrived in the market.

Mr. Deputy Speaker, Sir, the condition of the paddy procurement there is deplorable and the hon. Minister says that they are making the purchases. When they do not have jute bags to fill paddy, wherefrom they will buy? Sir, I am reading out this report, please listen—

[English]

“The FCI has neither arranged for the jute bags.....”

[Translation]

Where did they make the purchases? The hon. Minister is not aware of it. They have neither jute bags nor godowns. The rice cannot be kept in the open. Sir, you will be surprised to know the facts. I am telling you all this because you take interest in the welfare of the poor, otherwise, I have no any other object. How much money was allocated by the FCI for the purchase of paddy and how much has been spent? FCI had earlier stated that they would start a Farmers? Extension Service; the farmers would be allowed to store their produce of wheat and paddy in the warehouses and against that, loans from banks would be permissible. This is their report :

[English]

“The Committee find that the number of farmers all over India.....”

MR. DEPUTY SPEAKER : Including Rajasthan.....

SHRI MOOL CHAND DAGA : Rajasthan is the land of brave people.

[Shri Mool Chand Daga]

"The Committee find that the number of farmers all over India who utilise services under the scheme was 259 in 1980-81 and 409 in 1981-82 and 344 in 1982-83."

This is what the Managing Director, C.W.C. admitted during the evidence.

"Our coverage of the scheme has been insignificant and the impact has been less."

Then you don't have the warehouses. It has been admitted. How do you work when you don't have warehouses? He has admitted it. There are good officers also. The hon. Minister would say "I should not go and admit it in the Parliament." But here is a mistake. But he will not admit it. Then I am putting it to them. In Punjab Assembly, a resolution was passed condemning the action of the Government unanimously. Without any opposition it was passed and they said this thing.

"We won't produce paddy. We will produce castor oil. What is the use of producing paddy when it is sold at a such a low price?" Now, he has very proudly said about its price as Rs. 142, Rs. 146 and Rs. 150 per quintal.

[*Translation*]

You have increased the rates of electricity, fertilisers, cloth, iron etc., and those of train and bus fares; you have made it costly even to breathe.

[*English*]

MR. DEPUTY SPEAKER: The hon. Minister knows the whole thing. Please conclude now.

SHRI MOOL CHAND DAGA: That is true, Sir. Further, it is stated here like this:

"He came down heavily on the Centre for fixing 'unrealistic' procurement prices for the agricultural produce and said that if the Centre did not offer remunerative prices for farm commodity,

the Government would be forced to change the cropping pattern in the State and switch over to the cash crop."

[*Translation*]

Shri Panika is present here. He is a very good worker of our Party. Shri Chintamani Panigrahi from Orissa is also present. He is the Chairman of the Estimates Committee and also a scholarly person. Other big persons are also present here. All of you must be knowing how transport accounts for 30 per cent of the expenditure by the F.C.I. What have the Government thought about this? The hon. Minister should also tell us as to what is the criterion for fixing the support price. You have taken shelter of the excuse of 'specifications' but have you anywhere prescribed the specification?..... (*Interruptions*) You have permitted moisture upto 18 per cent but at the instance of Punjab, you agreed to purchase with 20 per cent moisture because the moisture content increases during rains which gets dried up afterwards..... (*Interruptions*).

Shri Lal Bahadur Shastri had given a slogan—'Jai Jawan, Jai Kisan'. If the economic condition of the farmer is not improved, he will be disheartened, which will be disastrous for us. That is why I say that you may kindly pay attention to it. You can send paddy for the programmes like NRIIP and RLEGP and can employ poor Scheduled Castes and Scheduled Tribes people in those programmes. Are you ready for this? Will you do this? Will you export paddy I will also advise and suggest that for godowns, do not take the help of 'Baniyas', constitute farmers' cooperatives and construct godowns at different places. Kindly reply to all these queries.

[*English*]

SHRIMATI GEETA MUKHERJEE (Panskura): Mr. Deputy Speaker, Sir, in the course of your observations from the chair, you said that the Minister knew everything and, therefore, we should put questions only. Very good, but I am sorry, I cannot agree with you because the statement which has been given to us in answer to the calling attention does not indicate that the Minister is aware of the graveness



of the situation. Therefore, I will not take much time on this point, but would only say that the statement does not reflect the real situation at all.

Firstly, as you know the prices of paddy have gone down much beyond even the support price which in our opinion is absolutely unremunerative. The support price of Rs. 150 for superfine and Rs. 142 for common varieties are unremunerative. At least Rs. 180 for the common variety should have been fixed. Everybody is agreed on that here, I believe, if not on more price. The fact is that the price that is being paid is less than even the support price. I know that from experience in my State; the price had gone down beyond Rs. 120. The same thing happened in Bihar also. I am not going to Haryana and Punjab. These States are very important. If the farmers divert from rice to other crops in these two States, the whole country will have to pay in the next few seasons.

I would like to know whether the so-called dreamland price of Rs. 142 will be reviewed and revised and at least the price of Rs. 180 for the common variety will be considered.

In the second paragraph of the statement, it is mentioned that the prices fixed by the Government are for grains conforming to the specifications approved by the Central Government and these specifications are fixed in consultation with the State Governments. I believe, the specification of 18 per cent moisture is one of the reasons which is really preventing the purchasing of paddy at the moment. In this reply in paragraph 4, it is said that when reports of paddy being sold at prices less than the support price level are received, they are promptly investigated. But what is found? It is generally found that in such cases, the low prices are due to the poor quality of paddy and not due to the lack of availability of support price. What a great invention! That is why I say that the Ministry is not aware of many things. Does it mean to say that all the paddy that is coming now is of poor quality? The absence of central agency, the decision to keep the moisture content only at 18 per cent, disregarding other suggestions, the policy of several State Governments not to buy paddy, but only rice from the millers,

the fact that the FCI hardly buys its rice from its own agency and that it goes to the middlemen to buy—all these factors are not responsible!—What is responsible is the bad quality of paddy! To the farmers of our country, I say sir that this adding insult to injury.

Another very great thesis has been propounded in paragraph 3 about the role of the public agencies. What is the role of the public agencies? According to the reply, the role of the public agencies in extending price support is of a supplementary nature and it comes into play when the farmer is unable to obtain support price for his paddy in the market. The farmer has the option to sell paddy to the FCI or to the State agencies or in the market as is advantageous. They are trying to show that the role of the FCI is only supplementary. That means, it should not bear the major responsibility or it should not be culprit, if things go wrong. This supplementary factor may be in terms of quantity. The duty of the FCI which is a Central Government corporation is really not in terms of only quantity, but in terms of actual functioning, to rush to the market immediately wherever the price have gone down, to be first in the market to save the producers from being fleeced by the middlemen and the traders.

Also in some places, the State Government is not buying paddy. For example in Bihar, they are reluctant to buy paddy. They say that they will only buy rice. I do not want to quarrel with any State Government here, whether it be my State, or Bihar or any other State. The State Government may like to do such a thing. In that case, I would like to know whether the Central Government would direct the FCI to go in immediately to buy the paddy and also to persuade the State Government to buy paddy instead of rice. Is it not their function? I wonder whether the Minister knows all these things. So, I strongly object to the formulations made here about the role of the FCI. As far as farmers concerned, in terms of quantity it may be all right, but in terms of actual functioning, it should not be so. Therefore, I would like to place a few concrete questions.

Will the Government review the present support price of paddy and raise it to at

[Shrimati Geeta Mukherjee]

least Rs. 180 for the common varieties? Will the Government pay bonus for buying, so long as it cannot formally announce this price of Rs. 180? Will the specifications about the moisture content be reviewed and will it be raised from 18 per cent? Has the FCI got the concurrence of the State Governments in fixing up the moisture content at 18 per cent? Will the FCI purchase paddy in those areas where the State Government are refusing to do so? Instead of procuring the paddy through middlemen, will the FCI buy it directly through its own centres? Will more storage capacity be built? This is a very material question. As regards this huge stock of foodgrains that is there with the FCI, will the Government decide to release that not only in this Adivasi plan areas, but also to the agricultural workers at a lower price through the Fair Price Shops and thereby really alleviate their miseries?

SHRI AMAL DATTA (Diamond Harbour) : Sir, the present Callign Attention arises out of the reports we have been receiving continuously since the paddy harvesting season started that poor farmers have to make distress sale of paddy. Now the Minister mentions it that reports have been received by him also, but the same breath, he dismisses those reports by saying that in such cases after investigation, it has been found that the paddy did not conform to the specification laid down by the Central Government. So the case is finished before it has even started. I would humbly ask the hon. Minister to enlighten us as to how many such cases of reports obtained by them or in how many cases reports were received by them and in how many cases they have made the investigation in order to come to this conclusion, that there is no distress sale of paddy which also conforms to specification laid down by the Central Government? That is my first question. Obviously this is where the major conceptual fault of the Government lies that it is no longer a supplementary role. Having encouraged and promoted the Green Revolution, it is for the Government to give the price support at the place where it is required not sitting in the big cities and Mandis only, but going out and reaching out to the small and marginal farmers who cannot bring their paddy to the Mandis and who do not have

the money to do so. He has to perforce sell it to the local Baniyas or the local traders and he gets the lowest price in spite of what prices have been stated *i. e.* Rs. 140 to Rs. 150 and all that. I know it is a fact that farmers have to sell away their paddy at prices below Rs. 100 also. Can the Minister deny that? So, will they now review the procurement policy of FCI, whether they will go out of the Mandis from where they are operating into the depth of the country side?

Secondly in the course of the last three or four years, there have been phenomenal increase in procurement by FCI. How many procurement depots have been added to the FCI's strength in the course of last three or four years? How many agents have been added?

Thirdly, I find that in the course of the answers to the questions in Lok Sabha and Rajya Sabha, it has been stated that while the incidental expenditure for procurement of wheat has been say, from, 1982-83 to 1984-85 is three years, *i. e.* 24, 24 and 28, in case of rice, it has been 10, 11 and 17. Obviously, the procurement charge for rice has been lower than wheat. Is it not so? The basic cause for not being able to procure rice in time and FCI being blamed for its slowness and apathy in procurement of rice, is the lack of storage capacity which has already been alluded to. They now say that out of 30 million tonnes which was in storage, upto say October, and since then the storage must have increased by another 7 million tonnes or so. At that time they had a storage capacity of only 22 to 23 million tonnes and the rest were being stored under what they call CAP 'Cover and Plinth'. They are covered by polythene and plinth—whatever the make the plinth for. This is really making the valuable commodities rot. It is the Government's policy and not merely that of FCI. I do not hold this hon. Minister and the Department responsible, that they have not been able to formulate a definite policy, as to what to do with the extra wheat and rice this country has been producing during the last 3 or 4 years. They should have devised a policy for using this vast amount of capital which is now locked up in the form of commodities, in order to produce durable assets for the people of this country,

particularly in the countryside, by allowing this rice and wheat which are rotting in storage, to be used as a complement for people working under NREP, RLEGP and also other rural upliftment programmes. Unless it is done, we will never be able to match the storage capacity which the Green Revolution has somehow made available to us, given the present system of distribution, and of inequality in the country where by the poor have to remain famished. So, we have to take steps not only to feed these people which is a humanitarian task, but also to build up assets in the countryside, with the help of the huge foodstocks which are available.

**SHRI ANIL BASU (Arambagh) :** It is a pity that Union Government has adopted a policy of 'Produce more deperish'. Time and again in this august House we have discussed about crashing down of prices of agricultural commodities, not only of paddy, but also of coconut, cane, cotton, jute and all other agricultural produce. Crashing down of prices has become a matter of very serious concern to all Members of this House; but I am sorry to say that the Union Government is not paying any attention to the problem.

In the 7th five-year Plan document, you will not find a single line where Government has given an assurance on ensuring minimum support prices to the cultivators. They are talking of marching towards the 21st century. Then why are they not marching from a minimum support price towards a remunerative support price in the 20th century? There is not a single line.

The Prime Minister has spoken 2 or 3 sentences regarding development of agriculture. Mr. Manmohan Singh, Deputy Chairman of the Planning Commission in the 7th Plan document has also written a few lines regarding production. But there is not a single line regarding ensuring support prices, not to speak of remunerative prices for agricultural produce. I am sorry to say that the Union Government is not paying any attention to this. The attitude of the Minister to the problem will be clear from his statement where he says :

"...It is generally found that, in such cases, the low prices are due to the

poor quality of paddy, and not due to lack of support purchases."

This is the cause : the Minister has taken this attitude. I would like to quote a few lines from the Report of the Reserve Bank of India for 1984-85, from page 51, paragraph 164 :

"The stocks of foodgrains with the public distribution system have soared to a record level of over 29 million tonnes. These provide a high degree of food security and help restrain inflationary expectations. The procurement/support price policies have over the years provided incentives to farmers and sustained the steady growth of foodgrains production....."

"The Public Distribution System has enabled essentially the population in urban and semi-urban areas..."

I am coming to the question.

**SHRI NARAYAN CHOUBEY :** There is no chance of your becoming a Minister in the near future.

**SHRI ANIL BASU :** I am continuing the quotation :

"At the same time it is to be noted that stocks are in far excess of what the available storage capacity....."

**MR. DEPUTY SPEAKER :** You put the question.

**SHRI ANIL BASU :** The Reserve Bank pointed out that there is a huge stockpile of foodgrains with the FCI and the stocks should be kept within manageable limits and that manageable limit has been implemented by the Government with these words that the foodgrains are not up to the specifications. The storage capacity of FCI, Warehousing Corporation of India and the other State Warehousing Corporations is to the tune of 26.8 million tonnes. But the stockpile of foodgrains is 30 million tonnes at present. Now they are reluctant to purchase paddy, that is why they are saying that paddy is not up to the standard, and they are refusing to purchase paddy. But what is happening there? The peasants, the cultivators they are

[Shri Anil Basu]

blockading. The entire GT road has been blockaded in the month of October and there is a bonfire of paddy. The peasants are not getting even the support price in the States of Haryana, Punjab and West Bengal also. And, the accumulation of paddy has caused a serious concern to us all.

I would like to ask the Minister a specific question. He is telling that the collection of paddy is at a higher rate in comparison to that in the previous year. But what are the figures? The procurement of rice in comparison to production in the year 1980-81 in the State of Andhra Pradesh... (*Interruptions*)

MR. DEPUTY SPEAKER : Shrimati Prabhawati Gupta.

SHRI ANIL BASU : I like to mention this. It is a very relevant point.

MR. DEPUTY SPEAKER : You put the question. Already you have taken six minutes. If you go on reading so many things. I cannot allow.

SHRI BASUDEB ACHARIA : He is putting the question.

MR. DEPUTY SPEAKER : He is not putting the question. Only first Member is given ten minutes, others all are given five minutes only.

SHRI BASUDEB ACHARIA : He has not yet finished.

MR. DEPUTY SPEAKER : He is not at all putting the question. He is exceeding more than five minutes.

SHRI ANIL BASU : The procurement percentage... (*Interruptions*)

MR. DEPUTY SPEAKER : He is not putting the question. He is going on reading. Six minutes are over and he has not yet put the question.

SHRI ANIL BASU : This is the question I am putting. The procurement as a percentage of paddy produced since 1980-81 to 1983-84, you will see, that the percentage of procurement is declining. He has given

the figure that they are increasing the procurement but actually in comparison to production, the procurement is declining. I want a clarification from the hon. Minister whether this is true or not.

The next question is that whether it is a fact that *per capita* consumption of foodgrains has declined, whether it is also a fact that the *per capita* production of foodgrains has dropped in a large number of States; *per capita* consumption of foodgrains has dropped and *per capita* production also has dropped. I want to know whether this is true or not. The hon. Minister should state it categorically.

The last question I want to put is, why are you marching towards the twenty-first century without ensuring remunerative prices for the agricultural products not to speak of support prices? What is the policy of your Government of marching towards the twenty-first century in connection with the problems of the peasants? You have not said anything. Not a single word has been mentioned about this in the Seventh Five Year Plan document.

Now, the last question : Why are you not giving interest free loans to the State Governments for procurement of agricultural commodities including paddy?

MR. DEPUTY SPEAKER : Shrimati Prabhawati Gupta.

[*Translation*]

SHRIMATI PRABHAWATI GUPTA (Motihari) : Mr. Deputy Speaker, Sir, the calling attention Motion under discussion in this House is very important and is in the interest of the farmers of this country. It has been brought here at an appropriate time. The views expressed by the hon. Members on this motion are quite true, Sir, you know that our farmers play a very significant role in strengthening the economy of this country. The main crop of our farmers is paddy and a very painful and serious situation has developed before our farmers that in the months of September, October and November itself the farmers from Haryana, Punjab, Bihar and Bengal had been compelled to sell their paddy at throw away prices. I would also like to point out

that the statement made by the Minister of Food and Civil Supplies is unsatisfactory and is not in the interest of farmers. We have failed in adopting the desired policy. The Food Corporation and other state agencies have failed in doing the task assigned to them. Government have divided paddy into three Varieties—ordinary, fine and super-fine and their prices have been fixed at Rs. 142, Rs. 146 and Rs. 150 per quintal respectively. Merely, this action on the part of government does not serve the purpose.

Sir, you yourself might be a farmer. If not, there might be a large number of farmers in your constituency. You can understand how much labour is involved in agricultural work. After very hard labour one is able to raise his crop. There is an acute labour problem in our state because large number of workers migrate to Punjab and Haryana these days in order to earn their livelihood. A farmer works very hard in his field and raises the crops. Despite this, if his produce remains unsold, you can very well understand his mental agony. The Food Corporation of India remains unconcerned. You might be aware that in Bihar small farmers arrange marriages of their daughters in the month of December, but due to the policy of Government they become helpless. Is it not the duty of the Food Corporation of India to build its warehouses in villages and procure paddy from farmers at least at the support price? Today, he is compelled to sell his paddy at Rs. 100 per quintal. There is great difference between these two prices. The price at which Government procures paddy from farmers is also very less. It should be increased to Rs. 160-200 depending on the quality. At present you are not able to give even the support price.

On the one hand the farmer is compelled to sell his paddy at throw away prices and on the other hand the prices of rice have gone very high in the market. A farmer is compelled to purchase rice at very high price in the market. There is great difference between the two rates. I, therefore, request the Minister of Food to clearly specify the policy in respect of paddy and the role of the Food Corporation of India in this respect as also its policy towards the farmers, because the farmers play a very significant role in building our economy. What our friends have stated here is quite correct. You say that

farmers are free to sell their produce anywhere, but why are they compelled to sell their paddy at throw away prices today? Have you taken any action to meet this situation? Will F.C.I. build its warehouses in each Block? We spend crores of rupees on irrigation schemes. The dams are built but are washed away by floods and there remains no trace of them thus resulting in wastage of crores of rupees. Therefore, I would like to say that you should increase your storage capacity. Your policy should be crystal clear in this respect. The reason is that farmers are the backbone of our economy (*Interruptions*) ...Yes, the farmers should also get bonus but first, they should be ensured remunerative price. You give bonus to all the employees getting a salary of Rs. 1600. Have you ever thought about farmers? Farmer play their role in every field. Paddy stock has accumulated in Punjab and other areas to such an extent that farmers are compelled to think of alternatives. I would, therefore, like to say that you should announce a clearcut policy today itself which should be in the interest of farmers.

[*English*]

SHRI K. P. SINGH DEO : Mr. Deputy Speaker, Sir, I am extremely thankful to the hon. Members for their.....(*Interruptions*)

SHRI AMAL DATTA : Taking you to the shreds.

SHRI K. P. SINGH DEO : Yes. Why not? If that gives you any perverse delight, you are most welcome to have it. I never had any quarrel with that. That is your prerogative.

Sir, I am most thankful to them for their support for the farmers' cause and for their keen interest in the farmers as well as on the functioning of the FCI, and in the entire operation of procurement and purchase of Foodgrains, including paddy. Many Members have given the background and other comments and they have also asked certain questions.

At the outset, I would only like to say that what I have stated in my statement is the policy which is prevalent, and the FCI

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which is a public sector undertaking under the Government of India, has to function under the guidelines and the specifications and the task set by the Central Government. Before I come to the points made by the hon. Members, I would like to start off with the fact that procurement of paddy under the price support is undertaken both by FCI and the State Governments and its agencies. It is not as if the FCI is the only and the sole organisation or the institution which goes in for procurement or purchase. It is equally the role and the responsibility of the State Governments. At the same time, FCI's role is more of a supplementary nature and of supportive nature. This I would like to reiterate with all emphasis at my command, in spite of what has been said by the hon. Member. The fact is that this is the truth and the whole truth. Just by commenting, it does not change the situation... (*Interruptions*).

MR. DEPUTY SPEAKER : Let him answer. Don't interrupt. Let him finish his reply... (*Interruptions*)

SHRI C. JANGA REDDY : FCI belongs to Government of India, not to the State Governments.

MR. DEPUTY SPEAKER : He has not said like this. He has said that the State Governments are also procuring and the FCI is also doing that work.

SHRI K. P. SINGH DEO : The FCI and the State Governments and their agencies mutually divide the purchasing centres or the *mandis* from which they will have to procure or purchase. It is not as if the FCI dictatorially decides about the *mandis*. In fact, sometimes it so happens that some of the worst *mandis* are given to FCI, and in fact, in one State, till today, as on date as I am speaking now, out of 73 purchase points there are 26 *mandis* where no grain has arrived. But neither I have rushed up to the newspapers nor has the FCI management rushed up to the newspapers to bring it out. Therefore, these *mandis* and the purchasing centres are decided mutually by the State Governments and the FCI who are in constant touch with them. Normally it is in the three major States, that is, Punjab, Haryana and Uttar Pradesh, and to some extent in

Andhra Pradesh also, where FCI has been very very active because these are the four major States which have surplus of food-grains, mostly paddy as well as wheat in Punjab. Therefore, these are the four States in which some hon. Members also wanted middlemen to be removed. Haryana and Punjab there is a system known as 'Kachha Arhatiya'. They are from time immemorial.

SHRI AMAL DATTA : Exploitation has also been there.

SHRI K. P. SINGH DEO : Let the hon. Member who are so vocal here in the House also add their voice with me and help me in getting rid of this 'Kachha Arhatiya' who are actually the middle men in these two States of Punjab and Haryana, we would like, of course, to deal with the farmers directly. You please help us to get rid of these 'Kachha Arhatiya'.

SHRI AMAL DATTA : What help do you want from me ?

SHRI K. P. SINGH DEO : Similarly, in Uttar Pradesh, there is what is known as the 'Goan Vyopari', the village trader and the 'village Bania', which one of the hon. Members mentioned. If you can help us to get rid of him, we can deal directly with the farmers. So far as Haryana and Punjab are concerned, it is an age-old practice there. It has its strong and weak points. They find there is a utility in that, but if you help us to rid of these middlemen, we are prepared to deal with the farmers directly.

SHRI AMAL DATTA : Well, you take a decision, we will march on your behalf.

SHRI K. P. SINGH DEO : We can march together.

SHRI NARAYAN CHOUBEY : You can decide. They are all your Governmtns in Haryana and U.P.

SHRI K. P. SINGH DEO : One hon. Member wanted to know whether we had increased or decreased the number of procuring points. The number of procuring points during the year 1984-85 was 3,481, whereas this year—1985-86—it is 3,830. So,

there is an increase in the number of procuring points.

**SHRI AMAL DATTA :** It is not a substantial increase.

**SHRI K. P. SINGH DEO :** Well, whether you are satisfied or not satisfied, whether in your opinion it is substantial or not substantial, it is a different matter. But you wanted to know the figure and we have given the figure. We have increased the procuring points in consultation with the State Governments. We cannot decide unilaterally. It is always decided by the State Governments where we are to operate and on that basis we increase or decrease our procurement points.

Many hon. Members also wanted that the FCI should fan out to practically all the rural areas and should not sit in Mandis and sit in the centres. Well, the present structure of the FCI is such that it has not adequate institutional and infrastructural arrangement to have operations in these three main State *i.e.* Punjab, Haryana and Uttar Pradesh and also to a certain extent in Andhra Pradesh, because these are the four States from where the FCI procures for the Central Pool and also stores foodgrains which is necessary for the public distribution system. The other States do not have that much surplus. So, the FCI do not have adequate operations there. But the suggestions made by the hon. Members will be examined.

I can reiterate here that all the points made by the hon. Members will be given very close examination and we will see if it is practical to implement any of the suggestions which have been given by the hon. Members. I can assure you that we will have an open mind on that.

The cause of the farmers is also dear to us. It is evident from the debate that all sections of the House have been supporting the cause of the farmers, although sometimes when Calling Attention or discussions are raised, we have a habit of running with the hare and hunting with the hounds. First you object to the price rise of certain foodgrains which is fixed after a conscious decision by the Government to give remunerative prices to the farmers. At the same time, you also put the Government

on the mat for not giving enough to the farmers. Remunerative price to farmers cannot be taken in isolation. It also has an effect on the consumer price. Therefore, a harmonious and skilful blend has to be made between the producer, manufacturer and the consumer. But I am grateful for the support given by the Member to the cause of the farmers in getting remunerative price. This is exactly the policy of the Government in announcing the support prices.

13.00 hrs.

Support prices are meant to give minimum prices to farmers, below which the farmers should not be paid. Therefore, these statutory minimum prices are announced for sugarcane, paddy or wheat. Certain demands were made by Hon. Members about these things. I may point out that these are things which are not done arbitrarily. The State Governments are consulted. The Commission on Agricultural prices is consulted. The Bureau of Industrial Costs and Price is consulted. Various organisation and institution are consulted before arriving at this decision. It is not as if somebody just wakes up and arbitrarily fixes up x amount or y amount or z amount for something. It is not so. They go into the point how it will affect the consumer; they go into the point of availability and offtake. All these points are also taken into consideration. Now, Sir in some of the States, the rice is totally levy rice. In some places it is hundred per cent; in some places it is ninety per cent. In some places paddy is procured and this paddy is given to the millers. In some places it is purchased by the FCI on behalf of the Government. The situation is different in different States like for instance, in Uttar Pradesh. In Punjab FCI procures itself. There are also State agencies which do it on behalf of the FCI. There are marketing federations, there are cooperatives and millers themselves. Therefore, the entire gamut of procurement is not by FCI alone. There is FCI; there are other agencies; there are State agencies also the State Government is procuring. So, to give an omnibus answer to this question will not be correct. As I said, in UP it is different; in Haryana and Punjab it is different. In Andhra Pradesh it is slightly different. In

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Andhra Pradesh last year they procured more than a lakh of tonnes which was one time-exception. My friend Prof. Ranga is not here; he wanted to know something. So, ultimately, all these things go to the contribution of the Central pool; it is ultimately used by the Public Distribution System. Many hon. Member are very keen that the public distribution system should be expanded; they want that it should reach not only tribals and other weaker sections of society but it should also include the agricultural labourers. These are suggestions which have to be carefully examined before we can do it. We don't want to add one confusion to it. We don't want that grains distributed do not reach the people for whom they are meant or reach those people who are dealing in unfair trade practices. We don't want that grains should go to wrong areas. So, all these things should be looked into carefully before I can give you any assurance or I can give any commitment. I can give you the figures which I have with me. I go by the records and data available with me. Because, in whatever I state here, I am responsible to Parliament. I am accountable to Parliament. I will be held responsible if I give any wrong statement.

The procurement of paddy till now in Punjab as on 3-12-85 has been 34.24 lakh tonnes as compared to 25.32 lakh tonnes and from this, I would leave it to the imagination of the hon. Members whether FCI and its agencies have procured more this year correspondingly than last year and whether in answer to the question that the FCI has not been doing its job properly in the field of procurement.

SHRI ANIL BASU : But the record says...

*(Interruptions)*

SHRI K. P. SINGH DEO : Unfortunately I can't go by your record because...

SHRI NARAYAN CHOUBEY : This is your record.

*(Interruptions)*

SHRI ANIL BASU : That is in answer to the Unstarred Question you have given.

SHRI K. P. SINGH DEO : It is on a particular date.

SHRI ANIL BASU : No, no. You have given the year-wise figure.

SHRI K. P. SINGH DEO : Year-wise is all right. *(Interruptions)* But every single day means there is an increase in procurement *(Interruptions)* I do not know which answer, which month. I cannot have the entire question and answer here with me to go right into that.

SHRI ANIL BASU : That is the figure given by you.

SHRI K. P. SINGH DEO : I might have given it I am not denying it. You may be having one particular question, but I answer hundreds of questions every day. I cannot tell you off-hand.

SHRI NARAYAN CHOUBEY : Are you absolving your responsibility ?

SHRI K. P. SINGH DEO : Certainly not I am not absolving my responsibility.

SHRI C. JANGA REDDY : Because you have become a Minister, you are having hundreds of questions and hundreds of officers. But we have not got a single officer to get the material. *(Interruptions)*.

*[Translation]*

We know that you have to answer hundred of questions, but you have 100 officers also. What are you saying ? Being in majority you have become a Minister whereas we have not been able to become Minister.....*(Interruptions)*.....You cannot evade your responsibility...*(Interruptions)*...

*[English]*

You are responsible to this House. This answer was given by the same Ministry. You cannot go away from the responsibility.

*[Translation]*

SHRI K. P. SINGH DEO : We have no intention to evade our responsibility. Question does not arise...*(Interruptions)*...



SHRI C. JANGA REDDY : It is you who have said that you have to answer hundreds of questions. Is it not a question ? ...*(Interruptions)*...

SHRI HARISH RAWAT : Mr. Jagna Reddy is on the warpath today.

SHRI C. JANGA REDDY : I am not on the warpath, cotton, paddy and sugar-cane growers are ruined. You have come here with the intention of ruining the farmer.

[*English*]

SHRI K. P. SINGH DEO : Hon. Shri M. C. Daga also mentioned about Haryana.

[*Translation*]

SHRI C. JANGA REDDY : What is the use ? You all know that farmers are not getting remunerative price for paddy ...*(Interruptions)*...

[*English*]

MR. DEPUTY SPEAKER : You please sit down.

SHRI K. P. SINGH DEO : I welcome the views of the Members because it only strengthens the Government's hands in giving remunerative prices to farmers so that next time they should not object if higher prices are given because it will have a bearing on the consumer price index also and the consumer prices. I hope the hon. Members at that time won't run with the hare and hunt with the hound.

SHRI NARAYAN CHOUBEY : If he pays remunerative prices to the farmers, then the prices of articles will go and the consumers, prices will go high and if he makes consumer price less, then the kisans must be paid less. It is a funny thing, Sir.

SHRI C. JANGA REDDY : I want to draw your attention to the fact that your Food Corporation of India will be giving 40 per cent on overhead charges. Please try to reduce these charges.

MR. DEPUTY SPEAKER : Mr. Reddy, you cannot participate. I can't allow.

[*Translation*]

SHRI C. JANGA REDDY : We know why you are speaking so. There is the pang of hunger, there is pang of thirst and we understand this.

MR. DEPUTY SPEAKER : You cannot go on arguing, I can't allow.

(*Interruptions*)

SHRI C. JANGA REDDY : To what extent they are responsible ?

(*Interruptions*)

SHRI K. P. SINGH DEO : Hon. Member, Shri Daga referred to the letter of the Chief Minister of Haryana and he also referred to the fact that the FCI has not been procuring. That is not a fact. In fact, a quantity of 1.94 lakh tonnes as compared to 1.17 lakh tonnes last year has already been procured in Haryana by all agencies. He also mentioned about Punjab and the Agriculture Minister's statement, but I hoped, he would be frank enough and objective enough to also quote what the Chief Minister of Punjab, Mr. Barnala, had to say about the FCI's role and about his satisfaction which has appeared in the *statesmen* of 20 Nov, 85 because at the earlier stages it is a fact that the FCI was very strict this year in accepting paddy there which has more than 18 per cent moisture. It is because, scientifically and technically, if the grain with more than 18% moisture is taken, it has harmful effects on quality as the high moisture grain has to be stored for a long time and the moisture content causes deterioration of quality during the storage as well as discolouration and other harmful effects like toxicity effects and fungus growth. This is why my hon. friends have been criticising that some of the supplies given to the various States—rice or wheat—are of inferior quality and bad quality. Now, these moisture contents is one of the reasons for the bad quality or poor quality in foodgrains. In countries like China and others, the moisture content is 15%. There also they use combined harvester. They use modern methods of harvesting. It is not that we are the only country which is using the modern method.

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From 1981 onwards, we have been strict as far as sticking to the 18% moisture is concerned. I will give you what are the specifications which have been laid down by the Government to the FCI for procuring various foodgrains so that we ensure that the foodgrains supplied to the public distribution system and to the State Governments and to the rest of the country are of consumable quality and of fair quality. Apart from that, we have also to see that we adhere to the specifications as laid down in the Prevention of Food and Adulteration Act and the rules thereunder. Otherwise if the FCI, in trying to be populist, try to take substandard material which is not according to the specifications of the Prevention of Food Adulteration Act or by the specifications laid down by the Central Government, they are liable for prosecution and can be liable to other actions both legal and administrative. Therefore, FCI can only procure what has been specified by the Central Government and this is arrived at by consultations with the experts as well as with the State Governments and also keeping in view the provisions of the Prevention of Food Adulteration Act.

As far as paddy is concerned, the paddy shall be sound, merchantable condition, sweet, dry, clean, wholesome of good food value, uniform in colour and size of grain and free from moulds, weevils, smell, discolouration, admixture of deleterious substance or colouring agents and also conforming to PFA standards.

SHRI NARAYAN CHOUBEY : Nobody will pass this test.

SHRI K. P. SINGH DEO : In spite of that, we have procured 24% more than that of last year. In spite of adhering to strict specifications, in spite of getting criticised at every end—whether by the State Government or by hon. friends sitting on that side or my own benches—we from have yet managed to procure 24% more grains this year than that of last year. It is because, I will be the last person to poison the whole of India by issuing such type of food grains which are substandard and defective through the public distribution system which go to economically weaker

sections and other vulnerable sections in the society. I will not be a party to that.

SHRI C. JANGA REDDY : I am very sorry. It is not the way.

[*Translation*]

The Minister is aware how foodgrains become poisonous. The farmer does not produce poison. He does not produce to kill the people. He is aware of it.

[*English*]

MR. DEPUTY SPEAKER : He says, he want to procure grains of good quality. I do not understand why you are agitated.

SHRI K. P. SINGH DEO : During the National Development Council meeting, when the Chief Ministers were here, five Chief Ministers had already met me here with certain samples which should not have been issued. These are old samples.

SHRI C. JANGA REDDY : Paddy is converted by the FCI people into rice. How can they show it as poison ?

MR. DEPUTY SPEAKER : The Minister is on his legs. Why are you interrupting him ? You carry on.

SHRI C. JANGA REDDY : They are doing all mischief.

MR. DEPUTY SPEAKER : Do you want the hon. Minister to reply or not ? Why are you interfering ?

(*Interruptions*)

MR. DEPUTY SPEAKER : If you intervene like that, he cannot answer. Then I cannot adjourn the House. Let him finish his reply. Why are you on your legs ? (*Interruptions*). You raise the matter in some other discussion, not in Call Attention.

SHRI K. P. SINGH DEO : The specifications at 18% were fixed in the year, 1978 and we have been strictly following it and we are not allowing any relaxation on that because of the harmful effects it is having in every area. (*Interruptions*).

MR. DEPUTY SPEAKER : If you go on interfering, the hon. Minister cannot reply and then I cannot adjourn the House. If you are interested to get his reply, first seat. Have you finished ?

SHRI K. P. SINGH DEO : I was giving uniform specifications of the variety of paddy which has been specifically certified for this year which the FCI is bound to procure because otherwise they will run ultra vires of the provisions of the Prevention of Adulteration Act. The Schedule of different refractions that is foreign matters, organic and inorganic can be up to 1% and in Grade II it can be up to 1% inorganic and organic 2%. Damaged, discoloured and sprouted grain Grade I up to 4% and Grade II up to 6%.

MR. DEPUTY SPEAKER : It is not at all necessary to go in detail.

SHRI K. P. SINGH DEO : Same things have been told by Government, by FCI and by me.

*(Interruptions)*

MR. DEPUTY SPEAKER : It is not required in detail.

SHRI K. P. SINGH DEO : It affects every human being. Today why are we concerned about Bhopal tragedy ? Why are we trying to raise a discussion about gas leakage yesterday ? Because it affects the human beings by pollution.

*(Interruptions)*

It is very easy to plead their cause but the Government has to be careful. Government cannot be a party to poisoning the rest of the country. *(Interruptions)*

SHRI C. JANGA REDDY : This Government is accusing the agriculturists. That is the fault of the Food Corporation of India.

SHRI AMAL DATTA : We have understood that there is high specification. Has he got 3,800 experts sitting in every godown to examine rice according to specifications ?

SHRI NARAYAN CHOUBEY : Is it not a fact that whatever rice you buy from outside the market is much better than the ration shop ?

*(Interruptions)*

MR. DEPUTY SPEAKER : He is saying that he is taking all precautions.

SHRI K. P. SINGH DEO : In the total foodgrain production of a hundred and fifty million tonnes, the role of the FCI is less than even 20 million tonnes, I think, it comes to roughly about 14 per cent in that 14 per cent, it can only be supplementary, it cannot be a dominant role. I must put the record straight. *(Interruptions)* No report of distress sale of the quality or specification which has been laid down—which the hon. Members do not have the patience to hear; if they take the inferior type, they will become victims; so, it is for their own benefit also I am saying this—no report of distress sale of the quality of rice as specified by the Government has come to our notice, although there may be distress sale at the rate which has been enunciated by the hon. Member of inferior quality of rice. A farmer in this country has the option of either going to the FCI or to the State agencies or going to the open market. You cannot compel him to go only to FCI or to the State Government or to anybody. It is the farmer's wish to sell to anybody he wants to. You cannot bind him. It is for that reason that a statutory minimum price is fixed. This price is related to the specification; otherwise, it has no meaning. The price is in relation to the specification. There is no report with the Government either from the FCI or from any State Government saying that that rice or paddy of the specification laid down has been sold in a distress condition. *(Interruptions)*

MR. DEPUTY SPEAKER : How can he reply when all of you are shouting like this ? Order, please.

SHRI K. P. SINGH DEO : As far as West Bengal is concerned, the entire thing is handled by the FCI. There is no problem there.

There has been paper report emanating from Calcutta only—I am very proud of

[Shri K. P. Singh Deo]

Calcutta; I was born, brought up and educated in Calcutta: I am proud to be a 'Calcuttian'—but that Calcutta report was in relation to what was happening in Punjab; the gentleman never went and verified what he published; this was attributed to a statement by a former Prime Minister who had gone to Orissa and who, on his return, at the Calcutta Airport, I think, issued a statement that paddy was being burnt in Punjab by farmers because of the distress sale. When we checked up from Punjab Government and our FCI channels, it was found that some paddy husks had been burnt at one place, not paddy. I cannot go by such reports which are unverified, unsubstantiated... *(Interruptions)*

SHRI AMAL DATTA : Who made the investigation ?

SHRI K. P. SINGH DEO : FCI and the state Government.

[*Translation*]

SHRI C. JANGA REDDY : Instead of human beings, bullocks are fed.

[*English*]

SHRI K. P. SINGH DEO : Mr. Daga wanted us to be liberal to farmers. I am now coming to individual points...

[*Translation*]

SHRI C. JANGA REDDY : It is enough. We are satisfied with your speech itself. ...*(interruptions)*...

SHRI K. P. SINGH DEO : It seems he is feeling hungry.

[*English*]

SHRI AMAL DATTA : All of us together did not take half an hour. But the Minister has already taken half an hour.

SHRI K. P. SINGH DEO : You asked so many questions. I must answer. There are, I think, 25 to 30 questions.

SHRI AMAL DATTA : In 30 minutes, we had asked 30 questions, after giving introduction also.

SHRI K. P. SINGH DEO : I have always been an admirer of you. That is why you are my counsel,

SHRI AMAL DATTA : I was speaking on behalf of all the five of us, including Mr. Daga.

SHRI K. P. SINGH DEO : Mr. Daga wanted us to be liberal to farmers.

MR. DEPUTY SPEAKER : Will you continue after lunch ?

SHRI K. P. SINGH DEO : We will finish it Sir. What is the hurry ? It is already 1.25 p.m. In another 10 or 15 minutes we will finish it.

MR. DEPUTY SPEAKER : O.K. In 10 minutes please finish.

SHRI K. P. SINGH DEO : Mr. Daga wanted us to be liberal to farmers. This support price of 142, 146 and 150 for common, fine and superfine is five rupees more than what it was last year. This is exactly what we wish to do to encourage the farmers with remunerative prices and some members have said, whether we ought not review it. There is no harm in reviewing it; but I don't think just by reviewing we will be able to do anything at the moment because the harvesting season is on. So, I am not against reviewing the thing. I am all for reviewing, but just reviewing does not mean that prices will go up automatically. Because we have to consult so many agencies before we can arrive at a decision.

Then he has asked what is the target for FCI ? I said that FCI's role is limited and it is a supplementary one. First is the price support. Only after the State Governments, State agencies and Millers have mopped up, if it is required for price support, then only FCI comes into the picture. It cannot have targets as such. It depends on the operational stocks of FCI, it depends on the buffer stocks of the FCI which varies every three months—like, there are figures, 1st of January, 1st of April and 1st of July, etc.

*(Interruptions)*

So, it depends on the food stock availability with the Government, it also depends on the situation in the States and also how much the millers have been able to take, how much the State Governments have been able to take and how much the State Agencies have been doing. Because FCI alone does not procure. FCI and its agencies and also some of the State Governments do it on behalf of the FCI. That will keep on varying.

SHRI AMAL DATTA : FCI has to buy from them.

SHRI K. P. SINGH DEO : They take money. FCI pays them. Because FCI is allotted certain mandis, Say, 'X' number of mandis out of 'Y'. So, FCI procures directly from some, the State Governments also procure on behalf of FCI and State Agencies also procure on behalf of FCI.

SHRI AMAL DATTA : Various State Governments have complained that after FCI delays taking over the stocks procured by them and ultimately in some cases refuse to take over on the ground that...

*(Interruptions)*

SHRI K. P. SINGH DEO : We have not received any such thing.

SHRI C. JANGA REDDY : The Government of India prevented the Andhra Pradesh Government to procure paddy and rice Sir.

MR. DEPUTY SPEAKER : Target is fixed and according to that only they are allowing.

SHRI K. P. SINGH DEO : I have answered about Haryana CM and about Mr. Amarinder Singh's report, which he was mentioning. Some paper reports are here. "Barnala satisfied with FCI's performance"—Statesman, 12th November, 1985. Incidentally Mr. Barnala is the Food Minister of Punjab also.

*(Interruptions)*

Mr. Daga also mentioned about some agreement of 65 : 35. There is no agreement with FCI or with anybody. It must be an imaginary agreement. Details of approval of purchase and number of godowns...

*(Interruptions)*

SHRI MOOL CHAND DAGA : There was a publication in the paper and there was no rebuttal from the side of the Government. Why was there no rebuttal from the side of the Government ?

SHRI CHINTAMANI PANIGRAHI : When all is said and done, there is still distress sale of paddy by the farmers.

SHRI K. P. SINGH DEO : The position of procurement of paddy this year has been by FCI 19 lakh tonnes.

SHRI AMAL DATTA : It must be much more than that.

SHRI C. JANGA REDDY : The kisan gets nothing from your figures.

SHRI K. P. SINGH DEO : This is about paddy 5594, which comes to 47.8%. This is so far and in the corresponding period of 1984-85 the procurement by FCI was 19.16 million tonnes which was 58.9%, while the season is not yet over. We are still in the middle of the harvesting season.

SHRI AMAL DATTA : Not middle.

SHRI K. P. SINGH DEO : In Punjab the procurement by public agencies including FCI is 50.1%. In Haryana it is 10% which is 3% more than what it was last year which was only 7.1%. I am only trying to tell you that this year we have procured...

SHRI MOOL CHAND DAGA : We do not want a comparison. We say that the farmers are in the market, they come with their surplus and you must purchase them.

MR. DEPUTY SPEAKER : That is all your contention.

SHRI C. JANGA REDDY : Not our contention. That is the scheme of the Government.

MR. DEPUTY SPEAKER : They want that all surpluses should be procured by the Government.

SHRI AMAL DATTA : The farmers sell it to somebody and that person sells it to the FCI.

**SHRI K. P. SINGH DEO :** You wanted to know what were the paddy arrivals and what was the procurement.

**SHRI MOOL CHAND DAGA :** What was the total arrival in the market and how much of it you have purchased ?

The hon. Deputy Speaker is presiding over the House. One thing should be there. We put a specific question as to what is the total arrival in the market and how much of it was purchased and by which agency. He must say this.

**MR. DEPUTY SPEAKER :** He is telling you now.

**SHRI MOOL CHAND DAGA :** We have listened to him with all patience.

**SHRI K. P. SINGH DEO :** In Punjab the paddy arrivals this year till the 4th of December are 68.70 lakhs tonnes, out of which FCI has purchased 18.63 lakhs tonnes....

**SHRI AMAL DATTA :** Only that much ?

**SHRI K.P. SINGH DEO :** And State agencies have taken 15.67 lakhs tonnes. So the total procurement by public agencies is 34.30 lakhs tonnes. The millers have procured 34.40 lakhs tonnes. As compared to last year this is very interesting. Last year the total paddy arrivals in Punjab were 70.12 lakhs tonnes and FCI procured 18.88 lakhs tonnes as compared to 18.63 lakhs tonnes this year and the millers took 44.61 lakhs tonnes as against 34.40 lakhs tonnes this year. So the millers who should have taken it have not taken it. Therefore, the FCI, the State agencies and the State Government have come to the rescue of the farmers. Therefore, there is a better procurement this year. This is what I am trying to tell the hon House if it has the patience.

Now same is the case in Haryana. In Haryana in 1984-85 the total paddy arrival was 18.37 lakhs tonnes and this year it is 19.75 lakhs tonnes as on 3rd December. FCI has taken 16,000 tonnes last year and this year it is 33,000 tonnes. The State agencies have taken 1.58 lakhs tonnes as compared to 1.01 lakhs tonnes last year.

State agencies mean the agencies of the State who do it on behalf of FCI and so the total procurement of paddy public by agencies come to 1.91 lakhs tonnes as compared to 1.17 lakhs tonnes last year and the millers' was 17.20 lakh tonnes last year and 17.84 this year. Mr. M.C. Daga wanted to know something about the jute bags.

**SHRI C. JANGA REDDY :** What about Andhra Pradesh ? You have told about Punjab and Haryana ? What is the arrival in Andhra Pradesh markets ? How much have you purchased from Andhra Pradesh ? You are neglecting Andhra Pradesh. So, what Mr. N.T. Rama Rao is saying is correct.

**MR. DEPUTY SPEAKER :** He is answering that. Why are you agitated ?

**SHRI K. P. SINGH DEO :** Sir, I can't imagine questions. Now, he wanted to know something about jute bags. Now, one of the criticisms against F.C.I. is that grains in bags are less than what it should actually weigh. There is a lot of pilferage. Loss also occurs in storage and during transit because of the leakage in the bags. Therefore, FCI has been very strict and told some of the State Governments to get money from the FCI for buying new bags. Every time, hook is applied to verify the quality of the grains, for that you make a hole into the bag and the grains come out. So, some of the stocks which were not accepted is also because of this reason, because the bags were leaking. When strictness was enforced, then only new bags were used and they were accepted.

There is another area where loss can be minimised. The loss can be minimised during storage period. For the new bags the FCI is paying Rs. 13 per bag for a particular specification of bags which they are supposed to purchase and then give them to the FCI godown.

[*Translation*]

**SHRI C. JANGA REDDY :** What are you telling; a 100 kg bag costs Rs. 5. This is the bungling. (*Interruptions*)

[*English*]

**SHRI K. P. SINGH DEO :** I will tell what it is all about. Regarding godowns, in

answer to another Calling Attention Notice about 10 days back, I had mentioned in respect of a question that there were constraints of resources allocated by the Planning Commission, what we had asked for had been drastically cut by the Planning Commission, by more than 50%. Therefore, apart from about two million tonnes capacity which we would like to raise through FCI Central Warehousing Corporation and other State Warehousing Corporation, even the private sector is being associated so that the private people can take loan from the nationalised banks and construct godowns to augment the capacity of FCI. We also would like to reduce the CAP storage, where stocks are covered by polythene, which is not as scientific and permanent as the covered godowns, but everything has to be done within the constraints of resources and priorities and, therefore, if we get all that we require, then probably in the Seventh Five Year Plan we will be able to meet the required projection. But that was not possible because of the constraints.

Regarding the specifications, I have already mentioned. Mr. Daga also wanted that the Scheduled Castes and the Scheduled Tribes should be given these grains and I am sure the hon. Members had heard the hon. Finance Minister's statement on 19th November 1985 in this regard. We would like to provide this surplus wheat which we have to the weaker sections of the society because it has nutritional value also. We have also the option of exporting. But the Government has taken a decision that we should first make it available to our own people. There are distress pockets including the drought affected areas and others remote areas. Therefore, on the 19th November, 1985, a scheme was formulated and it is under implementation to cover women, children and other vulnerable sections of society. We are also trying to see how far MADA, Modified Areas Development Agencies can also be included in this. Another suggestion has also come from hon. Member, Shrimati Mukherjee and we will examine the practicability of its implementation.

The last point that Shri Daga Ji made was about the cooperatives of farmers,

rather than of private people for godowns. We will examine this suggestion also.

Shrimati Geeta Mukherjee said that the prices of paddy had gone down in Bihar and West Bengal to Rs. 120 and Rs. 130 per quintal. May be that some grain may not be of the required specifications, I have no quarrel over that and no information on that.

She referred to some dreamland prices of Rs. 142; I do not know what is that dreamland price. The prices are arrived at after consulting the experts. I do not think that Shrimati Geeta Mukherjee, in spite of the fact that she is a very respected Member of this House, is an expert on agriculture. But if she thinks that Rs. 142 is not a remunerative price, I am sorry, I cannot do anything. The Ministry of Agriculture fixes the prices after consulting its various expert bodies.

She also wanted to know whether the condition of 18 per cent moisture could be relaxed. I have already mentioned about the toxic effect that it will have on children, men and others, the whole population. And Mr. Deputy Speaker, Sir, your State is one of the States which is a rice eating State; Andhra Pradesh is also a rice eating State.

[*Translation*]

SHRI C. JANGA REDDY : Despite the moisture content, we are eating it after boiling and drying it.

[*English*]

SHRI K. P. SINGH DEO : My State is a rice eating State; Kerala and Karnataka States are also rice eating States. We know that the surplus rice and paddy which we procure from North India does go to various areas of the country through the public distribution system and we would like to provide rice which is consumable by humans and we would like to satisfy the Member that we are not sending inferior quality rice which is toxic, or which is broken or it contains foreign material and it is with deference to the wishes of the Members also who have been criticising that.

[Shri K. P. Singh Deo]

About middlemen, I have already said that there are three States where there are middlemen. One is Punjab and the other is Haryana. There are *kacha a-tias* there I believe it has been there from the time immemorial. I would be most grateful if I could have the help of the hon. Members; they could go and impress on the State Governments to do away with it. But I assure them that it is a very difficult task. They will find it difficult.

[*Translation*]

SHRI C. JANGA REDDY : Andhra Pradesh should also.....

SHRI K. P. SINGH DEO : I have not referred to Andhra Pradesh.

SHRI C. JANGA REDDY : Andhra Pradesh is not on your map. That is why you are not making a reference about it.

SHRI K. P. SINGH DEO : Just now I have referred to Punjab, Haryana and Uttar Pradesh. Why do you always twist things ?

SHRI C. JANGA REDDY : You have not stated how much have been purchased in Andhra Pradesh.

SHRI K. P. SINGH DEO : Your name does not appear in the Calling Attention Motion.

(*Interruptions*)\*\*

[*English*]

MR. DEPUTY SPEAKER : No discussion; I cannot allow such kind of discussion. You cannot put any questions. Nothing goes on record.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : The hon. Member's name does not figure in the calling attention motion. How can he ask any question ? A very wrong precedent is being established ...(*Interruptions*)\*\*

MR. DEPUTY SPEAKER : The Minister is answering the points raised by the Members. How can he answer when the Members have not asked any questions in relation to Andhra Pradesh. You cannot ask any question. If you like, you put a separate question.

(*Interruptions*)

MR. DEPUTY SPEAKER : I am sorry, you cannot put any questions. Only the Members, whose names figure in the Calling Attention can ask the questions. Please do not argue.

SHRI K. P. SINGH DEO : Hon. member, Shrimati Geeta Mukherjee wanted some bonus to be given to the farmers. I am sure she will be able to influence her State Government in West Bengal to give bonus because it is the job of the State Government and not of the Central Government.

SHRIMATI GEETA MUKHERJEE : Then you give us money !

SHRI AMAL DATTA : The Prime Minister announced bonus for Punjab last year.

SHRI K. P. SINGH DEO : Punjab was under President's Rule at that time. Are you delegating your authority to us ? I am sure, you don't want to be under President's Rule. (*Interruptions*)

She has also referred to the same points which are raised by Shri Daga, regarding the middlemen, storage capacity, food stock to be released to agricultural labourers and so on. I have already covered these points.

Now I will come to Shri Amal Datta, my learned friend and counsel. He mentioned about distress sales. I have already stated that any distress sale of the specified grain has not come to our notice. It may be in regard to some grain which is not of the specified quality. If it is of inferior quality, it will naturally fetch a lesser price.



**SHRI AMAL DATTA :** Your agents will certainly tell that ! Then they will buy the same thing and sell it too.

**SHRI K. P. SINGH DEO :** Shri Amal Datta also wanted that the role of the FCI should not be of a supplementary nature and that they should have a larger role. We will examine this.

**SHRI AMAL DATTA :** You can examine it by going out into the countryside and not sitting in the Mandis.

**SHRI K. P. SINGH DEO :** Yes. I agree. It should not be by sitting in the Mandi or here in New Delhi, but they should go and see in the rural areas. We will examine it and within the constraints of our resources, we will try to go to the far flung areas as far as practically possible. It would also help us in cutting down the costs. I agree with the hon. member. The hon. member wanted to know about the procurement depots. I have already given the figure. About 400 depots have been added. Then he wanted to know about the incidental expenses. According to the 1984-85 Revised Estimates, the incidentals for rice are Rs. 17.57 per quintal. It was Rs. 11.11 in 1983-84. I will give you the break-up also. Forwarding Charges—Rs. 0.86; Temporary Storage Charges—Rs. 0.07; Internal Movement—Rs. 0.84; Gunny Cost Rs. 11.83; Establishment and Administration Charges—Rs. 0.99; Purchase Salestax—Rs. 2.09; Interest—Rs. 0.34; Other Incidentals—Rs. 0.05; and FCI's Administration Charges—Rs. 0.50.

**SHRI AMAL DATTA :** Why are the charges for wheat much more than for rice ?

**SHRI K. P. SINGH DEO :** As far as wheat is concerned, there is a Mandi Charge which is Rs. 4.35. This is including the commission. Then, there is the Mandi Labour Charge, which is Rs. 1.17.

**SHRI AMAL DATTA :** Who gets it ?

**SHRI K. P. SINGH DEO :** The Mandi gets it. Under the Regulated Markets Society Act. This is a State Government Act and I am sure your West Bengal also has it.

**SHRI AMAL DATTA :** Why does this Mandi Charge apply in the case of wheat only and not for rice ?

**SHRI K. P. SINGH DEO :** Apparently, it is for wheat only.

**MR. DEPUTY SPEAKER :** The member wants to know as to why such charges are for wheat only and not for paddy.

**SHRI K. P. SINGH DEO :** I will let him know Sir.

**SHRI AMAL DATTA :** Ministers should be much more knowledgeable.

**SHRI K. P. SINGH DEO :** Yes, yes. I have become more knowledgeable after listening to you ! Lack of storage facilities which he has referred is one of the reasons in some of the States why the rice is taken as levy from the millers. Therefore the Mandi charges don't arise. The wheat goes to the Mandis.

**SHRI AMAL DATTA :** You are buying in Mandis and you are not paying the Mandi charges.

**SHRI K. P. SINGH DEO :** If you buy from the millers why should we pay the Mandi charges ? The Millers should pay the Mandi charges.

**SHRI AMAL DATTA :** In Punjab, you are buying from Mandis. You are operating...(*Interruptions*).

**SHRI K. P. SINGH DEO :** I will let you know about Punjab.

**SHRI AMAL DATTA :** Why are you talking about Punjab and Haryana ?

**MR. DEPUTY SPEAKER :** What to do ? The question they raised is only about Punjab and Haryana ?

**SHRI C. JANGA REDDY :** I am asking about my State of Andhra Pradesh, nor only Punjab and Haryana. Do you want to remove my State from India ?

**SHRI K. P. SINGH DEO :** Sir, I cannot answer this question which has never been asked. Your State of Andhra

[Shri K. P. Singh Deo]

Pradesh cannot be removed, even if you wish. The next point is about the lack of storage facilities which I have already answered. We would like to augment our storage facilities provided we get the requisite amount of allocation and funds in the plans; otherwise we would also like to associate the private people who can get it from Banks. We will examine Shri Daga's suggestion. Shri Anil Basu said about stockpile of foodgrains. I am sure, it is better to have stockpile of foodgrains rather than stockpile of nuclear arrangements. He wanted to be manageable. I agree with him that the stockpile of foodgrains should be manageable. This is how we have formulated certain schemes by which we would like to utilise it for the weaker sections of the society by giving them more nutritious meals.

SHRI AMAL DATTA : How much foodgrains are involved in your scheme ?

SHRI K. P. SINGH DEO : It is very difficult to say at the moment. It is only on the 19th, it has been formulated and we will be able to say only when the implementation starts. It will take time to review. I cannot give you a figure right now. It is not possible. He also mentioned about the storage capacity, which I have already answered. The percentage of procurement of foodgrains as a percentage of production, he wanted to know. Last year, the foodgrains production was around 150 million tonnes, our procurement was about 20 million tonnes which comes to about 1/7th a little more than 1/7th, that is somewhere between 13 and 14 per cent of the entire foodgrains.

SHRI ANIL BASU : Whether it has declined or not.

SHRI C. JANGA REDDY : He is asking the percentage.

SHRI ANIL BASU : Whether the trend of collection of percentage is already over.

SHRI K. P. SINGH DEO : This year is not yet over. Wheat has not come, paddy is going on... (*Interruptions*).

SHRI AMAL DATTA : This is also very strange that no Member from Andhra Pradesh comes forward in spite of the learned Member repeatedly asking him.

SHRI K. P. SINGH DEO : This year, so far, I gave the figures a little earlier, the percentage of procurement by FCI has been 47.8% that is till December 3, 1985. Last year, the corresponding position was 58.9%. This is for paddy.

SHRI AMAL DATTA : This is for arrival. How much is the procurement ?

SHRI K. P. SINGH DEO : This is for procurement by F.C.I. vis-a-vis procurement by all public agencies (*Interruptions*).

SHRI K. P. SINGH DEO : I have figures of procurement and arrival also. He wanted to ensure remunerative prices, but as I said this has recently been increased by Rs. 5. The CACP deals with this. They will view the entire thing with prospects of agriculture, the consumers point of view, the farmers point of view. And the policy of Government has been to give remunerative prices. That is why we have the support pricing policy of FCI. He wanted to know something about interest-free loans to Government for procurement. I did not understand which Government he referred to. His last point was that.

MR. DEPUTY SPEAKER : He was speaking about State Governments.

SHRI K. P. SINGH DEO : They can take them from financial institutions. It has to be according to RBI's regulations.

SHRI ANIL BASU : Are you committing yourself on interest-free loans ?

SHRI K. P. SINGH DEO : How can I do it ? I am not the Reserve Bank of India. How can I give you money ? I am not a moneylender to give you money. (*Interruptions*).

Another reason is that this year's production figures are not yet available. So, it is difficult to say at the moment. (*Interruptions*).

Shrimati Prabhawati Gupta mentioned something about storage. I have already replied to that point.

The hon. Janga Reddy asked something, even though he had not raised any question, because his name was not there...

MR. DEPUTY SPEAKER : Don't reply to him.

SHRI K. P. SINGH DEO : He wanted to know about Andhra Pradesh. Andhra is one of our States from where we get the surplus. I have already mentioned in the course of my answer that last year, 1.15 lakh tonnes were procured as one-time paddy procurement, from Andhra Pradesh. The fact is that no support price is required there, because the farmer gets a remunerative price in Andhra Pradesh. So, there is no question of giving a support price there in Andhra.

Sir, I have answered all the questions.

MR. DEPUTY SPEAKER : The House now stands adjourned, and will re-assemble at 2.55 p.m.

13.57 hrs.

The Lok Sabha then adjourned for lunch, till Fiftyfive Minutes past. Fourteen of the Clock

The Lok Sabha re-assembled after lunch at Fifteen of the Clock.

[MR. DEPUTY SPEAKER *in the Chair*]

[*English*]

PROF. MADHU DANDAVATE (Rajapur) : Sir, before you take up any other business, I want to remind you that thousands of people belonging to Scheduled Castes and backward classes have come here to demand implementation of the Mandal Commission Report. I request the Parliamentary Affairs Minister to convey this feeling to the Prime Minister and include this item in the next week's business so that this issue can be taken up.

15.01 hrs.

#### BUSINESS OF THE HOUSE

[*English*]

THE MINISTER OF PARLIAMEN- TARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : Sir, with your permission, I rise to announce that Government

Business in this House during the week commencing 9th December, 1985, will consist of :

1. Discussion on the International Situation.
2. Discussion on the Status paper entitled "Challenge of Education—a policy perspective".
3. Consideration and passing of the Futwah Islampur Light Railway Line (Nationalisation) Bill, 1985.
4. Discussion and voting on the Supplementary Demands for Grants (Railways) for 1985-86.
5. Consideration of any item of Government Business carried over from today's Order Paper.
6. Consideration and passing of the following Bills, as passed by Rajya Sabha :
  - (a) The International Airports Authority (Amendment) Bill, 1985.
  - (b) The University Grants Commission (Amendment) Bill, 1985.

Discussion on the Long Term Fiscal Policy.

SHRIMATI JAYANTI PATNAIK (Cuttack) : I would like to request the hon. Minister of Parliamentary Affairs to include the following matter for discussion in the next week's business,

The people of Sambalpur District in particular and Orissa in general have been very much agitating over the move started by the Authority of Central Water Commission Hyderabad to shift the Advance Flood Forecasting Division and branch office of the Central Water Commission from Burla to Raipur. As you are aware, these offices of Central Water Commission, Burla are located near Hirakund Dam beside the river Mahanadi. Because of the ideal location, these offices have been able to forecast advance information regarding flood

[Shrimati Jayanti Patnaik]

and were catering to the need of urgent irrigational matter in Sambalpur, Balangir and other districts of Orissa. You are aware that flood is a permanent phenomenon in Orissa and the presence of such offices at Burla is very much necessary. The shifting of these offices outside Orissa will cause a great difficulty in providing advance information particularly during monsoon. Therefore, steps should immediately be taken for not shifting the Central Water Commission office and Flood Forecasting Division, Burla to outside the State. The matter needs inclusion in the next week's business.

[Translation]

SHRI M. L. JHIKRAM (Mandla) : Mr. Deputy Speaker, Sir, I submit that the following matter may be included in the Business for the next week :

At present the number of educated unemployed is increasing day by day. Government have set up colleges everywhere, as a result of which on the one hand our youngmen are becoming educated and on the other hand unemployment is increasing. Unemployment has become a national problem.

I submit that in order to solve this problem imparting of technical education is necessary and government is also realising it, but youths are feeling helpless in the absence of I.T.Is. and Polytechnical colleges.

I, therefore, request that at least one polytechnical college may be opened at each district headquarter.

[English]

SHRI C. JANGA REDDY (Hanamkonda) : The following may be included in the next week's agenda :

The APSEB is not having sufficient funds. In 1985-86 Rs. 30 crores less have been given when compared to the past two years, by the REC of India. Due to paucity of funds the APSEB is not able to carry out the regular programmes and provide connections to the new consumers. The use of

electricity for agriculture is the base for rural development and I am of the opinion that due to inadequate funds the Board is compelled to sell away the generated power to other States, depriving the people of the State from using the power.

I am rather painfully submitting that the entire national wealth is depending on agriculture which basically depends on the water supply. Since the national wealth, agricultural production and water are inter-dependent, the Government of India should clear the second phase of Pochampad Project *i.e.* extension of canals (a) Kaka Thiya Canal 84 kms. to 349 kms, (b) Saraswathi canal upto Tailreach 48 kms to 153 kms. and (c) Laxmi Canal upto Tailreach 15 kms. to 47 kms. Polavaram project, Srisaillam left canal for forest clearance (under ground tunnel), Telugu Ganga, Imchampalli Hydro-electric Inter-state project and Vamsadhara project.

Government of India is requested to take initiative in calling together the Chief Ministers of Andhra Pradesh, Maharashtra, Madhya Pradesh and Orissa for the implementation of the settlement made by the earlier Chief Ministers of the above States.

[Translation]

SHRI HARISH RAWAT (Almora) : Mr. Deputy Speaker, Sir, the name 'Boat Club' smacks of our dependence on the English language. I would, therefore, like to request the hon. Minister of Parliamentary Affairs to include the following two matters in the next week's business :

1. When the huge oil painting of late Indiraji was installed at a place near Boat Club, thousands of persons visited that place daily to have a glimpse of that painting. Keeping in view the respect shown by the people, Government should set up a huge statue of Indiraji at that place and change the name of Boat Club to Indira Gandhi Maidan.

2. In order to remember the sacrifice of freedom fighters of the country and to provide inspiration therefrom to the future generations various institutions,

schools should be named after dead as well as alive freedom fighters.

SHRIMATI SUNDERWATI NAWAL PRABHAKAR (Karol Bagh) : Mr. Deputy Speaker, Sir the following items may kindly be included in the Business for the next week :

In my Constituency Karol Bagh, there are many old colonies which require regularisation immediately. The residents of these colonies, especially belonging to Scheduled Tribes and backward classes are leading a very miserable life. There is scarcity of drinking water and lack of sanitation and medical facilities. I would, therefore, request the Government to take urgent action in this regard.

In my constituency, Karol Bagh, the government should undertake some schemes for the women of the backward classes. This area should be declared a priority area especially for the development programmes relating to the Tribal women. In addition, the schemes which are being implemented at present should be expedited and these schemes should be properly implemented. The facilities available to the women and children in Balbari etc. should be made effective. There are many such schemes and for their effective implementation, programmes are required to be formulated. I would request the government that it should take action in this regard and these items may be included in the business for the next week.

SHRI R. P. SUMAN (Akbarpur) : Mr. Deputy Speaker, Sir, keeping in view the importance of the following subjects, these may kindly be included in the business for the next week :

In any developed and developing country, Television has an important role to play in disseminating information regarding development to all the countrymen and in a rapidly developing country like India, the importance of Television increases all the more. As a matter of fact, with a view to provide information regarding the achievements of the government to the common man in the rural areas and to encourage literacy among the rural people and to provide them latest information

regarding agriculture, health, new technology and other daily programmes, Television in most essential. With this end in view, a Television Centre has been established in District Faizabad of U. P., but its range is limited to only 15 kms, as a result of which not even half the area of the district is covered. Ayodhya is also situated in district Faizabad, which is famous throughout the world, as this is the city of Lord Rama. In the eastern part of this region, there is Dargah Kichhora Sharief where even foreign visitors come to seek blessings. Akbarpur and Tanda—the eastern Tehsils of this district are the largest Tehsils of this district. In both these Tehsils, Akbarpur Tanda, Jalalpur Town Area and Kichhora Sharief are situated and in Sadar Tehsil Moshaignanj Town Area is situated and a large number of people are installing TV sets in their houses in these areas, but they are not getting any benefit from them. In such a situation either the capacity of TV centre at Faizabad be increased or another TV Centre at Akbarpur be set up so that the entire district could be benefited.

[English]

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : Sir, I would like the following subject to be included in the next week's business in the Sok Sabha.

Human sacrifices are not only against the human rights but also a mockery of human civilisation in the twentieth century and are also abhorrent. With great effort this beastly crime and practice was abolished in India during the foreign rule. But it is most unfortunate that this ghastly and abhorrent practice of human sacrifices has now been revived in India. Human lives are being sacrificed and people killed in hundreds by practising witchcraft. I urge upon the Central Government not to consider such inhuman acts as matters of law and order and make serious enquiries with a view to abolish such inhuman acts which are crimes against humanity.

SHRI ABDUL RASHID KABULI (Srinagar) : Sir, I want the following item to be included in the next week's business.

The gas leakage in Shree Ram Food and Fertilizers Ltd. which has come in the wake

[Shri Abdul Reshid Kabali]

of 1st Anniversary of Bhopal Gas tragedy has let loose a wave of fear psychosis of unprecedented nature in the length and breadth of the whole country. As a result of this episode one advocate, Shri Charanjit Singh Walia, has passed away, several others are in the intensive care wards of Delhi hospitals. Besides, thousands have been rushed to the hospitals with complaints of chest pain, irritation in throat and bouts of coughing and vomiting. This dangerous happening has once again raised the issue how to face the pollution and dreadful gases in case factories suffer leakages, sabotages and accidents. As in Bhopal so in Delhi it has been proved beyond any doubt that factories having gaseous components are situated in the dense populated areas of big cities which are hazardous to the lives of people living around. In the past in both Houses of Parliament and also in public forums, voice has been raised against such hazards. This year the deceased M.P., Mr. Lalit Maken, forcefully raised the issue in Lok Sabha in the form of Call Attention Notice about the dangers hovering over the capital due to these leakages. The Government of India should come forward if need be with a comprehensive legislation for immediate removal of all such factories from Delhi and other cities of the country, safety measures for the labour and the public and a code of conduct to run all such factories.

SHRI K. N. PRADHAN (Bhopal) : I want the following item to be included in the agenda for the next week :

At present the operational sphere of the Reserve Bank of India, which is the Banker's Bank of the country, in the State of Madhya Pradesh is limited inasmuch as it has only four departments at Bhopal. These are Banking Operations and Development, Rural Planning and Credit Department, Exchange Control Department and Urban Banks' Department.

Ever since the formation of the State of M.P., Nagpur office of R.B.I. has been catering to the monetary requirements of the biggest State. Reserve Bank has already opened its main offices at almost all the State Capitals. The State of Maharashtra has the privilege of having as many as 4 offices of R.B.I.

The Issue Department will facilitate circulation and reissue of currency notes, opening of cash and coin counters for public exchange of soiled notes, etc.

The banking Department (PAD and DAD) will facilitate maintenance of accounts of Government/Semi-Government autonomous bodies and banks and smooth and expeditious transactions by these agencies.

Public Department office of the Bank will help in easy investment by public and Government in Government securities like National Defence Bonds, Gold Bonds, G. P. notes etc.

The full-fledged office of RBI shall not only create vast employment potential for the educated unemployed youth of the State but also do away with innumerable difficulties and inconvenience being encountered presently by the public and Government and banking institutions in the day-to-day business.

Therefore, a full-fledged office of RBI should be opened at Bhopal without any delay.

SHRI BASUDEB ACHARIA (Bankura) : Sir, I beg to submit that the following item be included in the next week's business :

The State Government is passing Bills and sending those Bills to the Central Government for President's assent, but the Central Government is delaying to give assent on those Bills. The State Government are unable to carry on their programme due to the Central Government's unsympathetic attitude.

Hence, a discussion is necessary in the House about the pending Bills passed by the different State Governments.

THE MINISTER OF PARLIAMEN-TARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : Sir, the items for discussion are decided by the Business Advisory Committee. I shall certainly bring what has been stated by hon. Members to the notice of the Business Advisory Committee. All the same, I would like to say only one thing which I said last time also. It is the right

of the hon. Members to suggest any item for discussion in the House. I would only suggest one thing. I find that some of the items which have been suggested by Hon. Members can be raised through other motions, like submissions under Rule 377, etc. It is for them to decide. But I would like to refer to one item suggested by Mr. Kabuli. This is regarding discussions on the Gas tragedy. I tried to catch the eye of Mr. Speaker; I got up in the morning in the House when my friends there were walking out. I would like to say that Government feels very much concerned about the Gas Tragedy. Government is very much willing to discuss this matter. This will be decided on Monday by the Business Advisory Committee, as the Speaker has said. We are very much keen to discuss it. I will bring it to the notice of the Business Advisory Committee.

15.16 hrs.

SICK INDUSTRIAL COMPANIES  
(SPECIAL PROVISIONS)  
BILL—Contd.

[English]

MR. DEPUTY SPEAKER : Now we take up further discussion regarding item No. 10.

We have got only 15 minutes left. After that we will have to take up Private Members' Business.

I think that the Hon. Minister will reply on Monday. As a special case, I will allow two persons to speak. Now, hon. Shri Piyus Tiraky.

SHRI PIYUS TIRAKY (Alipurduars) : Mr. Deputy-Speaker, Sir, I would like to draw the attention of the Hon. Minister towards the findings of the Reserve Bank of India which carried a cause-wise analysis of sickness in 378 large units reported sick on 31-12-79.

In its finding, the Reserve Bank has stated that 52 per cent of the units have gone sick due to mismanagement and management deficiencies including diversion of funds, and in-fighting among themselves.

14 per cent of them went sick due to faulty initial planning and other technical drawbacks. This it is found that 66 per cent of the units went sick due to dishonesty and mismanagement.

Therefore, there should be a provision in the Bill for deterrent punishment, including imprisonment for the dishonest persons in the management itself.

In the proposed Bill, provision has been made for deterrent action only against potentially-sick companies. There is no provision for deterrent action against those found responsible for making a company sick. This should be provided in the Bill itself.

Not only the sick industrial companies, but also, any other industrial undertakings, large or small, public sector or private sector, should also be included.

In the proposed Bill, only the Board of Directors of the Company is to report sickness to the B.F.I.R.

I think that the labourers and their unions must be given the authority to report sickness to B.F.I.R. if wage payments have been made irregular or stopped for 3 months or if statutory dues have not been deposited for 3 months by the Management.

At present, huge amounts of dues of Provident Fund and Employees' State Insurance Contributions are in arrears.

Sir, since labourers are the most important section affected by sickness of industry, labour must be involved in the Board's membership and its working. When a unit is closed, the dues of the labourers must be paid on priority basis, because, it has been observed that when a unit is found sick, the proprietors or the persons in the management are not necessarily found economically sick. So, the Director's property—individual property or collective property in his family—must be seized in order to clear the dues of the labourers. Whenever a unit is closed, the B.F.I.R. must be made obligatory for the alternative employment for the workes or they should be provided with unemployment allowance.

[Shri Piyus Tiraky]

In the course of dealing with the sickness, the workers must be associated in all stages.

Lastly, I would like to draw the attention to the hon. Minister to the Memorandum submitted by the All-Party delegation of the West Bengal Legislative Assembly regarding the sick industries on 24th June, 1985. He should go through it and see that a solution to this is found.

Further, I would like to add since this is a very important Bill and on it depends the future of the country's industrialisation, it should be referred to the Joint Select Committee so that a very comprehensive Bill in this regard is brought before the House.

[*Translation*]

**SHRI RAMASHRAY PRASAD SINGH** (Jahanabad) : Mr. Deputy Speaker. Sir, at present a discussion regarding sick industries is being held in the House. I would like to say a few things about it.

First of all, I would like to say that before an industry is declared sick, preventive measures should be taken to check its sickness. Even when ninety per cent of the total capital has been invested by the Government and only ten per cent capital has been invested by the mill owner, Government is behaving like a slave, I would like to suggest that the capital proposed to be invested by you should be permissible under the law. It should also be provided in the Bill that the capital invested by the Government is recoverable.

We have also not provided for workers participation in the management. If we enact law to this effect, we will be able to get maximum co-operation from the workers. The workers will also realise that they are also participating in the management. Thus workers will also understand their responsibility and productivity will also increase and there will be competition for more production. In this way we will have maximum production and the country will be stronger. In such a situation the capital invested by

the Government will also be safe. This is also the way to bring about socialism in the country. In pursuance to the provisions of the constitution, you want to usher in socialism in the country, but there is no established way to bring about socialism. For that, a way has to be devised. You will have to find out a suitable way for that.

In such a situation, if you enact legislation to provide for the workers' participation in the management, it would result in maximum benefit. Many industries have been taken over by the Government. There is a Unit in Gaya by the name of Gaya Jute Cottons mills. Its condition is miserable. I have been the President of the Workers' Union there. As President of the Union, I used to give suggestions to the workers. The workers used to ask the mill owner why they were being paid for sitting idle and why supply of cotton was not being arranged. If the mill owner does not arrange the supply of cotton, the factory is closed for three days. Why is it closed? It is all mismanagement on the part of the mill owners. We have given in writing to the manager. I would like to remind you that a delegation of labour leaders had met the Finance Minister under the leadership of former M. P. from Patna, Shri Shastriji, but no action has been taken so far. The manager of the mill enjoys political backing. He could not be removed from his place. His name is \*\*. This person \*\* is not being removed and the situation has deteriorated so much that even the assets are being sold. It is not becoming sick; it is dying.

There is only one factory in district Gaya, where very poor workers are employed. If you look to it, 800 workers of the factory will get relief.

I would like to inform you that lakhs of rupees have been swindled in this factory at Gaya. You should form a committee of your own Party members and get the entire matter inquired into. There is a Union affiliated to Congress Party and the office bearers of this Congress Union say that even if Shri \*\* is removed, he is reinstated after fifteen days.



[English]

MR. DEPUTY SPEAKER : I cannot allow names. Names will not be allowed to go on record.

[Translation]

SHRI RAMASHRAY PRASAD SINGH : When the hon. Minister replies to the debate, he should kindly tell us as to what improvements are being effected in Gaya. Gaya is a very backward district in Bihar. So far as industries are concerned, this is the only industry in Gaya. The condition of this concern is also miserable. You should appoint an Enquiry Committee to enquire into the affairs of this factory. Such a situation has been created by the Government officials. This factory is not in the hands of the capitalists. You should appoint an Enquiry Committee and find out the factual position and take preventive steps to check the deteriorating condition so that the workers could get some relief.

[English]

MR. DEPUTY SPEAKER : Shri Shantaram Naik. Can you finish your speech within three minutes? If you want to give any suggestions, you can give. That is all.

All right. The Minister will reply to the Discussion on the Sick Industrial Companies (Special Provisions) Bill on Monday. We will now take up Private Members' Business. We are taking it a few minutes earlier.

15.28 hrs.

COMMITTEE ON PRIVATE MEMBERS'  
BILLS AND RESOLUTIONS  
Eighth Report

[English]

SHRI R. P. SUMAN (Akbarpur) : I beg to move :

"That this House do agree with the Eighth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 4th December, 1985."

MR. DEPUTY SPEAKER : The question is :

"That this House do agree with the Eighth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 4th December, 1985."

The motion was adopted.

MR. DEPUTY SPEAKER : Now, Bills for introduction. Shri K. Ramamurthy—not present. Shri Balasaheb Vikhe Patil.

12.29 hrs.

CROP INSURANCE CORPORATION  
BILL\*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to provide for the establishment of the Crop Insurance Corporation for the purpose of undertaking the business of crop insurance so as to protect the interests of farmers from loss due to unavoidable causes and also as a support measure to promote increased food and agricultural production.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of the Crop Insurance Corporation for the purpose of undertaking the business of crop insurance so as to protect the interests of farmers from loss due to unavoidable causes and also as a support measure to promote increased food and agricultural production."

The motion was adopted.

SHRI BALASAHEB VIKHE PATIL : I introduce the Bill.

MR. DEPUTY SPEAKER : Shri Manik Sanyal—not present.

Dr. Datta Samant.

CONSTITUTION (AMENDMENT)  
BILL\*

(Amendment of article 311)

[English]

DR. DATTA SAMANT (Bombay South Central) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted.

DR. DATTA SAMANT : I introduce the Bill.

MR. DEPUTY SPEAKER : Shri Thampan Thomas—not present.

Shrimati Jayanti Patnaik.

CONSTITUTION (AMENDMENT)  
BILL\*

(Amendment of article 16)

[English]

SHRIMATI JAYANTI PATNAIK (Cuttack) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further, to amend the Constitution of India.”

The motion was adopted.

SHRIMATI JAYANTI PATNAIK : I introduce the Bill.

HINDU MARRIAGE (AMENDMENT) BILL\*

(Insertion of New Section 25A)

[English]

SHRIMATI JAYANTI PATNAIK : Sir, I beg to move for leave to introduce a Bill further to amend the Hindu Marriage Act, 1955.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Hindu Marriage Act, 1955.”

The motion was adopted.

SHRIMATI JAYANTI PATNAIK : I introduce the Bill.

MR. DEPUTY SPEAKER : Shri K. Ramamurthy—Absent.

Shri P. M. Sayeed—Absent.

CODE OF CRIMINAL PROCEDURE  
(AMENDMENT) BILL—Contd.

[English]

MR. DEPUTY SPEAKER : Item 13—further consideration of the following motion moved by Shri G.M. Banatwalla on 10 May, 1985.

SHRI SOMNATH RATH : Sir, I beg to move :

“That the debate on the Code of Criminal Procedure (Amendment) Bill, 1985 (Amendment of Sections 125 and 127) by Shri G.M. Banatwalla be adjourned to the next day allotted for Private Members' Bills.”

MR. DEPUTY SPEAKER : The question is.....

SHRI G. M. BANATWALLA . What about the second motion about protection of priority ?

MR. DEPUTY SPEAKER : That is coming. The question is :

"That the debate on the Code of Criminal Procedure (Amendment) Bill, 1985 (Amendment of Sections 125 and 127) by Shri G.M. Banatwalla be adjourned to the next day allotted for private Members Bills."

The motion was adopted.

MOTION RE : SUSPENSION OF  
RULE

[English]

SHRI SOMNATH RATH (Aska) : Sir, I beg to move :

"That provisions of sub-rule (1) of Rule 30 and the proviso to Rule 29 of the Rules of Procedure and Conduct of Business in Lok Sabha in their application to the debate on the Code of Criminal Procedure (Amendment) Bill, 1985 (Amendment of Section 125 and 127) by Shri G.M. Banatwalla, which has been adjourned today to the next day allotted for Private Members' Bills be suspended to enable the Bill to be set down in the List of Business without Ballot as the first item therein."

SHRI C. JANGA REDDY : What is the reason ?

(Interruptions)

MR. DEPUTY SPEAKER : The question is...

SHRI G.M. BANATWALLA (Ponnani) : Only a clarification because of my over-anxiety or over-cautiousness you may say. In order to suit the convenience of the Government, I have no objection to this, but on the next day allotted for the Private Members' Bill, this Bill must have precedence over all other Bills.

MR. DEPUTY SPEAKER : That is why we are doing this.

SHRI G. M. BANATWALLA : I have not completed. I am a bit over-anxious. I read a lot and then I come to the House.

The Motion says "next day allotted for Private Members' Bills." According to the list we have, it must be on the 20th December. But supposing God forbid, due to any reason, the House does not meet on the 20th December, in that case, we may not have any other day during the current session that may be allotted for the Private Members. God forbid, in that case, this protection should be available for the first day allotted to the Private Members' Bill in the next session also. That should be clearly understood.

MR. DEPUTY SPEAKER : Yes, that is understood.

(Interruptions)

SHRI G. M. BANATWALLA : In order to suit the convenience of the Government, we have absolutely no objection.

MR. DEPUTY SPEAKER : The question is :

"That provisions of sub-rule (1) of rule 30 and the proviso to Rule 29 of the Rules of Procedure and Conduct of Business in the Lok Sabha in their application to the debate on the Code of Criminal Procedure (Amendment) Bill, 1985 (Amendment of Sections 125 and 127) by Shri G.M. Banatwalla, which has been adjourned today to the next day allotted for Private Members' Bills be suspended to enable the Bill to be set down in the List of Business without Ballot at the first item therein."

The motion was adopted.

(Interruptions)

SHRI C. JANGA REDDY : What is the reason ?

MR. DEPUTY SPEAKER : The hon. Member who moved the Bill has also accepted it.

(Interruptions)

[*Translation*]

SHRI C. JANGA REDDY : Why are you suspending the Rule ? Why are you adjourning the debate. It is on account of the elections in Assam and Delhi.....  
(*Interruptions*)

I am leaving the House in protest.

(Shri C. Janga Reddy then left the House)

[*English*]

MR. DEPUTY SPEAKER : Next item.  
Shri Ananda Pathak.

15.34

CONSTITUTION (AMENDMENT) BILL  
(Insertion of new Part XA) †

[*English*]

SHRI ANANDA PATHAK (Darjeeling) :  
Sir, I beg to move :

“That the Bill further to amend the Constitution of India, be taken into consideration.”

Sir, this Bill seeks to amend the Constitution of India and make special provisions relating to the Hill areas of the District of Darjeeling.

What are these special provisions and what for are these provisions to be made in the Constitution ? A dispassionate study of the clauses of the Bill as well as the Statement of Objects and Reasons would give clear answers to the above questions and also an idea about the purpose of the Bill.

The Bill seeks to grant regional autonomy to the people inhabiting the compact areas of three hill sub-divisions of the District of Darjeeling and contiguous areas of neighbouring district where the Nepali-speaking people are in majority within the State of West Bengal.

For the administration of the region an autonomous District Council would be constituted on the basis of adult suffrage as may be specified by law.

The elected members of the West Bengal Legislative Assembly as well as the Members of the Parliament representing the area shall be the ex-officio members of the District Council.

Seats also shall be reserved for Scheduled Castes, Scheduled Tribes and Linguistic minorities like Bengalese, Biharis, Muslims, Marwaris and others inhabiting the region and the necessary protection shall be provided to them.

The District Council shall have powers to make laws, rules and regulations for the overall development of the autonomous region. Subject to the laws made or to be made by the Parliament or by the West Bengal State legislature applicable to the region it will make the laws.

This provision would immensely help in applying the laws of the land in true sense with the help of the laws to be framed by the District Council in keeping with specific condition and situation obtaining in the area.

Therefore, there is no reason to believe that these laws framed by the District Council would come into conflict with the laws passed by the State legislature of the Parliament.

There is also the provision for the administration of justice in the autonomous region as per the notified order of the State Government.

There are also provisions for constituting “District Fund”, formation of Executive Committee, appointment of Chairman, Vice-Chairman and other office-bearers of the District Council, etc.

The concept and the principle of autonomy has already been accepted and enshrined in the Constitution of India although it has been made applicable to a limited area and certain regions only.

Article 244, 275 and the Fifth and the Sixth Scheduled of the Constitution have dealt with the concept and principle of autonomy for the Scheduled Areas, Scheduled Tribes and Tribal Areas in the States of Assam, Meghalaya and now in Tripura and the Union Territory of Mizoram although

the people of these regions and areas are demanding more powers and rights than what are prescribed in the above Articles and Schedules to make the essence of autonomy real.

Sir, the proposed autonomous region of Darjeeling does not fall in the category of the above said regions and areas. Nevertheless the condition of the people of this region is not different than that of the people of the abovesaid areas, no matter whether they fall in the category of Scheduled Tribes, Scheduled Castes, Backward Classes, Minority Communities or not.

But it is a fact that they have not been provided with the full opportunity to fully participate in the administration and developmental activities of the country in keeping with their distinct language, distinct culture, distinct habit, manner and aptitude and other peculiarities which are distinguished from the people of West Bengal as well as the rest of the country.

The crux of the problem is, in spite of their gallantry service, loyalty and devotion to the cause of independence of India, their substantial contribution to rebuild a new India after independence, their patriotic urge and aspiration have not been recognised and they have not been drawn in the main-stream of the national life.

That is why they have a feeling of isolation and of being kept out of the main-stream of the country. The alien rulers deliberately kept them educationally, culturally, economically and politically backward for their own interest and these people have felt for decades to have been cut off from the national main-stream. Therefore, there has been a persistent demand for their fuller and greater participation in the process of national development consistent with their separate identity and development of their own economic, political and cultural life in consonance with their specific aptitude and characteristics unitedly with the people of West Bengal and other parts of the country. That would be possible only by granting autonomy.

Sir, when we go to trace the history of the demand for autonomy, we find that the alien rulers had classified these hill areas as

'excluded' or 'partially excluded' area for a long time and the people were kept isolated from the rest of the country. That is why there was the persistent demand for autonomy for the people of Darjeeling to undo this injustice in independent India.

Ever since the period of Morley-Minto Reforms, the people of the area have been demanding autonomy which was reiterated time and again. They represented their case for autonomy before the Simon Commission and also before the famous Gandhi-Jinnha Meet on the eve of independence. After independence, not only the Nepali speaking people but also all the political parties of the area including Indian National Congress, Communist Party of India, Gorkha League, Bhutia and Lepcha Associations, Bar Association, Bengali-Behari and other communities in Darjeeling untendedly represented their case for Regional Autonomy within the State of West Bengal before the then Prime Minister of India, Pandit Jawaharlal Nehru in April 1957. Fifty-two M.L.As of West Bengal Legislative Assembly had also signed the Memorandum submitted to Pandit Jawaharlal Nehru on that occasion. They also represented their case for autonomy before the State Reorganisation Commission when it visited Darjeeling in 1955. The demand was also voiced on the floor of Parliament from time to time.

Sir, we can understand that the alien rulers were insensitive to the claims, urge and aspirations of the people of the above said area, but unfortunately even after the independence, their reasonable and justified demand has not been considered favourably. This has created deep-rooted frustration amongst the people, which is being exploited by the reactionary and vested interests resulting in the demands for separate State, separate 'Gorkha Land' etc. Some of these elements are also demanding arogation of Indo-Nepal Treaty of 1950 and similar other things.

Such demands are being exploited by interested and designing persons and parties and will result in disintegration of the country. Under such a situation, it is unfortunate that a section of the Congress (I) in Darjeeling is also talking about a separate Centrally administered area in Darjeeling. However, it has to be noted

[Shri Ananda Pathak]

that these elements have not been able to create communal riots or separatist movement because of presence of working class movement in our party, otherwise the situation would have been exploded there.

Therefore, with a view to harness the patriotic urge of the Nepali speaking people in the process of national integration and development of the country and draw them into the mainstream of national development and progress and instil in them a sense of belonging and involvement and isolate the fissiparous elements I urge upon the Government to accept the democratic demand of regional autonomy for the people of Darjeeling within the State of West Bengal as narrated above.

This is the only solution, practical solution of this vexed problem. This is not a separatist demand but it is just against it. This is not a narrow nationalistic partisan demand, but a democratic, principled and constitutional demand.

The entire democratic people of West Bengal have supported this demand of the people of Darjeeling.

The United Front Government of West Bengal had incorporated this demand in its programme in the years 1967 and 1969. The Left Front Government of West Bengal has not only incorporated this demand in its 34-Point Programme but also supported the demand for constitutional recognition of Nepali language and its inclusion in the Eighth Schedule of the Constitution and set up a Napali Academy for the overall development of Nepali language.

The West Bengal Lagislative Assembly has unanimously passed resolutions in support of the autonomy for the people of Darjeeling on 2nd July, 1977 and 23rd September, 1981 and urged the Central Government to concede to this demand.

All parties of the Left Front as well as the opposition parties in the Assembly, including Congress have lent their support to this demand.

Therefore, it is high time that the Central Government concede to this

unanimous demand and allow this Bill to be passed in this House.

I am not raising this demand because I belong to that particular area or to a particular community. But I am supporting this demand here in Parliament as a representative of the working class, as a communist, who stands for the unity and integrity of the country in real sense without any hinderance to the unity of the working class.

We always support the democratic urge of the people of different nationalities that inhabit the country to have real autonomy. We work for the preservation and promotion of unity of the Indian union on the basis of real equality and autonomy for different nationalities and develop a democratic state structure. That is why, we are urging for restructuring the Centre State relations with the demand of more power to the States and for their real autonomy. That does not mean that we want to have a weaker Centre. We want that both the States and the Centre grow stronger without any traces of inequality.

But unfortunately, the policy of capitalist path of development pursued by the bourgeoisie-landlord Government in our country made the Centre stronger and stronger and the States weaker and weaker.

15.50 hrs.

[SHRI N. VENKATA RATNAM *in the Chair*]

That is why, sense of frustration and inequality have poisoned the body politic and fissiparous and separatist tendencies have crept into different parts of the country and the imperialist powers are taking advantage of this situation to destabilise our country.

So, if you want to fight against these tendencies, you have to unite the people, and unite the country on the basis of equality and involvement of the people in the matter of development activities and administration by means of decentralisation of powers on a democratic basis.

Concentration of power can never unite a vast country like India where there are so many nationalities, languages, cultures, religions, customs and other peculiarities.

That is why we have to understand the meaning of 'unity in diversity' in a real sense.

But you want to concentrate all the powers in the hands of the Centre for perpetrating the authoritarian rule which in turn is trying to thrive on repressive measures, undemocratic and draconian laws at the cost of democratic rights of the people. But now, people are becoming conscious and are fighting against such tendencies. If you are serious about the democratic principle, you have to ensure fundamental rights to the people in true sense, you have to ensure participation of the people in the process of development and administration, you have to ensure that the Government is 'of the people, for the people and by the people' by decentralisation of power and taking it upto the village level. That is 'democracy' in true sense.

That was what Gandhiji and Pandit Jawaharlal Nehru had propounded and repeated in their lifetime. But you do not want to uphold this principle today. This is the problem.

The structure of our country and the character of our Constitution is said to be federal, but in practice it is not so in true sense.

In this way, you are bidding farewell to all the principles and values for which the Indian people fought for years together against the alien rulers and sacrificed their life.

Therefore, it is high-time that you ponder over this problem seriously and change your policy to suit the need of our country's democracy.

With these words I commend my Bill and urge upon all sections of the House to support this Bill. Will these words, I thank you, Sir,

[*Translation*]

SHRI RAM PYARE PANIKA (Roberts-ganj) : Mr. Chairman, Sir, I vehemently oppose the Constitution (Amendment) Bill

moved by our colleague Shri Anand Pathak, but I heartily support the points raised through this Constitution (Amendment) Bill.

It is a fact that there are certain areas in the country and there are certain linguistic groups for whom separate programmes will have to be adopted for their development if they are to be drawn into the mainstream of the country. It is a fact, as he has also stated in the objects and reasons of the Bill, that not only after independence, but even before that people of five divisions of district Darjeeling have been agitating that they should be treated as an autonomous unit. Not only this, they also feel that they are not getting the fruits of the sacrifices and the contribution made by them to the national mainstream. It is a fact that so far as the security of the country is concerned, the Napalese speaking people have made considerable contribution. Nobody can deny this. But we have also to keep in mind the feeling of nationalism and we will have to be watchful of all these things which might prove to be hurdles in the maintenance of national integrity. You are aware as to what has been the result of the agitations launched after independence for the formation of linguistic States. The States were reorganised on the basis of languages, but despite that, nobody was satisfied. In the recent past, three States were formed out of a large State. Earlier there was the large State of Punjab. Later on Haryana and Himachal Pradesh were carved out of it. If you continued to form the States on the basis of language, religion or geographical situations and granted them autonomy, the feeling of unity and integrity in the country can get a setback. It is correct that Panditji had added Nepali language in the Schedule, in which 15 national languages have been included, but agitations to include other languages are also being launched at many other places. Also, agitations are being launched on regional considerations, for example Jharkhand agitation and Vidarbha agitation. In our State also, there are certain elements which want that hill areas of Western Uttar Pradesh and Eastern Uttar Pradesh should constitute separate States. If these agitations continued, this feeling of separatism would cause harm to national integration.

[Shri Ram Pyare Panika]

It is good that through his Bill, you have provided this House an opportunity to have a discussion on this subject. We will have to see for how long shall we continue to form States in very district on the basis of narrow considerations of language, region, religion, caste and creed. I think the entire House would disagree with this Bill and there is no doubt about it. Our colleagues from Bengal are sitting here. Perhaps they might be aware that three or four years back, a massive rally was organised in Calcutta in support of Jharkhand. Every now and then such undesirable things continue to happen. Are the countrymen not aware of the fact that we are encouraging separatist tendencies? I would, therefore, request the House as well as the mover of this Bill to consider this matter seriously. Recently, a discussion was held on the report of the Planning Commission in this House and we had seen that demands were made, which should of course be made, regarding the development of backward areas, hill areas, drought prone areas, desert areas, flood affected or tribal areas, but there was no feeling of autonomy behind them. But the mover of the present Bill has not only demanded that a separate District Council may be constituted for that area, but also that this district council will be totally different from the district councils of other States as all the 44 powers are proposed to be delegated to it. And if all the powers are delegated, it is but natural that people may aspire to form a separate State. This area is a very sensitive area and it has common border with another country. There might be such a feeling and as such this proposal should not be adopted.

16.00 hrs.

All the 44 powers have been included in this Bill and it seems that the rights of the State Government are being snatched. It has been provided in the Bill at one place that the powers shall be vested in the State Government or the Central Government under the Indian Forest Act, 1927. The powers of State Government have ceased automatically. I strongly oppose such a proposition. The country is not facing any such situation as may warrant the acceptance of this demand immediately. It is true that there is need to pay attention to the develop-

ment of Nepalese people. The Government should work for their economic and cultural development and try to preserve their cultural heritage. That is why the Prime Minister recently decided to set up Five Regional Cultural Centres in the country to meet these requirements. One of the Centres will be established in the East. When the Cultural Centre in the East is set up, it will go a long way in preserving your cultural heritage, language and customs. The Hon. Prime Minister has also expressed this desire. Recently, a Centre was also inaugurated and such Centres will be set up in five different areas in the country in the near future. The policies of Government seek to unify the country. I would, therefore, request you to withdraw the Bill as we are following the same path.

Fortunately, the Punjab and Assam problems have been solved. The cause of anxiety in the country has been removed. But recently the Haryana Chief Minister announced that Haryana, Himachal Pradesh and Punjab be merged into one state. All these are fissiparous and separatist tendencies and in order to check such tendencies it is not opportune to bring this Bill. I am understand your feelings as you represent that area. You have the right to bring a Bill which reflects the hopes and aspirations of your constituents. But this is not a question of three divisions only. You cannot change their attitude by providing them autonomy. Just now I gave the instance of Jharkhand and similarly, such demands are being made in Andhra Pradesh as well. Such tendencies are raising their head in the South in the name of Tribals or religion. In several States, particularly in backward areas, language is being used for political ends. So far as the question of their economic development is concerned, we demand that Government should make necessary allocation particularly for backward areas in the Seventh Five Year Plan. Necessary provision should be made for development, whether these are the hill areas in Uttar Pradesh or desert of Rajasthan.

There are several languages, dialects and religions in our country and there is unity in diversity. Therefore we must inculcate a sense of unity in the country. If we desire that all of us should be happy (Sarvejana sukino Bhavantu) then there is no need to



demand autonomy. I would like that there should be no separatist tendencies in the name of language, religion, casteism, and regionalism. How many countries became independent along with India? What is their plight today? Barring our country, all the other countries are under military rule because of their petty gains. We are saved of this situation, and this is because of our cultural heritage. This is because we respect the diversity in our country. I would request the hon. Member who has moved this Bill not to pursue it any more for God's sake as it might incite fissiparous tendencies. Similarly, the people speaking Nepali are an integral part of this country and how can we separate them?

I would like to say one thing more in this regard. The hon. Law Minister is sitting here. In the Seventh Five Year Plan Government should strive for the development of areas such as hill areas and Shri Daga is happy that cent percent funds have been allocated for development of desert areas. These areas should be included in those six types of areas which have been identified by the Planning Commission for this purpose. I feel that if priority is given to development, it would remove the tendencies which are overtaking the people.

The demand for Jharkhand in the Ghot Nagpur area is being made because the Adivasis in that area are economically and socially very backward. You cannot even imagine their plight. The Adivasis are still migrating to other States in search of livelihood and they are being exploited there also. The Government should give a serious thought to their demand for social justice and development. Similarly, if the Adivasis of Bastar make demand for their upliftment, it should be conceded but their demand for autonomy should not be met at any cost. Efforts should be made to bring them in the national mainstream.

The Constitution provides equal rights to all. But only this will not do. Till opportunities are not provided along with the rights, how can right to equality be ensured. The backward people should be provided equal opportunities and also special facilities so as to enable them to draw maximum benefit out of those opportunities. How can a boy who has studied in a school in a Division in

Darjeeling, compete with the Convent educated boy. Therefore, along with right to equality, equal opportunities should also be provided.

Darjeeling is a historic and beautiful place and is situated on the border of the country. We are proud of it. There is need to work for the development of three Divisions, particularly the hill Divisions. If development is ensured in that area, the hon. Member's demands would be met and the question of autonomy will not arise. I would like to remind the hon. Member that this Constitution Amendment regarding autonomy to Darjeeling cannot be accepted at this critical moment. Therefore, I oppose it.

**SHRI HARISH RAWAT (Almora) :** Sir, I would have been happy had Shri Ananda Pathak made a demand for more allocation of funds for the backward and hill areas of West Bengal, instead of raising the demand for an Autonomous Council. I think that the sole objective for moving this Bill must have been to highlight the lack of desired development in Darjeeling and adjoining areas vis-a-vis other areas of West Bengal.

**SHRI NARAYAN CHOUBEY :** He is speaking about the mind of the mover of the Bill.

**SHRI HARISH RAWAT :** What can I do, if Shri Choubey does not have a heart. He is of course a Red in appearance but the same is not true of his heart. Had it been so he would have tried to understand the sentiments of the hon. Member.

The setting up of an Autonomous Council or District Council will serve no purpose. We have a long history of reorganisation of States and finally they were organised on linguistic basis but still the matter did not rest there. Even today such demands are made in different parts of the country and I believe such questions have been raised many times in this House also. There has been demand for Gorkha land, Autonomy for Darjeeling, separate Santhal area and demands of Naxalites in West Bengal. The economic consideration has been the source of all these demands. As regards the demand to remove economic

[Shri Harish Rawat]

backwardness, I am sure there is not a single Member in this House who does not want equal development of all the areas. Sir, I feel that though the Bill may not be practical but it would certainly provide us an opportunity to express our views on some of its practical aspects. The Central Government should pay attention to such backward areas where even now people have been denied the basic fruits of development and where there has been little development whereas other areas and other cities are developing very fast. There is no other good opportunity then this to give vent to one's feelings. I would, therefore, like to congratulate Shri Ananda Pathak for giving us an opportunity, through this Bill, to express our views on the aspirations of the backward areas. The Planning Commission has also conceded it since the First Plan. Our Planners have admitted that there are backward areas in this country which need special attention for development. But due to paucity of funds and other priorities, desired progress could not be made in backward areas, hill and remote areas and problem areas. The people of hill and Tribal areas remember Shrimati Indira Gandhi as 'Mother' as she had set up a separate cell in Planning Commission for the development of these areas and made sufficient provision during the Fifth Five Year Plan under the Special Areas Programme. The people of West Bengal, hill areas of Uttar Pradesh, Himachal Pradesh, Jammu and Kashmir, Palghat in South and other areas benefited from these schemes. I would request the hon. Minister, through the Parliamentary Affairs Minister to apprise the Planning Ministry and the Home Ministry of our problems. There is inter State and inter State imbalance in the country and, therefore, necessary provision should be made for their development in the same manner as it is earmarked for other areas. Many hon. Member have raised the question that the development of a big State Uttar Pradesh cannot be achieved by subdividing it. If we have to develop it, there are different social and economic units. For Eastern Uttar Pradesh a different type of scheme will have to be formulated and we will have to ascertain the reasons on account of which the State Government is unable to resolve the problems. If the State

Government has financial constraints the Central Government should come forward to help. The big question in Eastern Uttar Pradesh is how to provide employment to the manpower there. Industries will have to be set up there. In Bundelkhand there is need to construct roads and to supply drinking water and electricity. That region needs these basic amenities. There is also lack of communication facilities between our hill areas and other parts of the country. The reason is that Railway and Vryudoot services and roads are not available there. The problems are of different nature. The Centre will have to come forward to resolve those problems. I do not think creation of autonomous councils and district councils by the State Government would deliver the goods. We have district councils and regional committees. Those councils and committees are not able to do work to the required extent. They have the powers but they are not able to make full use of those power. They do not have the requisite funds and, therefore, they do not get the benefit. They should be provided with the funds and the regional imbalance in the country should also be removed. The States like Uttar Pradesh, Madhya Pradesh and Bihar are not getting the desired assistance even under the Gadgil formula. Certain States are capable of cornering the major portion of the Plan outlay for them. That needs to be changed. If inter state imbalance continued, the discontent among the people is bound to be there. The Finance Commission has also considered the matter but it has not been able provide that much assistance as was expected. The beginning made by it is, of course, a welcome steps. But that does not seem to be helping in removing the difficulty. The yardsticks for development in the States are different. In our perception of national development, the yardstick will have to be same and that should be the backwardness of the particular region. I am pained to state that whatever the Planning Commission may profess but the reality is that one who resorts to lobbying gets the maximum amount under the Gadgil formula. I would submit one more demand. It is usually seen in the States that the hill areas and the predominant tribal areas get lesser representation in the State Legislatures and they fail to submit their case effectively in the Legislature. It can be possible in West

Bengal also. In Uttar Pradesh Legislative Assembly the representation of Bundelkhand is much less. The population has been accepted as criterion for representation. The norms of population has been relaxed in the matter of representation in the case of Legislative Assemblies in Arunachal Pradesh, Himachal Pradesh, Jammu and Kashmir, Mizoram and other States. On the same lines, the population norms for representation in the matter of backward areas in the States should also be done away with. That should not be insisted upon.... (*Interruptions*). The Law Minister is sitting here. My demand relates to him. My demand is that the way population norms for representation in the Legislative Assemblies in Himachal Pradesh, Jammu and Kashmir, Meghalaya, Nagaland, Arunachal, Mizoram and other States have been relaxed, norms for the hill areas in the States which have been treated Special Areas by the Planning Commission, should be relaxed so that they may get more representation in the State Assemblies. They should get this representation on the basis adopted in Himachal Pradesh, Jammu and Kashmir, Meghalaya etc. I am hopeful the way the Hon. Minister is proceeding, he is understanding my point... (*Interruptions*) I have always been bountiful in the matter of thanks for you. My submission is that indepth study should be made of this aspect. We will have to see that certain people are not kept backward for ever because the urge for development has already sprouted in the hearts of the people. I feel happy and elated when the people in the far flung areas say that Rajivji wants to take the country into 21st Century and how they should join the race. Though it is a universal truth that Saturday shall follow Friday and in the same manner the 21st Century will also come at its due time but our rural folk feel that Shri Rajiv Gandhi wants to make our country more progressive, wants to make our nation economically strong and wants to take the country towards development. People feel that they too have to contribute to it; the way Shri Rajiv Gandhi wants to project the country on the international scene they too want to march forward hand in hand with the other developed people at the national level. We should welcome their feelings and this urge for development, this hunger for doing something for the country should be welcomed. What is needed today is to

channelise the strength of the people and make them join the race for development I feel that the people of all our backward areas and hill areas, which include Darjeeling, the Chota Nagpur area; Vidarbha region in Maharashtra, Telangana area in Andhra Pradesh and certain areas of Madhya Pradesh have mentally prepared themselves for the big leap. The question is to give them right opportunity to progress. Needed today are certain benevolent and sympathetic hands which may pat them so that they may make the desired contribution in the national development.

As I said earlier, though I agree with my friend in so far as feelings behind it are concerned, yet I cannot support his demand because supporting his demand will mean opening of floodgates to such demands. Then there will be no stopping of the demands of such nature. Today if we accept the demand for setting up of an autonomous council in Darjeeling, tomorrow demand for autonomous council in the hill areas of Uttar Pradesh will also be raised. If that too is accepted then a time will come when people will start thinking of even smaller units and would pressurise the Government for that. As it is not possible that the political aspirations of all the persons may be fulfilled, the people leaning on their democratic rights go so far that they, even without any obvious reason, become discontented and misusing their wisdom and discretion, start putting forth such demands. I would, therefore, urge Shri Ananda Pathak that so far as the question of development is concerned, the entire House is one with him in supporting the idea but he should not press his Bill in view of the existing conditions in our country. We have already seen how Assam had to be divided because of some development there, but did not solve the problem. Punjab was a small unit but what type of situation arose there? Some people started demanding a separate State on the basis of language. When that was acceded to, they felt why not make a demand on the basis of religion. Every State is inhabited by people professing different religions. In one State the followers of one religion is dominant and in some other State followers of some different religion are in majority. The same problems can arise also in adopting the language as the basis. I would, therefore, request the

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mover of the Bill that it is not going to benefit the country.

We will have to see as to how can we maintain the unity and integrity of the country. For this we will have to strengthen all the democratic values so that we can unify the country and if in doing so we have to suffer a little, we should bear that and should strengthen the unity of the country.

Sir, the hill areas of the country have contributed in a big way in maintaining the unity of the country, whether they are of Himachel Pradesh, Jammu and Kashmir or the Eastern hill areas of Uttar Pradesh. A large number of people from the hill areas have done commendable work in the various Forces and the Territorial Army.

Mr. Chairman, Sir, it is possible that the people of the hill areas are backward but intellectually they are not lagging behind the persons who have advanced. We have always utilised our high intellectual calibre in strengthening the country and in saving the country from disintegration. I would, therefore, request Shri Ananda Pathak that it is possible that the hon. Members of the West Bengal Legislative Assembly might, in their wisdom, have passed the Bill keeping in view the local needs and feelings of the people there but when we look it in national perspective, we will have to take into consideration many aspects. Therefore, I feel that keeping in view the prevailing conditions in our country it is not desirable to demand partition of States, creation of autonomous councils in the States etc. I would, therefore, request my friend Shri Pathak that he should withdraw his Bill. I would, like that instead of partition of the States, small units should be constituted and more and more funds should be made available to them for their development.

With these words, Sir, though supporting the spirit behind this Bill, I feel that this Bill is not practical in present circumstances. I would therefore request Shri Pathak to withdraw it on his own.

[English]

SHRI NARAYAN CHOUBEY (Midnapore) : I fully support this Bill. The apprehensions as expressed by my dear friends from the Congress Party are wrong apprehensions. I simply share their views because they have shown their real apprehensions. Yes, the country is in doldrum. There is Assam, there is Meghalaya, then there is Punjab, there is demand for Khalistan, this thins and that thing. Naturally, in such a situation it may be construed by many friends that such a Bill at such a time will simply create disruption in this country. But I beg to submit this is not a scientific apprehension. This is wrong. Its understanding is wrong.

My dear friend, Shri Rawat, said just now that the decision to divide India into several linguistic States has not worked well. If that has not worked well, do they propose that there should be no linguistic States in India? Does he propose to say there should be one India, one language, one nation and one king and one emperor? I would beg to submit that this outlook is not a modern outlook. It is not only capitalistic; but rather a feudal outlook. What is a nation? Whether you like it or not, India is a multi-lingual, multi-national State.

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : It is a new phrase.

SHRI NARAYAN CHOUBEY : I say it again. India is a multi-lingual, multi-national, State.

*Punjab, Sindhu, Gujarat, Maratha,  
Dravida Utkal Banga*

Sir, had not India been enslaved by the Britishers, India would have been like Europe, containing England, France, Belgium, Holland, etc. We had to fight against British enslavers unitedly. The Britishers subjugated us. We had Anga, Banga, Kalinga, Magadha, etc., all within Bharat. Sinca times immemorial, India has been having, 'Unity in diversity'. If any one thinks that unity can be imposed by one-nation theory, he is wrong. By one religion, one culture, one language, you cannot impose

it. There is nothing to be feared from the Bill of Comrade Ananda Pathak. You have nothing in this Bill which will create further disruption. It is not so. I am very glad that Mr. Rawat and another friend said that economic disparity is a major reason for regional disparities. Very good. He has also mentioned another thing. He said about the way the People's Representation Act is being applied in Jammu and Kashmir, Himachal Pradesh, Meghalaya, Arunchal Pradesh, etc. and said that in the same way this should be applied to the hill and backward areas such as Garhwal, Darjeeling and other places, so that proper representation of these people can be made in their Assemblies. What is the harm if you do it like this? The people of Garhwal areas are not properly represented in the huge U. P. Assembly. So, you can do it. This Bill does not envisage Darjeeling to be taken out of India. Darjeeling will continue to remain within the framework of Bengal; but it will only be one autonomous region within Bengal if this Bill is accepted. We have already done it in Tripura in early eighties. My friends have already spoken about it. In Respect of Tripura, the autonomous region is functioning under the Eighth Schedule. But we wanted it to function under the Sixth Schedule. However, the autonomous region has come into being in Tripura. Do you mean to say that the problems will be solved if India is one State? No, it cannot be done that way. Much before Independence, the Congress party was working on linguistic basis. Jamshedpur, though in Bihar, was under Utkal Congress Committee before Independence. Large number of people in and outside Jamshedpur were Oriya-speaking and so Jamshedpur was taken in under Utkal Congress Committee. The biggest political party, National Congress, accepted the idea much before independence that after independence India will be divided linguistically. The great struggle which the people of Andhra waged in 1953 under the leadership of Potti Sriramulu, created the State of Andhra Pradesh. Similarly, the struggle of the people of Maharashtra for linguistic States created Maharashtra and Gujarat which were previously parts of united Bombay State. In Bengal, we also got a portion of area from Bihar where the people are Bengali-speaking. So, it is all a very natural thing.

The Great Communist Leader, Stalin wrote a book on national questions in the year 1911. Therein, he said, 'the semi-nationals and tribals in India, numbering several hundreds are in a dormant state today but they will rise one day and they will demand their rights and exert their influence.' This is what he wrote in 1911. This is coming true. After independence only, modern science, literature and knowledge is entering those areas. It is a good thing. Now their eyes are being opened. They shall come out with their own demands, they shall come out with their own ethics, they shall come out in their own morals, they shall come out with their own culture, and we must accept them—not all of them—but we must try to digest them. Naturally all the movements that take place for these things are not proper and all the movements are not also improper. There are disruptive movements and there are also constructive movements. The demand for Khalistan is a disruptive movement, the demand to drive out the Bengalis from Assam is a disruptive movement, but the demand for making Darjeeling as an autonomous region in Bengal and Nepali should be included as the language in the Eighth Schedule of the Constitution is not disruptive. It adds to the national unification, it leads to national integration. So, naturally all movements are not proper and all are not improper. We must see every movement from its own point of view. The demand for Khalistan is of course wrong. It is aided and abetted by imperialism. But the demand to include Nepali in the Eighth Schedule of the Constitution is definitely correct and if Mr. Panika is afraid that Santhals will also demand like that, yes, Santhals will demand, Hos will demand, Mundus will demand. They shall demand, if not today they will demand tomorrow. That is the course of history. They can make their own demands. History will tell us about it.

My dear Minister is a big man, he knows many things, he has moved throughout the world. What did Lenin do? The Revolution took place in the Soviet Union on 17th November, 1917. Before that the Czar did not allow any language to flourish in Russia other than Russian. He said, only Russian must be learnt. The Muslim areas of Uzbekistan, Khazakistan and

[Shri Narayan Choubey]

Tazakistan are big States. The Czar said that they must learn Russian and without Russian nothing could be done. They were debarred from learning their national languages. Christian religion was imposed on them. What did Lenin do? We have got our own strifes between Hindus and Muslims, between Sikhs and Hindus, between this region and that region, between this language and that language. After the Revolution in Soviet Union we have never heard any such strifes which were frequent before the Revolution. During the time of Czar, sometimes the Christians were killing the Muslims, and sometimes the Muslims and Christians combined to kill the Jews. But these were completely halted in the Soviet Union after the Revolution of 17th November, 1917. Why? Lenin said that every State is independent, Uzbekistan is independent, Khazakistan is independent, and Tazakistan is independent. But even they have been given the right to secede, but at the same time no State seceded. They all remained together and the Communists kept them united, although they have the right to secede. Lenin said two things. Those States must have the right to secede, but the Communists should move in such a manner that the States never secede and they remain united. Do you understand this?

SHRI H. R. BHARDWAJ : We have understood.

SHRI NARAYAN CHOUBEY : If you have understood, then accept this Bill.

SHRI H. R. BHARDWAJ : We have understood much before.

SHRI NARAYAN CHOUBEY : If you have understood much before, then I will be glad if you accept this. So, this Bill will not bring down the sky to the earth.

SHRI H. R. BHARDWAJ ; Why have your former Communists deserted?

SHRI NARAYAN CHOUBEY : What?

SHRI H. R. BHARDWAJ : You said, Dada left you, Dograji left you. Many Communists are deserting you. What is this? Kindly reply,

SHRI NARAYAN CHOUBEY : Because you will join us.

SHRI H. R. BHARDWAJ : You are thinning out. What is the matter?

SHRI NARAYAN CHOUBEY : Anyway we are confining to this Bill. Naturally...

[*Translation*]

SHRI HARISH RAWAT : He has said an objectional thing that they are old sinners and we are communist sinners ... (*Interruptions*)

SHRI NARAYAN CHOUBEY : All-right, they are not old sinners, but noble souls. They have gone there for your salvation. (*Interruptions*).

[*English*]

SHRI NARAYAN CHOUBEY : Sir, one of the reasons in today's India for the disruptive forces rising their heads here and there on and off, is the failure on our part to solve these problems which are mainly national problems, language problems and cultural problems. Napolis, whether you like or dislike, are part of india. Even we have made promises, whenever they approached us. When Shrimati Indira Gandhi had been to Darjeeling, this was done. I do not know whether Shri Rajiv Gandhi had been to Darjeeling. But many times our national leaders have been to Darjeeling and many times they promised that they would consider the inclusion of Nepali in the 8th Schedule. I would say, whenever they go there, thousands and thousands of Nepalis would come out. What is the harm in just honouring that sentiment? (*Interruptions*.)

There are two types of Nepalis who are demanding Nepali to be included in the 8th Schedule. One is called, distruplive Jai Nepali, who want to take it outside Bengal and outside India. But there are forces who want to live with India and there are forces who want to be in Bengal and at the same time, want Nepali to be included in the 8th Schedule. Don't you feel that inclusion of Nepali in the 8th Schedule would help the forces of integration to fight disruptive elements? It is common sense. If you can **any-how** make an accord with the Akalis,

you could talk with Sant Longowal when the large number of Sikhs were demanding Khalistan, you can do this also. You have done very correctly. You have held elections and Akalis are ruling Punjab now. For that matter, Punjab is not out of India. Perhaps nothing better could have been done in the present circumstances. If you do not understand this, then you are accepting ego, accepting a false sense of prestige, accepting a false sense in the so-called national unity. If you do not understand it, it is a prejudice, chauvinism. What would have been the harm if Nepali has been included in the 8th Schedule? The only good thing has been that the hands of a large chunk of Nepalis who are for national integration would be strengthened to fight against the forces of disruption, forces of communalism, forces of chauvinism and the forces of missionaries who work in Nepali area to make disruptive act. I think, we would be able to fight that.

Naturally, I would submit this, though you may not accept it. But at least, accept some of the major things which have been told here and I may tell you again, if you accept the content, if you say that something will be considered, I think, something good will come out. With all this end in view, I beg to submit that in the name of national unity, national integration, in the name of fighting against the disruptive forces in this country, don't move in a wrong way. Don't think that all the movements, whatever come from the people are wrong, and disruptive. There are many correct movements. They have been brought in to being because we have failed to tackle the problems of the people in time. Jharkand movement is dormant. But it will again rise. If you fail to solve the problems of Santhals, if you fail to solve the problems of Adivasis, their question of land, their question of agriculture, their question of culture, their question of education, their question of finance, their question of industries, their question to keeping their heads high in their own land they will again rise. It is their own land. It is the land belongs to the tribals. But you find Choubays, Doubeys, Padas, Tiwaris and all are going there, exacting interests and cheating them like anything. How long will they keep quiet? Today they are silent because of many things. But tomorrow, they will again rise. Jharkand movement may come up again. If you want to solve

these problems, kindly solve them in time and take note of the beating, pulse of the people in this area. Such a pulse is beating in the Nepali area of West Bengal. For this reason, we have brought this Bill and I request you kindly to accept this Bill to fight the forces of disruption and to help the forces of integration.

With these words I thank you and I urge upon our hon. Minister and friends on this side to support us.

[Translation]

SHRI K. D. SULTANPURI (Simla) : Mr. Chairman, Sir, I would like a few words in respect of the Bill under consideration. The hon. Member, who introduced this Bill, has stated that District Councils should be set up there. He has also mentioned about the powers to be given to that Council, which implies that his intention is to set up a mini Vidhan Sabha there. The Bill also provides that the West Bengal Government shall not interfere in its working.

While referring to the Eighth Schedule of the Constitution, the hon. Member has said that Government is not taking any step to give Nepali language a statutory status. I would like to point out that Government have given full rights to the Nepalese living in India. Nepali people are holding very high posts in the country. Darjeeling is not an area where people are deprived of their rights. C. P. M. is in power in West Bengal That Government looks after the affairs there C.P.M. M.Ps. and M.L.As. from Bengal represent their party in Parliament as well as in Bengal Vidhan Sabha. Even Darjeeling has its elected representatives in Parliament as well as in the State Vidhan Sabha. They get full opportunity to express their views. He should not have brought such a Bill here.

It has also been stated here that when Akalis made a demand about Khalistan. Government held talks with them. I feel that this thing should not be linked with Khalistan. This was also said that the Prime Minister, Shri Rajiv Gandhi has not visited that place so far. What does it prove? Our former Prime Minister had visited that place. The people all over this country are part of the national mainstream.

[Shri K. D. Sultanpuri]

I feel it is not appropriate to say either in the name of language or any other basis that ours is a separate district.

We have Panchayat system in our country. Panchayats are functioning here. After Panchayats there are block committees. After that there are district councils and then Vidhan Sabhas and at the apex is Parliament. Then why is it necessary? It is a good thing that the voice of the local population has been raised here but he should not press this Bill. The Bill does not warrant any further discussion.

It is true that the West Bengal Government also does not pay attention towards that area. That is why the hon. Member has brought this Bill. There are several hill areas in Uttar Pradesh and Himachal Pradesh of our country which remain backward in many respects. It is true that hill areas, whether they are in Uttar Pradesh or Himachal Pradesh or Nagaland, do not have adequate facilities. Neither rail facilities nor other means of transport are available there for the convenience of people there. In order to develop these areas, more and more development works should be undertaken there. Economic condition of the people there should be strengthened.

The hon. Member has referred to setting up of a District Council for the District Darjeeling. I feel that it will be an injustice to the people there. The State Government should pay more attention towards the development of that district and undertake special measures for the development of our Nepali brothers living there. It is for the West Bengal Government to plead for inclusion of Nepali language in the Eighth Schedule, but it has never said so. So far as I am concerned, I am of the opinion that the State Government wants to exploit Nepali people living there and to treat them as it's vote bank. I feel that it is not proper to raise such issues. Nepali people are inhabitants of this country, and they are very hard working. We give same respect to their language as we give to other Indian languages. It is, therefore, not proper to raise such issues. We respect all the languages of our country whether it is Panjabi or Nepali or Sindhi or English. All are our national

languages and they enjoy the same status. I feel that equal respect should be given to all of them.

So far as the development of that area is concerned, I would suggest that the West Bengal Government should pay attention towards Darjeeling. So far as hill areas are concerned, special attention is required to be paid towards them. In U.S.S.R., revolution took place to eradicate poverty. Mr. Choubeey was saying that the achievements of Lenin are unparalleled in history. He made his speech and left the House. He was referring to Marx, who wanted the poor to be eliminated. But Lenin has done the right thing. Being the follower and loyal to Lenin and by studying the theory of Marxism he wants to spread Marxism in the country. I feel that Marxism is also not bad. But these people do not raise any voice to remove poverty through Marxism. These people only raise their voice about Nepali language, about Punjabi language. In the absence of any concrete programme they talk about the agitation. They talk about development of their own constituency. They do not talk about hill areas. They do not talk about Darjeeling or Bengkok. They talk about planes only. If these people had paid attention to the hill areas, the economic development of those areas must have taken place and roads would have been in better condition and people would have got employment there. Instead the Central Government has paid more attention towards them. Our Government has formulated the 20-Point Programme. The programme implemented by Indiraji throughout the country for the uplift of the poor people has yielded good results. Even in West Bengal, the West Bengal Government stands nowhere in comparison to the Central Government in the matter of programmes undertaken there.

Sir, the people, who raised the issue, might have done so with good intention, but it is not proper to set up a mini Vidhan Sabha. So far as language is concerned, we do not have any problem, be it any language. There was no language problem in Assam also. The only problem there was whether the foreigners be given the voting right or not. What happened in Punjab? In Punjab the extremist killed even Sant Longowal. That is why no problem can be solved



through terrorism. So far as the question of language is concerned, all the languages of country should be respected. A big achievement was made in the form of Punjab Agreement as a result of which elections were held there. Our Akalis have also been elected to this house. Representatives of your state have also come here, C.P.I. and C.P.M. people are also sitting here. We have no difference of opinion about languages. We respect all the languages. Nepali language is not spoken in many states. It is not spoken in Punjab. That is why we do not want to raise any language issue. Nepal is our neighbouring country. Therefore, we do not want to raise any language issue to weaken our country. We have to work to strengthen our country. You should pay attention towards it so that poverty can be eradicated. Efforts should be made to set up industries in hill areas and to provide marketing facilities for their products. Remunerative prices should be ensured to fruit growers there. It is our sole vocation and this is the demand of the hill areas. You have said that land should be distributed. There are no two opinions that it is the Government which has to implement it. The number of roads constructed and school/colleges set up in hill areas is quite inadequate. When we see the position in Laddakh and Kashmir, we find that the number of colleges there is negligible. It is essential to make arrangements to provide technical training because without it they cannot keep pace with the rest of the country. So necessary means should be provided. Shri Namgyal's constituency is as big as the entire Haryana or Punjab. Unless same means are provided to us as are provided to people in big cities, we cannot expand our education and undertake other development works. Ours is a border State due to which development is hampered there. I feel that a lot of development has taken place in Darjeeling because it is a tourist centre and large number of tourists visit it. This is your development also. The Central Government has to provide funds to the West Bengal Government for undertaking development works. Potatoes and apples are grown in Himachal Pradesh, but the producers do not get remunerative prices for potatoes and apples. Our hon. Minister makes full efforts to ensure this price. But who pays? My area Dodraquar is situated on the Tibet border. If somebody wants to despatch a box of apples to Delhi,

he will have to pay Rs. 24 as freight. In Azadpur Mandi it will fetch a price of Rs. 48 to 50 and in market these apples will be sold @ Rs. 6 or 8 per kg. We should see at what point the poor people are exploited. Rail and road transport facilities should also be made available to our people. The Central Government should provide more and more funds to us so that we can increase our income from the orchards. So far as the question of power generation is concerned, Himachal Pradesh alone can generate 20,000 Megawatt power. I have seen that there is a big river in Gangtok also. Adequate hydel-power can be generated there also. You have made a mention about hydel-power generation in Darjeeling. I feel the development of the people there would contribute to the progress of our country. A lot of facilities are available to set up industries in that area. Darjeeling tea is very famous. A good number of people are engaged in tea plantations. Workers do not get reasonable wages. I feel that if such things are looked into, these can be in the best interest of the nation. Exploitation of the poor should be stopped. There should be a single programme to take the country on the path of progress. It should be said in one voice that the development of hill areas is in the interest of the nation. The entire land erosion is taking place from the hills resulting in loss to the tune of crores of rupees in the plains. All the dams in the country are getting silted in the absence of plantation, etc. there. I have also visited the Darjeeling area. Mountains are there also and these cause floods in Bengal. If the Central Government and the State Government work together to generate hydel-power, our economic condition can be strengthened and the country can progress. We produce power from coal. We have rich deposits of coal in Bihar.

17.00 hrs.

I feel that we have to incur heavy expenditure on transporting coal either to Darjeeling or to Madras side and the existing stock of coal can last for a maximum period of 100 years or 200 years. After that this national wealth will be exhausted and our country will have no alternative. I would, therefore, suggest that we should pay more attention towards hydel-power projects, because the topography of the country is suitable for such projects. We can very well set up these

[Shri K. D. Sultanpuri]

projects and we can produce cheap power. I, therefore, do not agree to the demand raised in this Bill. The country will not be able to progress thereby and it is also not possible to pass this Bill. So, you should withdraw it. With these words I thank you for giving me an opportunity to express my views.

[English]

SHRI G. L. DOGRA (Udhampur) : There are no two opinions that the Nepali Population around Darjeeling is living in a bad state. There are no two opinions about it. Most of these people are backward. They have very little avenues of employment. If you go to Sikkim, you will find the Bengali Nepalis from the Darjeeling area or from around the Darjeeling area working there in the hotels, on the roads and everywhere.

17.02 hrs.

[SHRI SOMNATH RATH *in the Chair*]

They work very hard and they actually require a better treatment. That is true. But the question is whether this measure which has been brought before this House is the remedy for that. That is the main thing which we have to think about...

PROF N. G. RANGA : This is also one of the most important remedies.

SHRI G. L. DOGRA : Darjeeling is a district of West Bengal and I at least believe that the West Bengal Government is a gentlemanly government and it is their duty to look after that area and they should have by now given them satisfaction that they are looking after them properly.

It is a very sad commentary that a man belonging to CPM and belonging to that part brings forth this measure. This measure in the ultimate analysis means that justice has not been done to Nepalis and in future there is no hope of getting justice from that Government. That is the real purpose of this if you go deep into it. That is how I understood it. I might have misunderstood it but I tried to understand it with sympathy and I could not understand anything else. So, if they knew that something would be

done by that government, they would have gone there. The mover of the bill is so confused and desperate he recommends, power for the West Bengal Government and not West Bengal Legislature, will provide for certain vital matters. If you see the clauses of this Bill, the bill laid down that :

The State Government shall, by order notified in the Official Gazette, provide for —

- (a) qualification for membership of District Council;
- (b) disqualification for membership of the District Council;
- (c) preparation of the electoral rolls of the constituencies;
- (d) all matters in relation to or in connection with the holding of elections to and due composition of the District Council including the term thereof and in particular may provide for all or any of the following matters :—
  - (i) appointment of Chairman, Vice-Chairman and other office bearers of the District Council out of the members thereof;
  - (ii) formation of the Executive Committee of the District Council out of the members thereof;
  - (iii) salaries and allowances of the Chairman, Vice-Chairman and the members;
  - (iv) conduct of executive functions;
  - (v) powers of the Executive Committee; and
  - (vi) such other matters necessary for and incidental to the functioning of the District Council.

These are the powers he wants us to give to any State Government functioning there which will actually mean giving the power to the Minister-in-charge of the Department or the bureaucrats. How can it be done !

As I submitted earlier in this House while speaking on supplementary Grants, long ago Pandit Jawahar Lal Nehru thought that the hilly area of the North and North Eastern States should be opened up for economic development and defence purposes. He established Border Roads Organisation which has done a lot of work. But still much remains to be done. Whether it may be the district of Darjeeling or any other district in U.P., Bihar and Jammu and Kashmir much remains to be done. There are similar areas in South and South Eastern States which have to be developed. You cannot develop these areas unless you open them up. Until and unless a road goes there nobody will go there and improvement will not come about there. This has nothing to do with the Eighth Schedule. We either do not understand or try to mislead the people. If we understand we should try to do it. I do not say West Bengal Government is deliberately neglecting Darjeeling hilly areas. It is not the case. The problems are peculiar and lot of funds are required. It is also true very rarely a minister from that area has been inducted into the Cabinet of West Bengal. Therefore, proper attention is also missing. It was once said by Mr. H. G. Wells that everybody must think for himself. Those who do not think for themselves others think for them and they think in the manner that suits the thinking persons. If somebody is running this Government and does not belong to that area he will think more of those areas to which he himself belongs and will not pay equal attention to other areas. People feel that they have a different language and belong to hill area and that is why they are being neglected. The reality is that we are trying to accelerate our development. We are bringing in new technology—for horizontal and vertical development—and stressing too much on the development of the developed areas. We want to compete in the world, in the international market but at the same time we are not giving due attention to the backward and hill areas. But we must understand that it is the people in those areas who are defending our country. Therefore, we have got to take care of them.

This Bill does not serve any purpose. I have got all the sympathy with my hon. friend but the approach must be correct.

There are many provisions in the Indian Constitution which are not being implemented and this will be one of them.

Sir, without taking much of the time I would submit that the real problem is different. The necessity of development in the hill areas had been recognised during Pandit Jawahar Lal Nehru's time and fundamental problems of this country were located by him. We have yet to see a better man who can think of the country as a whole in a better way. Therefore, to try to split those problems into bits will not serve the purpose. I can understand if West Bengal Government had concentrated too much on hill areas of Darjeeling and developed it as a model to be followed by others. Then we could quote it as an example to others but they have done nothing. The people there feel neglected.

Sir, we went to Gangtok and we found the roads which are not under the Border Roads Organisation were in the same dilapidated condition as elsewhere. Therefore, we have to understand the problem as it is. I do not want to blame anybody but neither I want them to shift the blame on us. Let us face the problem as it is. Nepalese are our brethren. Their language must be developed like other languages of the country. This country cannot progress unless every language which is spoken in this country is developed. What is the use of T. V. and radio, unless the people who are so far illiterate cannot be approached by this media. If the T. V. does not speak to them in their language development cannot be brought about there.

Therefore, the real remedy lies in proper and even development and not uneven development. Don't make show pieces. Don't put powder on your face and leave the rest of the body dirty. We have to look to the millions living in the backward areas. Those millions cannot be forgotten. All of us either in the Opposition or on this side are sitting in this House because of their votes. The well off people are opportunists. They do not vote for you. It is the backward people who bring you to this House and in the State legislatures. Therefore, you should not mislead them by wrong slogans. You have to look to the reality of the situation and try to solve the

[Shri G. L. Dogra]

problems from a national angle. This measure which you have brought will mislead the people. Therefore, I oppose this.

[*Translation*]

CH. SUNDER SINGH (Phillaur) : Mr. Chairman, Sir, the mover of the Bill has said :

[*English*]

“The nation building programme can leave no part of nation untouched. Students have to react upon the dumb millions. They have to learn to think, not in terms of a province or a town or a class or a caste, but in term of a continent and all the millions who include untouchables, drunkards, hooligans and even prostitutes for whose existence in our midst everyone of us is responsible.”

(Young India—9th June, 1927)

[*Translation*]

What is the object of the Bill which has been presented in the House ? The object of the Bill is :

[*English*]

“As long as millions live in hunger and ignorance, I hold every man a traitor. We are educated at their expenses and pay the least to them,”

[*Translation*]

The petition of the country took place in 1947. At that time Dr. Ambedkar had suggested that if we formed a coalition government with the Muslim League as partner, we would be ruling half of India because we would get half of India in case of partition; but we did not agree. We sided with Mahatma Gandhi. We never deserted him. At that time whatever Dr. Ambedkar had said was not accepted. The population of Muslims at that time was 9 crores and the population of Harijans was 6 crores. But his plea was not accepted at that time. Now such agitations are being launched. Whatever Mahatmaji had said was correct, but it was not implemented. Mahatma Gandhi had written :

[*English*]

“The better mind of the world desires today not absolutely independent States warring one against another, but a federation of friendly inter-dependent States.

Inter-dependence is and ought to be as much an ideal for man as self-sufficiency. Man is a social being. Without inter-relation with society, he cannot realise its oneness with the universe as suppress his egotism.”

[*Translation*]

When was it said ? Mahatma Gandhi had said this in 1929. It would be better, if his views are implemented. Now I would also like to quote what Mahatmaji had said in 1921 :

[*English*]

“Swaraj is a meaningless term, if we desire to keep a fifth of India under perpetual subjection and deliberately deny to them the fruits of national culture. We are seeking the aid of God in this great purifying movement, but we deny to the most deserving among His creatures the rights of humanity. In human ourselves we may not plead before the throne for deliverance from the unhumanity of others.”

[*Translation*]

The thoughts of Mahatmaji are not being followed and as a result all these things are happening. When there was separate electorate, Dr. Ambedkar had said :

[*English*]

“I was born as a Hindu. The blame was not mine. I will not die as a Hindu.”

[*Translation*]

But nobody cared about what he had said. Now Nepalese and Sikhs are raising a demand for a separate State.

I oppose this Bill. This Bill should not be adopted. The person who was expected to give a healing touch did not do that, otherwise our disease was not incurable. The

persons who should work and to whom powers are delegated, would not use those powers against themselves. If every citizen of India demanded a separate State, how would the country remain united? A demand for Khalistan is being raised in Punjab. That State is not weak. It is the strongest State and maximum of the land in the State is fertile. But they are making demand for Khalistan. Recently two persons were murdered in my area. I was very much surprised why this had happened? In my view all such things are happening, because the poor want to achieve their rights.

[English]

No man can get his rights by request. Rights are wrested from unwilling hands.

[Translation]

This problem of Nepalese cannot be solved, until they fight unitedly. It was the desire of Mahatma Gandhi, Dr. Ambedkar and Pt. Jawahar Lal Nehru :

[English]

Nehru said in the Constituent Assembly :

“How to solve the problem of the poor and the starving people. Wherever we turn, we are confronted with this problem. If we cannot solve this problem soon, our paper Constitution will become useless and purposeless.”

[Translation]

With these words, I oppose this Bill. This Bill encourages the feeling of separatism. I once again oppose this Bill.

[English]

**SHRI PIYUS TIRAKY (Alipurduars) :** Mr. Chairman, Sir, this Bill does not have any secessionist motivation at all. This Bill has, in fact, been brought before the House with a very good idea. Before independence also, we had a Government, but we wanted independence, our own Government, because we wanted to develop our country in our own way. The real intention of this Bill is to allow the Nepali culture, Nepali language and their way of life to develop in their own

way. There is nothing wrong in it. For anything to develop, it must have some place for it. The Nepali people have a concentration in Darjeeling and, therefore, they want that place to be the house of Nepali culture, so that it could spread all over from there. That culture would remain in India. It is a very old culture. The Indian Government has also been interested, and very rightly so, to keep all the cultures, languages and way of life of our Indian people in tact.

India has many beautiful cultures and we want to keep them in tact. This Bill only seeks a place where the Nepali culture, Nepali language etc. can be kept and from there it can be developed all over. So, this is the only thing. All the major languages have got their own homes, because we all know that the States in India are formed on linguistic basis. But what would happen to those languages spoken only by a few people? They also have a duty towards their own language. They want these autonomous districts to preserve their own identity and culture and to work for their development in their own way. This is not to say that their culture is different and all that. This Nepali culture is Indian culture. It is not something separate. It is part of Indian culture. The West Bengal Government, *i. e.* the State Assembly have unanimously based a bill relating to these autonomous regions, so as to enable them to develop according to their own way of thinking. So, I do not think that there is any room for such apprehensions as are expressed by the members of the Ruling Party. Take for example, some tribes of the Chota Nagpur, Santhal Pargana areas. Those people have their own tribal languages, a culture of their own and they even have some common laws, by which they govern themselves. But they are not separate from other Indians. Here I want to ask you a very pertinent question. Why do all your tribal development schemes fail in spite of spending thousands of crores of rupees? The only reason is, you have not been able to win the confidence of these tribal people, for whom all your developmental works are meant. I do not understand why you do not allow these people to develop in their own way. Instead of somebody from here going and teaching him the ways of development, if those people are allowed to

[Shri. Piyus Tiraky]

develop in their own way, according to their conditions of life, making use of their own common laws, then I am sure that development will come at a faster pace and the unity and integrity of our country would flourish and a feeling of brotherhood will increase. All these people, whether they are tribals, or Nepali tribals, Scheduled Castes and Scheduled Tribes, whoever they may be, they are living in India for thousands and thousands of years. They never thought of separatism. They are part and parcel of India. All that they are asking is for a home of their own. Everybody wants a home. Saying that 'India is your home' is a very vague answer. Every community, wherever they happen to be in a majority, should be given a home of their own, where they can develop in their own way, preserving their identity with their own common laws. Hence I request that Government should think about it seriously. You should not go with your police force and suppress any such movements. If some community asked for separate autonomous districts so as to enable them to develop their language or culture, Government should view it sympathetically. You should not use force. Already, there has been lot of bloodshed in Nagaland and Mizoram. Please do not proceed in that way. When people ask for something, you should understand their point of view. Government should come forward and give all the facilities for the development of their area, language and culture. Geographical conditions also differ a lot in India. Local people understand their own problems better. If a man or an officer goes from Delhi for the so called development of Darjeeling, the entire money spent on his services is gone waste. It is a pity that such things happen. If the Nepalese people or the tribal in Chittanagpur and Santhalparganas are given full autonomy to develop on their they will come rapidly as the Government wants, as the people of India wants that the development should be rapid and that too without exploitation. To check exploitation, they will share their independence and also the power of the Government, I mean ruling power, what they say that the people should be governed by themselves. In that way the Government should think and please consider this case that the Nepalese culture, language and their way of life can be safe in

India in big India if I may say and the Minister should consider the other demands also which are coming in their way.

Now, people are coming to speak on their own and they want to develop in their own way. So this must be realised and also honoured by the men, Minister himself.

MR. CHAIRMAN: Two hours allotted for this Bill are over. Is it necessary for the House to extend the time, if so by how many hours?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ): By two hours.

MR. CHAIRMAN: I take it that the House agrees to extend the time by two hours for discussion of this Bill.

SHRI SHANTARAM NAIK (Panaji): Sir, although I agree with the sentiments expressed with respect to the people of Nepalese community residing in and around Darjeeling, I stand here to oppose this Bill for various reasons which I may state here. Sir, if you go through Clause 244(c) of the Bill it states that:

244(c). Notwithstanding in this Constitution, Parliament may by law, form within the State of West Bengal, an autonomous region comprising such areas, as may be specified, of the district of Darjeeling and neighbouring districts where the Nepali speaking people are in majority and create for the administration of such region a District Council to be constituted in the manner specified under article 244D, with powers and functions as may be specified by law made under article 244E."

Now Sir, if the intention was to give a certain place or district for Nepali speaking people, then my learned colleague could be resorted to the structure which is already there in the Constitution. If he feels that the people of Darjeeling and around are neglected, then he ask if his case stands for declaring that as an Union Territory so that Central aid and assistance can directly get in abundance.

Or if he so feel to ask for a statehood, if he has got a case, I do not say, he has not got a case, he can ask for that. But within the Constitution, we have two status. One is of State and other is of India Territory. We have got 22 States and 9 Union Territories. So, apart from these two Status, you are resorting to third status calling it as autonomous district which is something uncalled for. It is not strictly in the interests of the people of India or of the whole nation. So, I oppose this Bill. Otherwise, as far as your language problem is concerned, problem of Goa and the problem of Nepalese language is quite common. In fact we are fighting to include Konkany in the Eighth Schedule of the Constitution as Nepali language is also sought to be included in the Eight Schedule of the Constitution we are also demanding that. With respect other problems also. I fully agree with what he has expressed. But this is not a remedy,

Now, further if you go through the Bill what you find ultimately is that there are 44 items to be dealt with by this District Council. I would say that this is an Assembly in disguise it is a Statehood in disguise, though you are calling it only as an autonomous district council. You are providing 44 items, including the use of any canal or water-course for purposes fo agriculture. These are the subjects which the District Council will deal with :

The establishment of village or town committees or councils and their powers;

any other matter relating to village or town administration, includnig village or town police;

the inheritance of property;

land;

land revenue;

agriculture;

public health and sanitation, hospital and dispensaries;

tourism;

transport and communications;

fisheries, etc.

I have mentioned only a few of them. What have you left ultimately to the State of West Bengal? So, you want to give the entire power of a State administration of the District and call it an autonomic district council.

Even if you ask a few things more, like giving more power to a district, it can be understood. But I want to say that an autonomus district should be created with 44 items, and a 55-member Council. Please go through Clause 244H. It say :

“Subject to such restrictions or conditions as the State Government may think fit and proper, all properties of the nature specified below and situated in the autonomous region shall vest in and belong to the District Council with all other properties which may become vested in the District Council and shall be under the direction, management and control of the District Council and shall be held and applied for the purpose of this Act...”

So, you want that the entire property in the region should be vested in the District Council. This is as bad or as good as asking for a State. You are only calling it as an autonomous district council, and getting all the property and powers of legislation for the District Council itself. This is something which is not called for. Therefore, I vehemently oppose this Bill.

In fact, to avoid such demands being made, it should be seen that Government attends to the problems of these hilly and other regions. If these people demand inclusion of their language in the VIII Schedule, it should be sympathetically considered. If they want some other economic benefits, it should be sympathetically considered. If they want the status of a Union Territory, it should be considered. Within the farmework of our Constitution, whatever demands are there, they should be considered, so that negative tendencies do not develop.

For instance, asfaras Goa is concerned, it is also a Union Territory. There are nine union Territories in India now. We became independent 25 years back, and on 19th December 1985, we are celebrating the silver jubilee of our independence. When we

[Shri Shantaram Naik]

became independent, we were given the option by the Central Government; we were asked whether we would like to merge Goa with Maharashtra, and Diu and Daman with Gujarat; or remain as a separate entity. An opinion poll was held in our Territory *i.e.* for the first time in the history of this country. Under an Act of Parliament, it was held. In that opinion poll, people of the Union Territory of Goa, Daman and Diu opted for being a Union Territory. Since then, we are a Union Territory. We have achieved tremendous progress. The Central Government gave tremendous support and funds and we are now self-reliable. Therefore, now we are asking for State-hood, within the framework of our Constitution. We are not asking for anything like an autonomous district council. Union Territory is not a permanent status. That status is granted for the purpose of development; and a time comes when, if the Territory is self-sufficient, a State-hood is granted to it.

Therefore, cases like this, of the Union Territories which become self-sufficient and prosperous, should be considered, so that demands like this do not come in any other disguised form.

And, secondly, as I mentioned earlier also, there is a demand that our language Konkani should be included in the Eighth Schedule to the Constitution. So, along with the question of State-hood this language issue also has to be considered and request ultimately—to be short and brief—that this Bill should be withdrawn in the interests of the country and national integration.

[*Translation*]

SHRI MOOL CHAND DAGA (Pali) : Mr. Chairman, Sir, even today there is three tier system in India—Panchayats, District Boards and Panchayat Samitis. So far as the present Bill which has been moved in the House is concerned, everybody would appreciate that Nepalese are very brave, but if they have not been able to make any progress to date in West Bengal, will they be able to make progress if a District Council is constituted in Darjeeling. We have only one issue before us. I had visited Darjeeling 30 years back. There was greenery all around there at that time, but

what is the condition of Darjeeling now? Mr. Chairman, Sir, people do not like even to visit that hill station now. All the forests have been denuded and Darjeeling looks like a barren land these days. There are buildings and buildings everywhere? There is no beauty in Darjeeling today which was there 30 years back. Despite that, the mover of this Bill has demanded a District Council there and also he has demanded that most of the powers vested in a State should also be delegated in them. Now the question before us is whether it would be possible to do so?

The government have formulated a Tribal Plan. This Plan is formulated for the welfare of the Scheduled Tribes. Separate funds are allocated for the plan and separate allocation is made keeping in view the percentage of people there. Thereafter a Sub-Plan is formulated. Under the Sub-Plan, allocations are made for various items like development, Education, Panchayat Raj, N.R.E.P., I.R.D.P., all the items of the 20 Point Programme, Development, Irrigation, Transport etc. I would like to ask the hon. Member, who has moved this Bill, whether he has calculated the administrative expenditure which is likely to be incurred as a result of this Bill. He has demanded the formulation of District Council, but it has not been mentioned anywhere as to what would be the total expenditure on administration etc. Secondly, after the constitution of the council and nomination of Members on it, whether it would be economically a viable Unit. Not at all, on the contrary its expenditure would be so much that it would not be possible to meet it. When it cannot be an economically viable unit, why is a demand being made for its formation?

Today we find that several small States like Manipur, Mizoram and Nagaland etc. have been formed in our country and the administrative expenditure which is incurred on these small States hampers the pace of development. There were 24 small princely States in Rajasthan, but all these States were merged to form a large State of Rajasthan.

The development of Rajasthan is taking place, because it has been formed into a large State. Smaller States do not have



sufficient income. The District Council does not have any source of income.

The entire economy of Nepal is based on Money orders. All the people from Nepal are serving in India and their economy is money order economy. They earn money by engaging themselves in various services. I would, therefore, like to ask you whether you have sufficient source of income and sufficient land to sustain independent economy. When you do not have both these things, why are you demanding a District Council? Will you please tell us whether your council would be viable financially? You already have District Councils. All the issues like education, irrigation, Land reforms and many other such issues are raised in District Councils. These issues could be decided by the District Councils, therefore, there does not seem to be any justification for the demand of District Councils.

Mr. Chairman, Sir, it appears that government of West Bengal has been continuously neglecting this part of the State. I would, therefore, like to submit that the local M. P. should urge the government of West Bengal to meet their demands and fight for their rights. He should tell the State Government that his area is backward and there should not be regional imbalance. Sir, it is not at all justified to introduce a Bill here to meet a demand of a single district and to demand the formation of a Council. This is not the way.

Mr. Chairman, Sir, I would request the hon. Member and my colleague to reconsider his Bill. If you want to raise this matter, you might raise it in some other method. You might say that you are being exploited, you are not able to utilise your economic resources and other people are exploiting those resources. If you put your case in this way, perhaps this matter can be considered. With this objective, you should raise this matter before the government of West Bengal and fight for your case as a unit, as has been suggested by our Deputy Leader. You should submit your schemes to the government which would provide help to the economically backward areas in order to make them self reliant. With these words, I conclude my speech.

\*DR. K. G. ADIYODI (Calicut) : Mr. Chairman, I am really sorry to have to participate in the discussion on this Constitution Amendment Bill, the 122nd Bill of 1985. The reason is that the party which rules the State of West Bengal has thought it necessary to bring such a bill seeking autonomous powers for ending the miseries of the people of Darjeeling and nearby areas which belong to that State itself. I am happy that the hon. member who moved this Bill is present in the House. He belongs to a party which has been saying that the five year plans are mere paper plans and will not solve the problems of the people. I have no hesitation to say that at a time when the country has launched 7th five year plan the party that is in power in West Bengal has brought this bill for political capitalisation. They have resorted to this sort of tactics in the past also. I don't say that this move is actuated by *malafide* intentions. As a time when the planning commission and the Governments are going ahead with developmental programmes, keeping in view the peculiar conditions prevailing in different States, I am really sorry that the hon. member should have chosen to move such bill in the House. The bill says :

“...The patriotic urge of the Nepali speaking people in the process of national integration and development of the country in which the Nepali speaking people have made significant and gallant contribution with their loyal and devoted service.” Nobody objected to it. “Such people should be drawn into the mainstream” as if they are not in the mainstream” of national development and progress by providing opportunities to them to participate in the administration and in development activities, thereby installing in them a sense of belonging and involvement.” “This can only be achieved by granting the people of this area regional autonomy in the compact areas of the three hills.” Why ? Are there no hills beyond Darjeeling ? I don't believe the hon. member or his party men can claim that there are no areas more backward than Darjeeling or there are no people more backward than the people of Darjeeling. When Gandhiji went to South India and saw with his own

[Dr. K. G. Adiyodi]

eyes the miserable, the ill-cled people there. He decided to remain half naked there after. It was that life which secured for us freedom. The thoughts, the feelings, the emotions and the hopes of the people had converged on one and one goal alone. That was the national unity and integrity. Gandhiji's message was that while adhering to one's own religious beliefs, customs, traditions and manners one should love one's fellow beings, the humanity. Gandhiji exhorted us to wipe the tears of the suffering humanity. But we cruelly put an end to his life. Smt. Indira Gandhi also stood for these ideals. She too had to face many challenges. Therefore, there is nothing new about this attempt. If one takes a superficial view one may think that this bill has been brought because of the interest in the welfare of the people. But a true patriot cannot view this bill in a light hearted manner. As many friends have pointed out we may not have achieved everything during the last 37 years of independence. But it is pertinent to ask as to what was the condition of the country before independence. Therefore, we must start our assessment from pre-independence period. It is true there are many deficiencies in the implementation of various plan projects. There have been legal impediments in the implementation of various welfare measures. The adivasis, the harjans, the minorities and other weaker sections do have complaints and grievances. It is to redress these grievances and complaints fairly expeditiously and to step into the 21st century that we have initiated the 20-point programme and made certain bold initiatives. The hon. members and the Government being run by their party should lend a helping hand to the Government at the Centre to implement fully this programmes. If that is done we may not have to face the miserable situation being faced by certain sections of our population. I would request my friends over there that they should not look at things in such lighter vein and use issues and occasions for political capitalisation. Many countries in the world are today looking towards us

for inspiration and are adopting the path of democratic socialism which we have been following in this country. I believe that such attempts will only give a set back to their efforts. There are many countries in the world where people do not enjoy even the standard of living of our adivasis and other weaker sections. They are engaged in the task of breaking out of the shackles of poverty and misery by adopting Gandhian socio-economic methods of development. I wish to remind my hon. friends that creating such tendencies will not help the struggling people of those countries. A mention was made about Minto-Morley reforms or other administrative reforms. In fact, Pt. Jawaharlal Nehru himself had taken up the question of development of undeveloped regions with utmost seriousness. He had initiated many schemes for giving authority at different levels of administration. But there was no extraneous intention behind all that. We have not seen such a tendency to make political capital through a constitutional device so far. Therefore, it is not possible for me to believe that this is an innocuous piece of legislation brought by an hon. member of the House. The tendency that it exhibits needs to be nipped in the bud. Today I am speaking in my own language, a language spoken by only 2½ crores of people in this country of 75 crores. Kerala is literally a small State and it is backward in many respects. It is my agony as a patriotic Indian, a Keralite which prompted me to give expression to that agony in my mother tongue, Malayalam. We must move forward on the path of development keeping in view the supreme national goal and take all measures necessary to ameliorate the conditions of the poor people who have not been able to keep pace with rest of us in development. In this process I can only say let this disturbing thought generated by this bill pass. I wish to request the hon. Member to withdraw this bill. With these words I conclude.

18.00 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, December 9, 1985/Agrahayana 18, 1907*

(Saka).