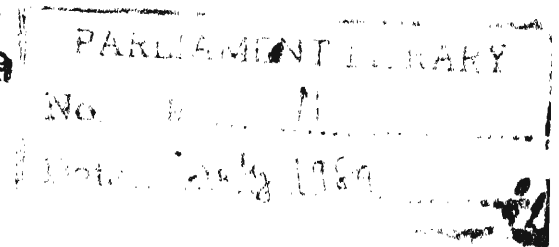


LOK SABHA DEBATES (English Version)

**Thirteenth Session
(Eighth Lok Sabha)**



सत्यमेव जयते



(Vol. XLVII contains Nos. 11 to 20)

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LOK SABHA DEBATES

LOK SABHA

Friday, March 17, 1989 /Phalguna 26, 1910
(Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[English]

Export of Basmati Rice

*326. SHRI CHINTAMANI JENA†:
SHRI MOHANBHAI PATEL:

Will the Minister of COMMERCE be pleased to state:

(a) the quantity of basmati rice exported during the last three years with rates thereof;

(b) the Agency through which the rice is being exported;

(c) the countries to which the rice is exported; and

(d) whether Government propose to ban the export of basmati rice to contain the domestic shortage?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). A statement is given below:-

STATEMENT

(a) The following table shows the quantity and value of exports of Basmati rice during the last three years:-

Year	Qty (In M. Tonnes)	(Val. (Rs. Crores)
1985-86	2,35,213 *	173.23 *
1986-87	2,37,153 *	206.78 *
1987-88	3,66,111 *	339.98 *

* = Provisional

(Source = Agricultural and Processed Food Products Export Development Authority)

(b) Export of Basmati rice is allowed under Open General Licence.

(c) The countries to which basmati rice is mainly exported are USSR, Saudi Arabia,

United Arab Emirates, Kuwait, United Kingdom, USA and Baharain.

(d) No, Sir.

SHRI CHINTAMANI JENA: I had asked the Minister about the rates of *basmati* rice which is exported, but the hon. Minister has answered my question giving, in the statement, the figures relating to the total value, and not to the rates.

However, may I know whether the working group of APEDA has recommended a series of measures to boost the export of *basmati* rice, and also what those recommendations are, and whether these recommendations include the extension of the area for the production of *basmati* rice and also increase in its quantity?

If so, what is the reaction of the Government on each of their recommendations; and what is the Government's planning to execute those? Besides this, I want to know whether the target fixed for 1988-89 is less than the export of *basmati* rice; and if so, what are the reasons therefor?

SHRI P.R. DAS MUNSI: First of all, I like to inform the hon. member that it is not correct to say that we have not replied to his all questions. In fact, the hon. Member had asked about the quantity of *basmati* rice exported. We have replied to it. Then he had asked about agency. We have also replied to that also. The hon. member had not asked about the price for any particular quantity or particular quality of *basmati* rice. Now I would like to reply to his questions only. First of all, I would like to inform the hon. member that the production of rice and the general cultivation of this particular area is now being looked after by the respective State Governments through their Agricultural Departments. But it is a fact—keeping in view this matter that *basmati* rice is fetching a good price in our export that we did write to several

Chief Ministers, especially Punjab, Uttar Pradesh, Rajasthan and Haryana where this particular variety of rice is grown, to intensify its production through their own methods; and as such, we are hopeful that the State Governments would respond very actively in this regard. We have also found good response from Punjab and Rajasthan (Kota) where this particular variety is grown. In so far as the price is concerned, we have a system for exporting *basmati* rice. The system is that there should be a minimum export price. Now the minimum export price is Rs 8000/- per metric tonne and also a system of pre-shipment inspection either by the Agricultural Marketing Advisers or by the Export Inspection Agency; through that inspection, it is exported. In so far as the current year's performance is concerned, in 1988-89, I may inform the hon. member from April 1988 to January 1989, the average unit value realisation of *basmati* rice export is a little higher than that of the previous year; it is Rs 9, 696/- per metric tonne, having regard to the fact that our minimum export price was only Rs 8000/- per metric tonne. In so far as the total export is concerned, in 1987-88, the approximate figure was three lakhs and 66 thousand tonnes fetching Rs 339.98 crores for the export price.

SHRI CHINTAMANI JENA: I seek your protection. I had asked about the recommendations of APEDA to increase the export of *basmati* rice and its production. What are those recommendations and what is the reaction of the Government to each of those recommendations? This question was not answered by the hon. Minister. I would request him to kindly answer that question.

SHRI P.R. DAS MUNSI: As I have stated, no such specific recommendations have been made. APEDA is an agency to promote export. APEDA, from time to time, makes suggestions. In a seminar held in Delhi, in your august presence we did; we

discussed various things regarding export including basmati rice. We only depend upon the State Governments how far selectively they can grow rice and intensify its production by arranging an area. That is the thing. No other specific recommendations were made.

SHRI SOMNATH RATH : I would like to know from the hon. Minister, whether it is a fact that while exporting basmati rice it is being adulterated, and as such the exports have fallen. I would like to know from the hon. Minister the position on this aspect.

SHRI P.R. DAS MUNSI : The exports have not fallen because, as I have the figures just now, last year we exported 3,66,111 tonnes fetching Rs 339.98 crores and before last year we exported 2,37,153 tonnes fetching Rs 206.78 crores. So, compared to 1986-87 the figure for 1987-88 was higher. In so far as 1988-89, the latest year is concerned, it is not possible to give it at this moment.

SHRI SOMNATH RATH : Has it come to your notice that while exporting it is being adulterated?

SHRI P.R. DAS MUNSI : As I stated earlier, if any complaint comes to us we take very special care but complaints did not come. This is a selective production. Either the exporters will have to go through the Agricultural Marketing Advisor to get the Agmark certification, or the export inspection agency. Secondly, if the Government departments buy on government to government basis, the foreign buyers who buy on behalf of the Government can appoint their own inspecting agency, subject to their own satisfaction, without touching our inspection system. Therefore, no complaint can be there about the rice that is exported to any country.

SHRI MOHD. AYUB KHAN (Udham-

pur) : I would like to enquire from the hon. Minister whether he is aware that sufficient quantity of basmati rice is grown in the Jammu region of Jammu and Kashmir State. I would like to know whether the hon. Minister has contacted the State Government in this behalf.

SHRI P.R. DAS MUNSI : It is not we that contact the respective State Governments. As you know, Sir, and as the hon. Member might also be knowing it is the exporters who go round the whole country; to tap the source of basmati rice in the market.

In so far as selecting the areas to identify the area of basmati cultivation is concerned, we had already intimated the States where it is being grown. The suggestion about Jammu and Kashmir will be kept in mind and we will write to the Chief Minister. But it is also a fact that Jammu and Kashmir people consume more basmati rice for their domestic Biryani and due to that reason they may not leave much for export.

Supply of Coal to Thermal Power Stations in Gujarat

*327. **SHRI RANJITSINGH GAEKWAD :** Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways could make timely supply of coal to the Thermal Power Stations (TPS) in Gujarat during 1988;

(b) if not, the reasons therefor and its effect on power generation in the State;

(c) the quantity of coal supplied to Thermal Power Stations in Gujarat against the allotted quantity with respect to each Thermal Power Station in the State during the year; and

(d) the steps proposed to be taken on the part of the Railways for timely supply of

coal to the Thermal Power Stations in Gujarat?

(b) Does not arise.

(c) A statement is given below

[Translation]

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD) : (a) Yes, Sir.

(d) Demand of coal for Thermal Power Stations of Gujarat State is, by and large, being fully met.

STATEMENT

Details of programme, allotment and supply of coal to Gujarat state during the year 1988 (January to December) are given below:-

(in terms of 4-wheelers)

Power House	Programme	Allotment	Supply	Percentage of supply	
				to Programme	To Allotment
1	2	3	4	5	6
Sabarmati	80672	75831	73272		
Gandhinagar	43633	20084	32900		
Ukai	125652	113437	119995		
Wanakbori	233966	238248	195172		
Sikka	12766	5323	4010		
Total	496689	452923	425349	85%	94%

[English]

SHRI RANJIT SINGH GAEKWAD: The answer given by the Minister is very impressive. But at the same time, is it not true that the Gujarat State Government has complained that due to the untimely supply of coal to the thermal stations the power generation has suffered in the State? I would like to know categorically from the Minister what steps the Ministry wishes to take in this aspect so that the power generation in this State does not suffer.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): To the best of my knowledge no such complaint has been received. So, the question does not arise.

[Translation]

SHRI SOMJIBHAI DAMOR: Mr. Speaker, Sir, is it correct that the goods train by which carries coal to Gujarat gets empty by the time it reaches Haryana?

SHRI MADHAVRAO SCINDIA; The hon. Member has given this information to me just now. I shall definitely inquire into it.

[English]

Strengthening of Ground Water Organisation In Karnataka

*330. SHRI M. V. CHANDRASEKHARA MURTHY†:
SHRI V. SREENIVASA PRASAD:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Government of Karnataka has requested Union Government to grant permission to purchase equipment for strengthening the State Ground Water Organisation under the centrally sponsored scheme;

(b) if so, whether any decision has since been taken by Union Government in this regard;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d). The State Government has been allowed to utilise the unspent balance of Rs., 30.47 lakhs on strengthening the State Ground Water Organisation during the current year.

SHRI M.V. CHANDRASEKHARA MURTHY. Mr. Speaker, Sir, the Karnataka Government has sent a proposal in the year 1987 to release the money during 1988-89 for the purchase of some equipment to strengthen the Ground Water Organisation. I am glad that the Government of India has

accorded permission to utilise the unspent money nearly about Rs 30 lakhs. I want to know from the hon. Minister further, whether the Karnataka Government has also requested for import licence and to obtain foreign exchange to buy some equipment to strengthen the Ground Water Organisation, whether the Government has take any decision on it; and if so, whether it is has been communicated to the State Government.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, the question of the Hon. Member relates to the purchase of some equipment and the hon. Member wants to know whether it is a fact that Karnataka Government has not utilised the sanctioned amount. All of you know how precious water is. They wanted the approval and the needed approval was accorded by the Central Government on 9th March, 1989 but the amount has not been utilised by them. The question of utilisation concerns the State Government. Probably the State Government has diverted the funds and have not utilised the money for the development of ground water and consequently this problem has arisen.

So far as question about import licence asked by the hon. Member is concerned, it does not concern our department. Karnataka Government has approached concerned department, but we have no direct information about it.

[English]

As far as we have come to know, the chief controller of Imports & Exports has already written them that Govt Departments are allowed to import Capital goods, raw materials, components etc under OGL.

SHRI M.V. CHANDRASEKHARA MURTHY : Mr. Speaker, Sir, it has become a common practice that some of the State Governments are either diverting the money or misutilising the money allocated under the Centrally Sponsored Schemes whether it is for irrigation or for Ground Water Organisation, which has been partly admitted by the Minister. In view of this, I want to know from the hon. Minister how much money has been allocated to the State Government under the irrigation facilities and under Ground Water Organisation, and how much money the Karnataka Government has spent so far. Further I want to know, whether any specific instance of diversion of money or misutilisation of money allocated under this sector has come to the notice of the Government of India.

[*Translation*]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, provision for Central Sponsored Schemes was made for the first time in the Fifth Five Year Plan and there was a provision of about Rs 5 crores in that plan. When this provision was made, this work was carried on with 50 :50 matching grant. 50 per cent is granted by the Central Government and the remaining 50 per cent is borne by the State Government. The same ratio continued even in the Sixth Five Year Plan, though its shape underwent some changes. later on, an amount of Rs 5 crores to Rs. 25 crores was provided therefor. After the year 1982-83, priority has always been given to it. In the Seventh Five Year Plan, its outlay was of the order of Rs 25 crores. Hon. Member has correctly stated that the amount which was given to Karnataka Government has been diverted to some other use and it has not been fully utilised. I have stated in my reply that they were provided Rs 34.97 lakh from the Centre, out of which only Rs. 4.5 lakh were utilised by the Karnataka Government and the balance remained utilised. As a result, plans have not made any progress.

During 1985-89, the Central Government provided Rs 1997 lakh for the entire country. I have already informed the hon. member about the amount allocated to the Government of Karnataka.

[*English*]

SHRI P. KOLANDAIVELU: With regard to ground water, this is a very serious matter because at the time of drought most of the water is being tapped by means of deep bore wells and other facilities. Even in Tamil Nadu more than 80 per cent of the ground water has already been tapped. If the people are allowed to tap more water, Tamil Nadu will become another Rajasthan. My question is this. You are giving 50 per cent subsidy for the ground water. Are any steps being taken by the Central Government to increase the quantity of ground water because in the absence of rains and perennial rivers in the State, the ground water will automatically be less and less because it is being tapped by the people and there will be no ground water after some time? Even the geologists have already predicted that after 10 or 15 years there will not be any ground water at all in Tamil Nadu. Actually it is not a State subject; it is a Central subject. Are any steps being taken by the Central Government to give full subsidy to be utilised only for this purpose? The hon. Member Shri Chandrasekhara Murthy has asked about diversion of funds. But I am asking you whether any directions have been given by the Central Government to utilise 100 per cent of amount only for the purpose for which it is being allotted? Is any action being taken in this regard?

[*Translation*]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, the supplementary question asked by the hon. Member relates to Tamil Nadu whereas the main question relates to Karnataka. A separate notice is needed to

be given about Tamilnadu, but as the Hon. member wants to know...

[English]

SHRI P. KOLANDAIVELU: I am asking a general question.

SHRIMATI KRISHNA SAHI: The Government of India is giving assistance to drought affected areas also. You have asked about this. Already the Government of India is giving assistance to drought affected areas.

SHRI P. KOLANDAIVELU: You are giving 50 per cent subsidy.

SHRIMATI KRISHNA SAHI: At times, we are giving full assistance.

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): The hon. Member has rightly asked the question about the indiscriminate mining of water which is leading to further fall in the ground water. For this purpose, some years ago, the Government of India had circulated a model bill for regulating the ground water and its management. Except Gujarat no State has taken steps even to pass that Bill leave alone implementing it. When there is indiscriminate tapping of water by rich farmers through deep bore wells, the poor farmers suffer because their shallow tube-wells or dug wells go dry. It is a matter on which the States should think seriously and pass the Bill which we had circulated and manage the ground water.

[Translation]

Revision of pay Scales of Employees of Regional Rural Banks

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

(a) whether his Ministry is considering the question of revising the pay scales of regional rural banks employees;

(b) whether employees of these banks are given lower pay scales vis-a-vis their counterparts in commercial banks; and

(c) if so, the reasons therefor and the steps being taken by Government to remove this disparity?

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) to (c). A statement is given below.

STATEMENT

In terms of provisions contained in the Regional Rural Banks Act, 1976 the remuneration of officers and employees of Regional Rural Banks is determined having due regard to the salary structure of the employees of comparable level and status of concerned State Government and local authorities. Thus the pay scales of RRB employees may vary from State to State and are not comparable with all India pattern of public sector banks..

2. In pursuance of a directive of the Supreme Court of India, the Government have already constituted a National Industrial Tribunal to decide the question relating to pay, allowances and other benefits payable to the employees of regional rural banks.

(Translation)

SHRI HARISH RAWAT : Mr. Speaker, Sir, Regional Rural Banks are the most effective means for spreading banking activities in the rural areas. These Banks have

provided assistance for development activities in the rural areas. But what is the salary of the employees working in it? Compared to other commercial banks, their salaries are very low and in some cases, they get less than the salary and allowances being paid to the employees of the State Government. I want to know from the Hon. Minister whether the Government is considering to increase their salary and allowances or whether any committee has been constituted for this purpose? What is the scheme with the Government at present?

[English]

SHRI A.K. PANJA : Sir, this has already been answered in the statement laid, As the hon. Member knows, the employees are governed under Section 17 (1) of the Regional Rural Bank Act, 1976. While passing that Bill, it was considered by the Parliament that in one or two districts where they are working, the area to be covered by them and also the amount of work they are to dispose of, is not similar to that of a commercial bank, where the area is greater and also the responsibility is more. But with more and more advancement of the Rural Banks in rural areas, the employees felt that they are doing the same work. So, they filed a writ petition in the Supreme Court. The Supreme Court, after consulting both the parties, that is, the Government and the employees thought of constituting a National Industrial Tribunal. The Government agreed to that. That Tribunal is now going into the details. Whatever the Tribunal will say, the Government will examine that.

[Translation]

SHRI HARISH RAWAT : Mr. Speaker, Sir, not only the pay-structure of the employees but the total functioning of the Regional Rural Banks including their liquidity ratio proportion is needed to be looked into. Moreover, the Finance Ministry has imposed

restrictions on the R.R.Bs. that licences for opening new branches will only be issued in limited cases. This applies to almost all the rural banks. I want to know from the Hon. Minister, through you, whether Finance Ministry or Reserve Banks has issued any instructions to Regional Rural Banks not to open more branches or to open new branches only in limited areas? If so, what is the justification therefor? Will the licences to open branches be issued taking into consideration the needs of a particular area?

[English]

SHRI A.K. PANJA: Sir, as I said, so far as the employees are concerned, the Tribunal is going into the matter. So far as opening of new banks is concerned, it transpired that most of the banks are suffering losses. So, the matter is being gone into in detail to find out as to what steps should be taken so that they become viable and do not suffer losses. After that exercise is completed, the Government will certainly go into the matter.

SHRI H.N. NANJE GOWDA : Sir, as per the new guidelines issued by the Reserve Bank of India regarding the service area concept, whether it is a commercial bank branch or a Rural bank branch, the number of beneficiaries to be covered are the same. But these Rural Banks do not have the viability to help the people. Therefore, wherever commercial bank branches are there, the villages covered by them are being helped. But the people in villages covered by the Rural Banks are suffering for want of help from these banks.

So, what do the Government propose to do to remove this disparity between the areas covered by the Rural Banks and the areas covered by the Commercial Banks?

SHRI A.K. PANJA: Sir, there is no disparity as such. These banks, the rural banks now in question, set up under the Statute are

mainly meant for small and marginal farmers and in order to have intensive care so far as these small and marginal farmers are concerned, it was already thought of and envisaged by the Statute of 1976 that the areas should be small, one or two districts, so that they can go to them. Therefore, there is, no-similarity between the two i.e. these Banks and Commercial Banks. In the functioning of the commercial banks, small and marginal farmers can taken advantage of, but here in Rural Banks it is meant specifically for those who are poor and small and marginal farmers needing special care.

[Translation]

SHRI KEYUR BHUSHAN : Mr. Speaker, Sir, my question is regarding the banking facilities, which should be provided to the small farmers. The *Gram Panchayat* is the main organisation of small farmers. Can the *Gram Panchayats* be provided banking facilities.

[English]

SHRI A.K. PANJA: The facilities to *Gram Panchayats* is not the question. It is constituted for small and marginal farmers who approach the bank and within the criteria laid down in the Statute and the rules framed there under, the Rural Banks are giving assistance.

[Translation]

SHRI RAM PYARE PANIKA : Sir, the hon. Minister has stated in his reply that it has been decided to set up a National Industrial Tribunal for their pay-scale and allowances. I would like to know from the hon. Minister whether he would give the minimum wages to the class IV employees of various States, which have been fixed jointly by the State Governments and the Central

Government, until the decision of the tribunal is known.

[English]

SHRI A.K. PANJA: As I said that all the emoluments provided under the Statute of 1976 are paid. It is controlled under Section 17 Sub-section (1) and I am sure when Parliament approved of it they did not approved the pay-scale which is below the minimum wage.

[Translation]

SHRI RAM SINGH YADAV: Mr. Speaker, Sir, working of these banks is not at all satisfactory. In many States, farmers, clients and rural populace is not at all satisfied with their working. There are two reasons behind it. The first one is that there is no proper system of refinancing and the second is that no training has been imparted to these bank employees regarding these banking services. Anyone who has worked as a clerk in a bank for 6 months or a year, is sent as a manager in these banks. They are not given even post service training. Their behaviours to the clients is not good and the general working is not satisfactory. What steps are being taken to train them and mould their attitudes, so that they can work efficiently.

[English]

SHRI A.K. PANJA: When these problems were brought to the notice of the Government, a Working Group was set up and that Working Group made recommendations wherein I find in Recommendation 3 that the staff training is one of the points which has been taken up. Government is looking into the details of the recommendations of the Working Group and several steps are recommended by the Working Group for improvement in the functioning of these rural banks.

Clearance to Khairabanki Irrigation Project of Orissa

*334. SHRI SOMNATH RATH: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the State Government of Orissa has requested Union Government for expediting clearance to Khairabanki Irrigation Project in Ganjam district; and

(b) if so, the response of Union Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir, such a project report has not been received.

(b) Does not arise.

SHRI SOMNATH RATH: Mr. Speaker, Sir, the foundation-stone for this project was laid by the Irrigation Minister of Orissa State four years ago. Necessary expenditure is incurred for the salary of the officers and some quarters and roads have already been constructed. It seems the Environment and Forest Ministry has not given clearance for this project. As such, the main project work has not started. I would like to know from the hon. Minister through you, Sir, whether the Minister will talk to her counterpart, the Environment and Forest Minister and see that the clearance is expedited so that the project work will start immediately.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, this question is not related to my department.

[English]

SHRI SOMNATH RATH: This is the irrigation project concerning the clearance. It

is connected with your Department-Water Resources.

[Translation]

SHRIMATI KRISHNA SAHI: Such project has not been received by my department or the Central Water Commission. I have already said that such a project has not been received. What can I do, when it has not been received by my department.

[English]

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND): I can inform the hon. Member through you, Sir, that we made an enquiry from the Ministry of Environment. They indicated that they have not received anything.

SHRI SOMNATH RATH: I would like to know from the hon. Minister, through you, what are the ongoing irrigation projects in Orissa which are being funded at the expense of Central Government and what more amount they are going to give for each project.

SHRIMATI KRISHNA SAHI: You want to know the projects in Ganjam District?

SHRI SOMNATH RATH: In Orissa.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, I would like to inform the hon. Member that four projects have been approved in the State, namely Harbhanga-Baghua stage-2, modernisation of Rushikalia, Daha and Baghalati and the fifth project has been sent to the Advisory Committee of the Central Water Commission which would submit a report on it. The Advisory Committee has sent it to the Planning Commission. Now it is for the State Government to under-

take the forest clearance work in this connection. So, far, as the amount is concerned, the latest estimated cost is Rs. 9449 lakhs. The expenditure during Sixth Five Year Plan was Rs. 2385 lakhs and the plan-outlay for Seventh Five Year Plan is Rs. 364 lakhs.

SHRI KUNWAR RAM : Mr. Speaker, Sir, the Central Government has approved the *Upasakari* reservoir project in Bihar and its foundation stone has also been laid. We had written to Shri Shankaranand in this regard and he replied that Rs 50 crores are being provided this year for the project and initial work on the project will soon be started. What is the progress?

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, the main question is not related to Bihar. It is related to Orissa.

SHRI KUNWAR RAM : Her constituency is also located there.

SHRIMATI KRISHNA SAHI: The hon. Member wants to know about the *uparsakari* reservoir project. I would like to tell him that we had received the proposal for this project and it has been approved. But the Ministry of Environment has raised many technical questions, so it has been returned to the Bihar Government. We have not received any reply from them as yet.

[English]

SHRI BRAJAMOHAN MOHANTY: Sir, I would like to know how many flood protection and irrigation projects are awaiting clearance in this Ministry and Orissa being a backward State for clearance of those projects whether any special priority is given or not.

Then my question would be whether *Krishnaprasad* embankment project has been taken into consideration by the Government of India as the proposal has been

submitted by the State Government.

[Translation]

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir, he should give another notice, as this question is not related to the main question.

[English]

SHRI BRAJAMOHAN MOHANTY: Sir, the Ministry should have adequately briefed the hon. Minister.

[Translation]

DR. KRUPASINDHU BHOI: Mr. Speaker, Sir, the supplementary arises from the reply of the hon. Minister.....(Interruptions)

AN. HON. MEMBER: *Uttar (Reply)* begets *Puttar (son)* ...(Interruptions)

DR. KRUPASINDHU BHOI: Reply begets question.

MR. SPEAKER: Why have you changed the gender.

DR. KRUPASINDHU BHOI: She has given a general reply.

MR. SPEAKER: That is alright, but why have you changed the gender.

DR. KRUPASINDHU BHOI: I am not good at Hindi. You have asked me so I am speaking in Hindi. Please excuse me if there is any mistake. Under the Advance Plan Scheme, Shri Rajiv Gandhi has fixed the target of foodgrain production at 175 million tonnes by 1989; so the production can go even upto 180 million tonnes. The proposal of *Hirakud* Modernisation and Extension Programme will take time. We have written to Shri Shankaranand. Without trying to be

innocent, can be provide some funds from the Advance Plan Scheme.

SHRIMATI KRISHNA SAHI: Mr. Speaker, Sir this question is pinpointed. The earlier question of the hon. Member was about the clearance of Khairabanki Irrigation Project. I can send the information required by the hon. Member about this question after some time. Just now. I can not say what is right or what is wrong.

[English]

Separate Cells for Women Entrepreneurs In Nationalised Banks

*337. **SHRI H.N. NANJE GOWDA†:**
SHRI BANWARI LAL PUROHIT:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have called upon the nationalised banks to create separate cells for expeditious disposal of loan applications from women entrepreneurs;

(b) if so, whether any of the nationalised banks has since created such cells; and

(c) if so, the details thereof and further steps Government propose to take to provide adequate benefits to the women entrepreneurs from the banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). A statement is given below.

STATEMENT

Reserve Bank of India has reported that while it has not asked the public sector banks to create separate cells for the disposal of

loan applications received from women entrepreneurs, it has directed them to promote and monitor the flow of credit to women entrepreneurs and also to review the performance in this behalf at the meetings of the State Level Bankers' Committees.

SHRI H.N. NANJE GOWDA: Sir, it is stated that the Reserve Bank of India have directed the public sector banks to promote and monitor the flow of credit to women entrepreneurs. When was this direction issued? After issuing the direction, was any review conducted at the State level? If so, what is the assessment of the flow of credit to the women entrepreneurs as a result of this direction?

SHRI A.K. PANJA: Actual date of direction is not with me. But it appears that the directions were issued after the Ministry of Industry under the aegis of Development Commissioner, Small Scale Industry formed a National level standing committee of which our Minister, Shrimati Margaret Alva was the chairperson. In May 1987, the committee under the chairmanship of Shrimati Alva made certain recommendations. Thereafter the directions were issued by the Reserve Bank. The Reserve Bank directions were that the State level committees which are functioning will be a better organisation to monitor the benefits given to the women entrepreneurs and no special cell is required. Most of the the committees have sent recommendations but it appears that there are many which have not yet given any such recommendations.

SHRI H.N. NANJE GOWDA: In each district, we are having a Lead Bank. Each district is attached to one Lead Bank. Therefore, if not through a separate cell, it can be done through the Lead Bank. Did the Government feel it necessary to issue directions to Reserve Bank of India in turn to issue directions to the lead banks in each town to entertain the women entrepreneurs so that

the problems of these entrepreneurs is reduced?

SHRI A.K. PANJA: Merely giving directions to the lead bank will not help the women entrepreneurs. That is why, wherever there is State Level Bankers Committee, the Reserve Bank has given direction that the women entrepreneurs' monitoring should be through these Committees. If there is a lead bank in a district head quarter that will not help all the women entrepreneurs in the entire district. That is why, no such direction was given.

[Translation]

SHRI BANWARI LAL PUROHIT: Mr. Speaker, Sir, the hon. Minister had gone to participate in the Women Entrepreneur Development Programme, in which officials from the Reserve Bank and other Banks were present. In his address, he directed the Banks to set up a separate cell for women. The reply says that the Reserve Bank has done nothing of the sort. Why did the Reserve Bank ignore the directive given by the Union Finance Minister? After the directions were given, what was the percentage increase in loan? May I know the related figures?

[English]

SHRI A.K. PANJA : I have no knowledge of Ministry giving any direction to the Reserve Bank for opening up cells. The Reserve bank is an independent Body created under a statute, as you know. But, it appears, the Reserve Bank, after considering Mrs. Alva's report as the Chairperson did not give a direction for a separate cell because it will be a question of overlapping. There might be a separate Cell each for Scheduled Castes and Scheduled Tribes Women, for handicapped women, for absolutely normal women and for weaker sections. But, a direction has been given that

the State Level Committee will go into the detail and monitor it.

So, far as Point No. 12 of the 20-Point Programme i.e. paying special attention to the women entrepreneurs is concerned, I find from the statistics that during December, 1987 the number of accounts opened was 9.35 lakhs and the balance outstanding then was Rs 267.96 crores.

This has increased to 11,42,000 accounts and the amount has gone up to Rs. 350.61 lakhs up to June, 1988. Therefore, it is seen that the women entrepreneurs are coming in more and they are getting the benefit.

[Translation]

SHRI BANWARI LAL PUROHIT: This is the news item which appeared in the Hindustan Times.

[English]

"Hindustan Times, February 22, New Delhi: The Union Minister of State for Revenue Ajit Panja today called upon nationalised banks to create separate cells for expeditious disposal of loan applications from women entrepreneurs."

[Translation]

.....Please Let me know whether this news is true or false.....

[English]

SHRI A.K. PANJA : The news item is right. In the Delhi Convention of Women Entrepreneurs to which I was called when my personal opinion was asked for, I appealed to the bankers who were present there to look into...

SHRI BANWARI LAL PUROHIT: The Minister was telling the officers.

SHRI A.K. PANJA: The hon. Member must realise that Reserve Bank is an independent Body created under the statute. We persuade them and they do consider whenever we say about a policy matter. That is why, these directions have been carried out not by opening a Cell because they explained that there will be overlapping of various women of various categories. However, this has been done through State-level Committee which is giving good results.

[Translation]

KUMARI MAMATA BANERJEE: Mr. Speaker, sir, as the hon Minister said, mere setting up of a separate cell for women entrepreneurs will not solve the problem. That is what I believe. I would like to congratulate the Hon. Prime Minister for making a provision for a 30% reservation for women. May I know from the hon. Minister whether there is any proposal to entrust the total managerial responsibility of any branch of a nationalised bank to women, where the entire staff including the Manager comprises women?

SHRI HARISH RAWAT : Sir, in that case the Minister should also be a woman (Interruptions)

[English]

SHRI A.K. PANJA: The suggestion is noted.

[Translation]

MR. SPEAKER: Later they should also ask for a separate Parliament.

SHRI P.M SAYEED: If that be so, a woman would have to be made the Speaker.

[English]

SHRI A.K. PANJA: Sir, the suggestion is noted. But the Prime Minister, being a man, is giving all these beneficial directions on behalf of women. (Interruptions)

KUMARI MAMATA BANERJEE: Will the hon. Minister consider this suggestion? (Interruptions)

Railway Projects in Bihar

*343. **DR. G.S. RAJHANS:** Will the Minister of RAILWAYS be pleased to state:

(a) whether rail transportation facilities are inadequate to meet the demands of transportation of minerals and ores in Bihar;

(b) the details of railway line projects approved in Bihar in such areas along with the progress made so far;

(c) whether there is a proposal for according approval to the construction of more new lines in these areas for enabling quick transportation of minerals and ores;

(d) whether there are proposals for extension of broad-gauge railway lines in Bihar during 1989-90; and

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

[Translation]

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) A statement listing the approved projects presently on hand in the State of Bihar for improving transportation of minerals and ores is given below.

(c) No, Sir.

(d) and (e) : Conversion of Chhapra-Aunrihar MG section into BG (171 km), partly

in Bihar, has been proposed in the Budget for 1989-90 at an estimated cost of Rs. 85-13 crores.

STATEMENT

Details of approved projects in Bihar for improving transportation of minerals and ores

S.No.	Name of Project	Estimated cost (Rs. crores)	Progress upto 12/88 (% age)
1	2	3	4
1.	Doubling between Sigsigi and Bagha Bishnupur (79 km)	50.28	5
2.	Patch Doubling on Garwa Road to Sigsigi (6 km) and Sonnagar to Bagha Bishnupur (8 km)	7.49	80
3.	Doubling between Bokaro Steel City Station and Bokaro Steel City 'A' Cabin (4.5 km)	2.20	96
4.	Patch doubling between Bokaro and Pundag and twin single line between Radhagaon and Bokaro Marshalling Yard 'A' Cabin (13 km)	6.24	99
5.	Doubling of Kandra-Gomharria Section (10 km)	8.53	75
6.	Gaya-Mughalsari section—Augmentation of sectional capacity	8.41	25
7.	Barwadih-Development of Depot Yard in north Karanpura area	31.44	—

DR. G.S. RAJHANS: Mr. speaker, Sir, though the hon. Minister hails from a constituency which is adjacent to Bihar, yet he does not seem to have an affinity with the State of Bihar.

MR. SPEAKER: You should call him a neighbour.

DR. G.S. RAJHANS: Whenever I travel by train, I have noted that our hon. Minister is more concerned about Biharis and he does not have that much concern for Bihar State. He said that the proposal to convert the Chhapra-Aunrihar metre-gauge line into broad gauge has been included in the Budget. Perhaps it is so because a small section of this line passes through Bihar. Keeping these points in view, may I request the hon. Minister to convert the Samastipur-Darbhanga metre gauge line into broad gauge?

SHRI MAHABIR PRASAD: Sir, the hon. Member has asked for information relating to conversion of Samastipur-Darbhanga railway line into broad gauge. a survey was conducted for this purpose in 1974-75, but on further consideration it was found that the cost was Rs. 26 crores. I want to inform the hon. Member that as the proposal to convert it into broad gauge was was not found feasible, the matter was not taken up for further consideration.

DR. G.S. RAJHANS: The hon Minister put it very well. Can the hon. Minister say with survey that all lines converted from metre gauge to broad gauge were found to be economically viable? The hon. Minister informed me in writing that according to the survey report, the proposal was found to be non-viable and, therefore, its conversion into broad gauge was not considered.

May I know from the hon. Minister if the Lines converted during the past 10 years have been profitable? I shall say with chal-

lenge that it has not been so and that Samastipur Darbhanga has been subjected to injustice. Not only this, a Railway Minister even went to the extent of stopping the construction of the Samastipur-Darbhanga railway line in order to get the railway line shifted to his own constituency. I want to know whether this is true or not?

SHRI MAHABIR PRASAD: Sir, I cannot say who that esteemed Railway Minister was. For laying a double line or for gauge conversion, the density of traffic is taken into account.

DR. G. S. RAJHANS: Sir, that area has the highest density of traffic in the whole of Asia. I would bring privilege motion on it. The hon. Minister is requested to please ascertain facts before giving a reply. A Railway Minister gets the line shifted to his own constituency and now we hear that there is lack of traffic density there. This is a case of injustice with Bihar. We Biharis will not tolerate it...*(Interruptions)* We Biharis will not tolerate it *(Interruptions)*.

MR. SPEAKER: Why are you all speaking together? How can we carry on with the business in this manner?.....*(Interruptions)*

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Mr. Speaker, we look at it from an economic angle..*(Interruptions)* therefore, on completion of survey on each railway line, our decisions are based mainly on returns. Sometimes other factors are involved. I would request the hon. Members to look at the railways from an operational angle and not from the point of view of states.

[English]

It is an operational Ministry and it has to serve the interests of the entire country as a whole.

[*Translation*]

But let me say that gauge conversions have been done in Bihar when they were not being done in other parts of the country. During the Sixth Plan, gauge conversion of 587 kilometers of railway line between Barabanki and Samastipur has been completed. 182 kilometres of gauge conversion between Barauni and Katihar was also completed. It is not proper to expect one's state to benefit every year (*Interruptions*)

Time and again I have requested for railway operation to be looked at from an all-India angle. Even if one looks at it from a State's view point, the national average per thousand square kilometre of railway line comes to 18.8, whereas for Bihar, the corresponding figure is 30.1 So from that view point also, Bihar has a large railway network. If the people of Bihar complain of being neglected, let me inform them that there are some parts of the country where people have not even seen a railway line (*Interruptions*)

DR.G.S. RAJHANS : Sir, Bihar has been subjected to injustice. a Railway Minister ordered the shifting of a railway line to his own constituency. (*Interruptions*)

MR. SPEAKER: You can go on making noise like this if that is what you wish, but nothing will be gained out of it.

(*Interruptions*)

MR. SPEAKER: Shri C.P. Thakur to speak.....

(*Interruptions*)*

[*English*]

MR. SPEAKER: Nothing goes on rec-

ord. Whatever hon. Members say do not go on record.

(*Interruptions*)

MR. SPEAKER Take your seats. Mr. C.P. Thakur wants to put a question, he is allowed. Otherwise, nobody is allowed. So simple it is.

[*Translations*]

SHRI C.P. THAKUR: Mr. Speaker, Sir, although the whole of Bihar is backward, yet there is one project...(*Interruptions*)

AN HON. MEMBER: Sir, please show some consideration towards us also.

MR. SPEAKER : I have the entire House's interest at heart, in the same way as the hon. Members have the entire country's welfare at heart.

SHRI C.P. THAKUR: A Railway bridge should be constructed on the river Ganga for the development of both North Bihar and South Bihar. The survey has already been conducted and the hon. Railway Minister had assured us that work would start soon. The bridge on the Ganga shall link North and South Bihar from an economic point of view and hopefully it will be beneficial from the operational point of view also. May I know from the hon. Minister the time by which a bridge will be constructed on the river Ganga?

SHRI MADHAVRAO SCINDIA: Mr. Speaker, Sir, if any such proposal is received we shall consider it.

WRITTEN ANSWERS TO QUESTIONS

[English]

Trade with Sweden

*328. SHRI S.M. GURADDI: Will the Minister of COMMERCE be pleased to state:

(a) whether the STC had entered into a contract for export of goods to Sweden in 1988;

(b) if so, the details thereof;

(c) whether the trade between India and Sweden has increased;

(d) if so, the extent thereof; and

(e) the details of agreements signed between the two countries for 1989?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). During 1988-89 (April-December), STC contracted exports of goods worth Rs. 52.94 lakhs as indicated below:—

<i>(Rs. lakhs)</i>	
<i>Item</i>	<i>Amount</i>
<i>1</i>	<i>2</i>
Readymade garments	0.20
Leather garments	5.65
Leather goods	2.05
Bicycles/Mopeds and Auto-rickshaws	1.00
Woolen druggets	44.04
	Rs. 52.94 lakhs

(c) to (e). During 1988-89 (April-September), India's exports to Sweden is provisionally placed at Rs. 38.27 crores and imports at Rs. 124.85 crores compared to exports at Rs. 36.81 crores and imports at Rs. 96 crores during the same period of previous years.

No trade agreement has been signed at Government level during 1989.

Income-Tax on unaccounted sales

*329. SHRI PARASRAM BHARDWAJ:
SHRI ANANTA PRASAD SETHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the common practice of consumers to forego the cash memo and not to pay the Sales Tax and the retailer on his part evading the Income Tax on unaccounted sales;

(b) if so, the reaction of Government to this illegal practice on the part of the consumers and the retailers; and

(c) the steps envisaged by Government to plug this loophole?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). Yes, Sir. The steps taken by the Income-tax Department for discouraging the illegal practice of non-issuance of sales vouchers include the following:—

(i) The Income-tax Department undertakes survey operations of business and commercial premises for 'on the spot' checking of cash, accounts and stock, etc. The discrepancies noticed in

maintenance of accounts at times lead to detection of suppression of sale receipts.

- (ii) The Income-tax Act has prescribed compulsory maintenance of accounts by persons carrying on business if his annual income from business exceeds Rs. 25,000 or his total annual sales/turnover exceed Rs. 2,50,000. Thus all such retailers are required by law to issue sales vouchers in respect of sales effected by them.
- (iii) The Income-tax Department obtains information from the Sales Tax Departments of State Governments in respect of penalties imposed by S.T. Department with a view to taking action under the Income-tax Act against persons found to have suppressed sales.

The states and Union Territories who are responsible for proper realisation of sales tax also take steps to check any evasion thereof.

Export of Antibiotic Drugs

*331. SHRI MOHD. MAHFOOZ ALI KHAN:
CH. KHURSHID AHMED:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government are aware of the fraudulent "Exports" of highly lucrative antibiotic drugs by certain drug manufacturers in the country for which export certificates are collected by the manufacturers but the drugs are dumped in the domestic market;

(b) if so, whether Government have made any exercise to identify the drug manufacturers involved in the malpractices; and

(c) if so, the outcome thereof and the corrective steps taken/proposed to be taken by Government in the matter?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) No specific complaint in this regard has been received by the Government.

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

Energy Conservation Measures in railways

*333. SHRI S.B. SIDNAL: Will the Minister of RAILWAYS be pleased to state:

(a) the specific measures adopted by the Railways through which energy consumption has been reduced;

(b) any further measures to be adopted in this direction; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Some of the important measures adopted by Railways through which energy consumption has been reduced include strengthening of institutional arrangements at Railway Board, zonal and divisional levels, accelerated phasing out of steam locomotives, welding and lubrication of rails, training of drivers, better maintenance of Diesel Loco sub-systems, computerised system of monitoring locomotives individually with regard to diesel and lube oil consumption, fixation of trip rations and energy audits of major railway installations.

(b) and (c). Yes, Sir. It is an ongoing exercise. Some further important measures for conservation of energy proposed to be taken are fitment of wheel flange lubricators on diesel and electric locomotives, use of steered bogies for sections with sharp curvatures, conversion of plain bearings to roller bearings on wagons, use of computer-aided designs for reducing wagon weight, aerodynamic profiling of rolling stock, introduction of Chopper Control on Electric Multiple Units, provision of high speed turn outs, use of high efficiency turbo chargers and fuel-efficient kits on locomotives.

Doubling and electrification of Bangalore-Jolarpettal railway line

*336. SHRI V. KRISHNA RAO: Will the Minister of RAILWAYS be pleased to state:

(a) the amount allocated for the doubling and electrification of Bangalore-Jolarpettal railway line during the current financial year, and

(b) the time by which both doubling and electrification works would be completed?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). There is no proposal at present, for doubling the existing single line section, Kuppam-Whitefield, on Jolarpettai-Bangalore route.

For electrification of Jolarpettai-Bangalore route, a sum of Rs. 4.37 crores has been allocated during 1988-89 and the work is likely to be completed in 8th Five Year Plan.

Export of Iron Ore to Romania

*340. SHRI SAMBAJIRAO KAKADE: Will the Minister of COMMERCE be pleased to state:

(a) whether the Maharashtra Govern-

ment has represented about the sale of high-grade iron ore from Goa to Romania;

(b) whether this is cheaper by 2 Dollars per tonne than similar high-grade iron ore being exported to Japan from India;

(c) whether the M.M.T.C. contract with Romania to export low-grade iron-ore through Redi port has been completed; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) Yes, Sir.

(b) MMTC is not exporting high grade ore to Romania from Goa. However, MMTC exports basic (65/63% Fe) and low grade (62/60%Fe) ores to Romania from Goa. The price for similar grades of ore exported from Goa to Japan is about US \$ 2 per tonne higher than prices for Romania. This is due to the advantages of larger size vessels being deployed by Japanese at Goa and economics of freight due to shorter distance from Goa to Japan in comparison to Romania.

(c) and (d). According to revised Memorandum of Understanding of 8th September, 1988, a quantity of 16 lakh tonnes of iron ore per year was to be exported from Redi till March, 1981. As against this, up to end February, 1989, 3.63 lakh tonnes has been exported to Romania. This is expected to reach 6 lakh tonnes by 31.3.1989.

Indo-Japanese Cooperation

*341. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have identified some areas for greater Indo-Japanese co-operation;

(b) if so, what are those areas;

(c) the amount of Japanese aid expected to be made available for those areas; and

(d) the details of the different projects proposed to be implemented in those areas with Japanese aid?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) Power, telecommunications, irrigation, railways, development of infrastructure industrial growth centres, prawn farming etc.

(c) and (d). The amount of Japanese aid expected to be made available for 1989-90 and the projects to be implemented with such assistance are expected to be known only at the time of the Aid India Consortium Meeting to be held in Paris in the month of June this year.

Trade Deficit

*344. SHRI SYED SHAHABUDDIN: Will the Minister of COMMERCE be pleased to state the latest estimates of export and import in rupees for the financial year 1988-89 and of the likely trade deficit?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): The provisional aggregate figures in respect of India's trade during the fiscal year 1988-89 are available for the period April-December 1988. According to these figures, India's export, import and balance of trade during this period amounted to Rs. 13926.68 crores, Rs. 20528.38 crores and Rs. 6601.70 crores respectively.

HRA to Government Employees

*345. SHRI NATVARSINH SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether Government employees sharing accommodation with other Government servants are granted House Rent Allowance;

(b) whether the spouses and wards of the Central Government employees who share accommodation allotted to their husbands and parents are not granted House Rent Allowance;

(c) if so, the reasons therefor and whether Government propose to grant the House Rent Allowance to all the Government employees irrespective of the kind of relationships with the allottees of the Government accommodations; and

(d) if so, by when orders to this effect are likely to be issued?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Yes, Sir.

(b) Yes, Sir.

(c) House Rent Allowance is given for compensating the high rents that the employees have to pay for hiring private accommodation. On the other hand, Government accommodation allotted to the Central Government employees is on subsidised rents with large space. HRA is admissible only when the employees incur some expenditure on rent or contribute towards rent. In the case of Government accommodation being shared by the husband/wife and wards/parents, as one of them is a main allottee, the question of contributing or payment of rent

by the other sharer does not arise in view of their relationship involved. Accordingly, there is no justification to allow HRA to sharer of Government accommodation allotted to husband/wife and wards/parents.

(d) Does not arise.

Representation of Agricultural Sector on Boards of Directors of Banks and Other Financial Institutions

*346. SHRI JITENDRA PRASADA: Will the Minister of FINANCE be pleased to state:

(a) whether Boards of Directors of the banks and other financial institutions feeding the various developmental projects particularly poverty alleviation schemes have no representation of the agricultural sector from the grass-roots;

(b) whether Government propose to devise ways and means for the inclusion of farmers who have practical knowledge of the problems and requirements of agricultural sector, in the Boards of these institutions;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). It has always has Government's endeavour to give due representation to persons representing the interest of farmers on the Boards of Public sector banks. The process of identification fo suitable persons including farmers for appointment as non-official directors on

the board of nationalised banks is nearing completion.

Seizure of Gold

*347. SHRI PRAKASH CHANDRA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the press report appearing in the Hindustan Times dated 14 February, 1989 wherein it is stated that the Directorate of Revenue Intelligence Officials seized gold worth rupees twenty five crores;

(b) if so, the details thereof;

(c) whether any inquiry has since been made in this regard; if so, the outcome thereof; and

(d) the number of cases of gold smuggling which came into light during the last two years and whether inquiry has since been made by Government in each case?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). Yes, Sir. The Officers of the Directorate of Revenue Intelligence have seized 743 Kgs. of gold worth Rs. 24.37 crores approximately in six different cases in February, 1989. A sea-going vessel worth Rs. 10 crores has also been seized in one of the cases. 23 persons have been arrested in these cases.

(d) The number of cases of smuggling of gold that have been booked as well as the quantity and value of gold that has been seized by the Customs authorities during the last two calendar year 1987 and 1988 are given in the table below:—

<i>Year</i>	<i>Number of cases of gold smuggling booked.</i>	<i>Quantity of gold seized (in kgs.)</i>	<i>Value of gold Seized (Rs. in crores)</i>
1	2	3	4
1987	2049	2255	65.78
1988	3352	6094	200.51

Enquiries are conducted in every case where gold is smuggled and seizure is effected. The gold is seized and the persons involved are arrested. Adjudication proceedings are initiated and prosecution is launched in suitable cases against the offenders. In suitable cases, persons involved are also detained under COFEPOSA.

Export Licensing

3057. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether the country has been divided into some divisions for the purpose of export licensing;

(b) if so, the number of those divisions and the licensing authority of each division;

(c) whether there is no such division in Orissa;

(d) if so, whether Government have any proposal to keep one licensing authority for export purposes for Orissa with headquarters at Cuttack or Bhubaneswar; and

(e) the steps taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). Yes, sir, 27 licensing authorities with their revised jurisdiction

have been announced under Public Notice No. 1-ETC(PN)/89 dated 12th January, 1989. A copy of the Public Notice is laid on the table of the house [placed in Library See No. LT- 7591/89]

(c) An office headed by an Assistant Chief Controller of Imports and Exports at Cuttack has jurisdiction over the State of Orissa.

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

Listing of Companies at Stock Exchange

3058. SHRI H.B. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to relax its recent stipulation of a minimum paid up capital of Rs. 3 crores for a company for listing in a stock exchange;

(b) whether Government have also agreed to selectively revise equity norms for listing purposes; and

(c) if so, the details regarding the policy of Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The matter is under consideration.

[*Translation*]

Export of Paddy Husk

3060. SHRI AKHTAR HASAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are exporting paddy husk;

(b) if so, the names of the countries of which it is exported; and

(c) if not, whether Government propose to export it in future?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

[*English*]

Financing of Irrigation Pump Sets by NABARD

3061. SHRI MOHANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) the number of irrigation pump sets financed by the National Bank for Agriculture and Rural Development (NABARD) during the last three years;

(b) the number of such sets supplied to each State;

(c) whether Government have received any complaints regarding the functioning of these sets;

(d) the particulars of firms/companies from whom these sets were purchased;

(e) whether NABARD has any mechanism to judge the quality of these sets and verify their performance, if so, the details thereof;

(f) the quantum of financial involvement of NABARD in the field of irrigation during the last three years; and

(g) the action taken against the suppliers of defective sets?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (g). The present data reporting system does not generate the information in the manner asked for. However, National Bank for Agriculture and Rural Development (NABARD) has reported that it has financed 5.27 lakhs pumpsets during the last three years, installed on tube-wells, dug wells and on existing wells. The States where a substantial number of units were financed by NABARD are: Bihar, Uttar Pradesh, Punjab and West Bengal.

To ensure efficient use of resources and use of suitable pumping devices which minimise operating costs and conserve energy and operate at a higher efficiency, studies were conducted by NABARD in selected parts of Andhra Pradesh, Maharashtra, Punjab, Rajasthan and Uttar Pradesh. These studies revealed that farmers did not get the best advantage out of irrigation equipment used by them.

NABARD has decided that with effect from 1st January, 1988 refinance facilities would be provided only against BIS marked pump sets.

NABARD has further reported that the quantum of refinance disbursed by them during the last three years for minor irrigation

purposes was of the order of Rs. 1384 crores.

Nandalpur Loco Shed (SCR)

3063. PROF. MADHU DANAVATE: Will the Minister of RAILWAYS be pleased to state:

(a) whether Nandalpur Loco Shed under the control of South Central Railway provides only one stem local per day for 521 pass Ex-Cuddaph to Guntakal;

(b) if so, whether the Loco Shed at Nandalpur has about one hundred an fifty employees for this meagre work; and

(c) if so, the steps taken to rationalise the structure?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Nandalpur (Not Nandalpur) Steam Shed of South Central Railway provides locomotives for one pair of passenger trains. The total number of steam locomotives based at this Shed at present is 8.

(b) The number of direct maintenance Staff for Stem locomotives at Nandalur is 92.

(c) The staff strength is commensurate with the locomotive holdings.

[*Translation*]

Dallirajhara-Jagdalpur Railway Line

3064. SHRI MANKURAM SODI: Will the Minister of RAILWAYS be pleased to state:

(a) whether financial arrangements have since been finalised for the construction of Dallirajhara-Jagdalpur railway line in

consultation with the Ministry of Steel and Mines; and

(b) if so, the details thereof and at what stage the project stands at present?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir.

(b) Does not arise.

[*English*]

Incentives to Tax Payers for Declaration of True Income

3065. SHRI LAKSHMAN MALLICK: Will the Minister of FINANCE be pleased to state:

(a) whether the Income-tax department has offered some incentives to tax payers for declaration of their true incomes and prompt payment of the taxes; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE SHRI (A.K. PANJA): (a) The Income-tax Department has not offered any incentive to tax payers for declaration of their true incomes and prompt payment of the taxes, since it is the duty of every tax payers to declare his income truly and correctly and pay the taxes within the time limits prescribed under the Income-tax Act.

(b) Does not arise.

Task Force on Water Resources in Maharashtra

3067. SHRI PRAKASH V. PATIL: Will the Minister of WATER RESOURCES be pleased to state:

(a) the items of activities that the Task Force on water resources have taken up in Maharashtra;

(b) whether any target for implementation of the works taken in hand has been fixed;

(c) if so, the details thereof; and

(d) the benefits to be derived by the people when the work is completed?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Ministry of Water Resources has not set up any Task Force on Water Resources in Maharashtra.

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

Reply on MP's Letters

3069. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) how many letters were received by him from Members of Parliament during the last six months;

(b) how many of them are still pending reply;

(c) the reasons for not replying those letters; and

(d) by when these letters will be replied?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (d). The information is being collected and will be laid on the Table of the House as soon as possible.

Recommendation of Fourth Pay Commission on Interest Free Advance to Central Government Employees

3070. SHRI HAFIZ MOHD. SIDDIQ: Will the Minister of FINANCE be pleased to refer to the answer given on 4 December, 1987 to Unstarred Question No. 4249 regarding Non-interest bearing advance to Central Government employees and state:

(a) whether any decision has been taken by now on the recommendation of the Commission on General Provident Fund Rules;

(b) if so, the details thereof; and

(c) the action taken to grant interest free advance equal to half month's basic pay to the Central Government employees?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). No, Sir.

(c) The Government is yet to take a decision in the matter.

Assistance by Co-Operative Banks for Setting up of Industry

3071. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have advised the co-operative banks functioning in different States to provide loans for setting up of Industry too;

(b) if so, the guidelines issued by Government in this regard; and

(c) the likely effect of this policy on availability of funds to agriculture and co-operative sectors?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). National Bank for Agriculture and Rural Development (NABARD) has reported that refinance facilities to cooperative banks functioning in different States are also provided for setting up of industrial units. Cooperative Banks give loan to industrial cooperatives and other rural artisan members of Primary Industrial Cooperatives. These banks also provide direct lendings to the individual artisans/craftsmen/small entrepreneurs, who undertake any of the activities covered by 22 broad groups of cottage, tiny and small scale industries.

(c) NABARD has reported that such assistance to industrial cooperatives would not result in paucity of funds for agricultural sector.

Occupation of Buildings by Ministry in Madras

3072. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state:

(a) the details of the offices of the Ministry in Madras city occupying its own buildings;

(b) details occupying rented buildings; and

(c) the rents paid to these buildings and who are the owners of these buildings?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (c). The information is being collected and will be laid on the Table of the

House as early as possible.

Opening of Bank Branch in Phulparas Block in Bihar

3074. SHRI RAMSWAROOP RAM: Will the Minister of FINANCE be pleased to state:

(a) whether it is the policy of Government to establish at least one branch of the State Bank of India or any other nationalised bank in each block of every district;

(b) if so, whether Phulparas block in Madhubani district, Bihar is being provided with a State Bank of India or any other nationalised bank;

(c) if so, the time by which a bank branch is proposed to be set up in that block; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). Reserve Bank of India (RBI) has reported that the block Phulparas in Madhubani District is presently served by a branch each of Central Bank of India and Allahabad Bank and 8 branches of Madhubani Kshetriya Gramin Bank. Under the current Branch Licensing Policy for 1985-90, RBI has allotted 2 more centres one each to Central Bank of India and Madhubani Kshetriya Gramin Bank for opening branches in block Phulparas. As per the information available with RBI branches at these centres have not been opened so far. RBI has advised the banks to open branches at the allotted centres by the end of March, 1989 except in rare cases where minimum infrastructural facilities are not available.

**Under-Bridge at Railway crossing,
Rampura (Delhi)**

3075. SHRI DHARAM PAL SINGH MALIK: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to construct an under-bridge at the railway crossing, Rampura, Lawrance Road, Delhi; and

(b) if so, the details thereof and the stage at which the matter stands at present?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). No, Sir. The Delhi Administration/Municipal Corporation has not, so far, sponsored any proposal in this regard to the Railway.

[*Translation*]

Export of Chemicals and Allied Products

3077. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of COMMERCE be pleased to state:

(a) whether the export of chemicals and allied products has risen considerably;

(b) if so, the increase in exports during 1988-89 in comparison to the past years;

(c) whether their export is expected to rise further during 1989-90; and

(d) if so, the extent thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (d). Yes, Sir. The estimated export figures for Chemicals and allied products during the last three years are given below:—

<i>Year</i>	<i>Estimated value of exports (Rs. Crores)</i>
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1985-86	919
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1986-87	991
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1987-88	1281
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During the period April 1988-January 1989, chemicals and allied products valued at Rs. 1507 crores were exported as compared to exports valued at Rs. 851 crores during April 1987-January 1988.

(Source: Basic Chemicals, Pharmaceuticals, and Cosmetics Export Promotion Council, Bombay, Chemicals & Allied Products Export Promotion Council, Calcutta and Plastics & Linoleums Export Promotion Council, Bombay.)

It is hoped that export of Chemicals and allied products would continue to grow during 1989-90 also.

[*English*]

Seizure of Gold From the Shipping Vessels at Bombay

3079. SHRI MAHENDRA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the officers of the Directorate of Revenue Intelligence seized 221 Kgs of gold from a merchant shipping vessel at Bombay in the second week of February, 1989;

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

(c) the effective steps contemplated to prevent smuggling in this manner?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). On 10th February, 1989, the Officers of the Directorate of Revenue Intelligence seized 1895 gold biscuits of foreign origin of 10 tolas each weighing 221 Kgs. worth Rs. 7.23 crores (approximately) from a merchant ship named 'Maersk Clementine'. The ship worth Rs. 10 crores approximately has also been seized. The chief cook of the vessel was arrested on 12th February, 1989.

(c) Intelligence is targetted against such attempts at smuggling. Merchant shipping vessels are rummaged by the Customs Officers posted at the international seaports and close co-ordination is maintained with all the agencies concerned in the detection and prevention of smuggling in this manner.

Persons found involved are arrested and are prosecuted in the Courts of law in suitable cases apart from being penalised in departmental proceedings. They are also detained under the Cofeposa Act, 1974.

Expenditure on Administration and Development by States

3080. SHRI S.G. GHOLAP: Will the Minister of FINANCE be pleased to state the expenditure of different States on Administration and on Development during 1987-88?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): A statement is given below:

STATEMENT

Administrative and Development Expenditure of States During 1987-88 (Revised Estimates)

(Rs. In Crores)

<i>States</i>	<i>Administrative Expenditure</i>	<i>Development Expenditure</i>
<i>1</i>	<i>2</i>	<i>3</i>
1. Andhra Pradesh	302	3480
2. Arunachal Pradesh	70	224
3. Assam	169	1284
4. Bihar	376	2701
5. Goa	24	173
6. Gujarat	241	3207
7. Haryana	117	1260
8. Himachal Pradesh	65	607

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1		2		3
9.	Jammu & Kashmir	99		854
10	Karnataka	211		2527
11.	Kerala	139		1446
12.	Madhya Pradesh	289		2936
13.	Maharashtra	553		5034
14.	Manipur	48		236
15.	Meghalaya	48		213
16.	Mizoram	45		238
17	Nagaland	83		300
18.	Orissa	149		1470
19.	Punjab	193		1963
20.	Rajasthan	184		2419
21.	Sikkim	12		120
22.	Tamil Nadu	271		2931
23.	Tripura	42		284
24	Uttar Pradesh	493		4507
25.	West Bengal	320		2643
Total		4548		43057

Monetary Assistance by BIFR to Industrial Units in Maharashtra

3082. DR. DATTA SAMANT: Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the Board for Industrial and Financial

Reconstruction (BIFR) from the industrial units in Maharashtra till December, 1988;

(b) the number of textile among these industrial units; and

(c) the total monetary assistance recommended by BIFR to sick industries from Maharashtra upto December, 1988?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) 118 references under Section 15 of the Sick Industrial Companies (Special Provision) Act, 1985 were registered by BIFR from Industrial Units in Maharashtra upto 31.12.1988.

(b) The above include 18 references in respect of Textile units.

(c) Reliefs/assistance for rehabilitation of sick industrial units are provided by the concerned agencies namely Financial Institutions, banks, Central and State Governments, etc. BIFR has reported that data on assistance recommended/provided is not being compiled by them on over-all or state-wise basis.

Setting up of Diamond Industrial Parks

3083. SHRI RAM PYARE PANIKA: Will the Minister of COMMERCE be pleased to state:

(a) whether new schemes are being launched, like setting up Diamond Industrial Parks for manufacturing polished diamonds for export purpose; and

(b) if so, the details of these schemes and the job potential expected to be generated by those schemes?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). No, Sir. However, a Public Limited Company known as the Diamond and Gem Development Corporation incorporated under Section 25 of the Indian Companies Act is setting up a Diamond Industrial Park at Schin, Gujarat. Two more parks are under construction by the Corporation at Jaipur and Haldwani. It is

reported by the Corporation that nearly 70,000 persons may be employed in these Park.

Financial Assistance given by National Housing Bank

3086. SHRI SHARAD DIGHE: Will the Minister of FINANCE be pleased to state:

(a) the immediate requirement of fund for housing co-operatives and other sector in housing; and

(b) the progress made by the National Housing Bank for liberal flow of funds for the creation of new housing stock as well as for renovation, upgradation and expansion of the existing housing stock in the country with special focus on the needs of lower income households?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) As per the projections made by the National Cooperative Housing Federation for the 8th Five Year Plan, the total requirements of funds for the cooperative sector would be Rs. 4,000/- crores, out of which the housing cooperatives would contribute Rs. 2,000/- crores towards construction of new housing units.

(b) Reserve Bank of India in October-November, 1988 have substantially liberalised the lending norms by scheduled commercial banks. These liberalisations relate to ceiling on loan amount, margin, rate of interest, period of repayment, security norms, etc. These are summarised below:

i) The maximum period of repayment of housing loan has been enhanced from 10 years to 15 years.

ii) The maximum margin on the

loan has been reduced from 50% to 35%.

iii) The rate of interest for housing loan has been altered as under:

<i>Amount of Loan</i>		<i>Rate of Interest (% p.a.)</i>
Upto	Rs. 20,000	12.5
Above	Rs. 20,000 & upto Rs. 50,000	13.5
Above	Rs. 50,000 & upto Rs. 1 lakh	14.0
Above	Rs. 1 lakh	14.5 - 16.0

The rate of interest for housing loan for Scheduled Castes/Scheduled Tribes upto and inclusive of Rs. 5,000/- remained unchanged at 4% p.a.

- iv) Where mortgage of property or Government guarantee is not feasible, banks have been permitted to accept other forms of securities.
- v) The banks will also have the discretion to fix the repayment instalments in such a way that housing loans become more affordable by the lower income groups and repayment instalments may not exceed normally 30% of the income of the borrower.
- vi) In the case of individuals who might have raised funds from other sources, banks have been permitted to provide supplementary finance.
- vii) Credit will also be extended for additions, repairs and alterations to house.
- viii) The total loan per individual for

housing from the bank is not to exceed Rs. 3 lakhs.

The liberalisation of norms by RBI, particularly in respect of loans upto Rs. 50,000/- has been followed by the National Housing Bank in its guidelines to scheduled commercial banks for availing refinance from it. National Housing Bank will refinance, in full, loans upto Rs. 50,000/- and below to individual borrowers for construction of new house/flats.

Liberalisation of Rules to Help Marine Exporters

3087. SHRI V. TULSIRAM:
SHRI BALASAHEB VIKHE
PATIL:

Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to liberalise the existing rules to help marine exporters in the country; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P.R.
DASMUNSI): (a) and (b). At present, there

are no separate rules applicable only to the marine products exporters. Marine products Export Development Authority Rules, 1972 provides, inter alia, for registration of exporters of marine products. At present, there is no proposal to amend these Rules.

[*Translation*]

Release of Flood Water from Ghaggar River

3089. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of WATER OF RESOURCES be pleased to state:

(a) whether Ghaggar Diversion Channel was constructed to release flood water of Ghaggar river in depressions;

(b) the number of days flood waters of Ghaggar was released in Ghaggar Diversion Channel and the quantity thereof in cusecs;

(c) the number of depressions filled from Ghaggar Diversion Channel and quantity of water filled therein, the extent to which level of this water is higher than the level of Suratgarh city and the distance of depression No. 15, 16, 17 and 18 from Suratgarh city; and

(d) by what time waters from these depressions would be drained out?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir, but only to the extent of 340 cusecs.

(b) During 1988, 1211 Mm³ of flood water was released into the diversion over 77 days from 6th July to 31st October.

(c) 16 numbers of depressions are filled from the diversion channel and presently

333 Mm³ of water is stored in the depressions. The level of water in depression numbers 1 to 15 is higher than the level of Suratgarh city by 11 m. and that in depression number 16 by 7.25m. The distance of depression Nos. 15, 16, 17 and 18 from Suratgarh city is 9 Km., 1.2 km., 7.5 Km. and 10 Km. respectively.

(d) To deplete the waters of depression No. 16 each year before the monsoon, the Government of Rajasthan have taken up the Karniji Link channel of 8.8 cumec and expect to complete it by 31st March 1989. The Government of Rajasthan also propose to implement the following schemes in the near future for depletion of waters of these depressions:

- (i) Construction of Anupgarh Branch Link Channel with a capacity of 68.9 cumec.
- (ii) Linking of existing Manakther and Kishanpura minors.
- (iii) Construction of an escape of 85 cumec capacity.

[*English*]

World Bank Loan for Petrochemical Project

3090. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank aid has been sought for 8 petrochemical projects;

(b) if so, the names of such projects; and

(c) the amount of loan raised from World Bank in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The World Bank is currently providing a loan of \$ 300 million for the Maharashtra Petrochemicals Project being implemented by the Indian Petrochemicals Corporation Ltd. Discussions are being held with the World Bank officials for a possible loan for another project in the Petrochemicals Sector.

Arrears to NABARD

3091. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether the farmers of Karnataka will not be granted more reliefs if an undertaking asked for by National Bank for Agriculture and Rural Development (NABARD) is not honoured;

(b) if so, the main reasons therefor;

(c) whether the State Government was also forced to commit itself to clear its arrears to NABARD; and

(d) if so, the main features of the undertaking?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) had observed that some cooperative banks were not fully complying with the instructions relating to interest rate, conversion of loans etc. NABARD, therefore, had asked these banks to give an undertaking stating therein that they would follow the instructions/guidelines issued by RBI/NABARD, and in the absence of such undertaking the refinance facilities would be discontinued. In such a situation the cooperative banks would have been required to

provide loans to farmers out of their own resources. Since the Cooperative Banks of Karnataka has given the requisite undertaking for following RBI/NABARD instructions, the refinance facilities have already been resumed by NABARD to these banks.

[*Translation*]

Renovation of Bogies of Metre Gauge Lines

3094. SHRI SHANTI DHARIWAL: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that the bogies of many trains running on metre gauge lines are in a dilapidated condition;

(b) if so, the steps taken by Government for renovation/replacement of such bogies; and

(c) the names of Divisions in Rajasthan State where Government propose to undertake the renovation work of the bogies (metre gauge)?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir. However, 23% of coaches on MG system are overaged.

(b) The coach manufacturing capacity is being stepped up.

(c) Two divisions i.e. Ajmer and Jaipur have started rake renovation

[*English*]

Export and Auction of Tea

3095. SHRIMATI KISHORI SINHA: Will the Minister of COMMERCE be pleased to state:

(a) whether tea exports in 1988-89 have shown improvement over the previous year both in terms of price and quantity;

(b) whether a considerable portion of the tea is still auctioned through the London market; and

(c) if so, whether Government propose to take steps to concentrate all tea auctions for export through Calcutta?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir. The exports during April 1988 to January 1989 stood at a level of 194.50 M. Kgs. (Prov.) with a unit f.o.b. price of Rs. 30.78 per k.g. against a quantum of 177.03 M.kgs. at a unit price of Rs. 30.38 per kg. during the corresponding period of previous year, thereby showing an improvement of 17.47 M. Kgs. in quantum and 0.34 per kg. in unit f.o.b. price.

(b) The quantum of Indian teas sold through the London auction declined considerably in the recent years compared to the sixties or seventies. The quantum of Indian tea sold during 1988 was only 8.8 M. Kg.s compared to 28.7 M.Kgs. during 1987 and 67.3 M. Kgs. during 1968.

(c) Does not arise.

Clearance to Vamsadhara Project

3096. SHRI BHATTAM SRI RAM MURTY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Central Water Commission placed the Vamsadhara Project before the Technical Advisory Committee;

(b) whether the Planning Commission has granted clearance to the project; and

(c) the stage of action in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) No, Sir.

(c) Concurrence from the Government of Orissa not received.

[Translation]

Amendments in Advocate Act, 1961

3097. PROF. NIRMALA KUMARI SHAKTAWAT: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Law Commission in their 128th report has recommended that Government should fix minimum and maximum fee charged by lawyers;

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

(c) whether some shortcomings in the Advocate Act, 1961 have been noticed, if so, the details thereof;

(d) whether Government propose to amend the law; if so, by what time;

(e) whether the Commission has also made recommendations for making special provisions for Scheduled Caste and Scheduled Tribe lawyers in addition to women lawyers; and

(f) whether Government propose to implement these recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Yes, Sir.

(b) to (d). Views of the bar council of India have been called for and the same are awaited.

(e) No, Sir.

(f) Does not arise.

[English]

Modernisation of M.G. Tracks

3098. DR. P. VALLAL PERUMAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have worked out any scheme for modernisation of the metre-gauge railway track system in the country;

(b) whether any detailed report has been prepared so that the haul-ing capacity of the metre-gauge wagons as well as locomotives could be augmented; and

(c) if so, the details thereof and the policy of Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir.

(b) It has been decided to upgrade the track and signalling and introduce new rolling stock, which would include wagons with axle load up to 14 tonnes and also locomotives of higher horse-power. Besides, the maximum permissible speed of passenger trains on certain important routes is proposed to be raised to 100 km/h or over.

Indian Investment in Trinidad and Tobago

3099. SHRI BALASAHEB VIKHE PATIL:
SHRI V. TULSIRAM:

Will the Minister of COMMERCE be pleased to state:

(a) whether there is some proposal under consideration of Government to invest in Trinidad and Tobago;

(b) if so, the fields expected to be covered under such investments;

(c) the industries particularly sugar and fishing expected to be invested; and

(d) the states from where the investors will be allowed and on what terms and conditions?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) No, Sir.

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

National Conference of Banking

3100. SHRI K. RAMAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) the decisions taken at the National Conference on Banking organised at New Delhi on January 31 and February 1, 1989; and

(b) the action initiated to implement those decisions?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). No formal recommendations were made in the Conference. However, in the course of its deliberations varied suggestions were made for further strengthening of the banking system which are being looked into by the Reserve Bank of India.

Drug Smuggling in North Eastern States

3101. PROF. RAMKRISHNA MORE:
SHRI HARIHAR SOREN:
SHRI BANWARI LAL PUROHIT:

Will the Minister of FINANCE be pleased to state:

(a) whether the drug smuggling is on

the increase in the north eastern States of India as reported in the Hindustan Times dated 16 February, 1989;

(b) if so, the detailed of the drug smuggling cases unearthed from north-eastern States during the last one year; and

(c) the further steps contemplated by Government against the drug smugglers in the country?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). In view of their proximity to one of the major sources of supply for illicit drugs, viz., the Golden Triangle region, the North-Eastern States of India continue to be vulnerable to drug trafficking from that region. However, seizures of various drugs made during the past 3 years do not indicated any steep rise in drug smuggling in this area. The details of seizures of drugs effected in the North-Eastern States during the past 3 years and upto February, 1989, are given below:

S.No.	Name of drug	1986 (Quantity in kilograms)	1987	1988	1989 (upto February)
1	2	3	4	5	6
1	Opium	501637	21	..	
2.	Heroin	4	3	6	..
3.	Ganja	2,660	2,582	1,525	..

(Figures rounded off to the nearest kg.)

Government have launched various aggressive counter-measures which, *inter-alia*, include provision of deterrent punishments against drug-traffickers, strengthening of preventive and intelligence machinery (especially in and around borders and vulnerable areas), adoption of a liberalised reward scheme for officers and informers, strengthening of bilateral co-operation between neighbouring countries (including regional co-operation under the umbrella of SAARC). The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988 provides for preventive detention upto a maximum period of two years for drug-related crimes. 250 persons have so far been detained under the said Act.

For the purpose of preventive detention for the maximum period provided under the Act, the inland area 100 kms. in width from the Indo-Burma Border in the States of Arunachal Pradesh, Manipur, Mizoram and Nagaland have been defined as 'areas highly vulnerable to illicit traffic'. Further, the Police Officers of the North-Eastern States have been entrusted the functions of the Customs Officers under the Customs Act, 1962 for the purpose of provisions of Chapter IV-B of that Act to check the illicit movement and outward smuggling of "acetic anhydride"—a chemical precursor used in the illicit manufacture of heroin—which has been notified as a specific item under section 11-1 of the Customs Act, 1962.

The Narcotic Drugs and Psychotropic Substances (Amendment) Act, 1988, recently passed by Parliament, inter alia, provides for death penalty on second conviction in respect of specified offences involving specified quantities of certain drugs and also forfeiture of property of drug offenders. Besides, all drug-related offences have been made cognizable and non-bailable.

Pepper Shipment to USA

3102. SHRI K. RAMACHANDRA REDDY: Will the Minister of COMMERCE be pleased to state:

(a) whether a consignment of 100 tonnes of black pepper shipped from Cochin port to USA was shipped back to the port;

(b) whether the pepper shipment was shipped back or was returned for the USA authorities; and

(c) the reasons for the pepper being shipped back to India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) It was shipped back by the Exporters themselves.

(c) As the pepper prices had gone down, the US buyers tried to re-negotiate the price to get some concessions.

Quality of Food Exported to US

3103. SHRI NARSING SURYAVANSI: Will the Minister of COMMERCE be pleased to state:

(a) whether the Food and Drug Administration (FDA), USA has signed a Memorandum of Understanding (MOU) with Government on the quality of Indian food items

exported to the United States;

(b) if so, the details thereof; and

(c) the further developments in this matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). The Government has not signed any Memorandum of Understanding with the Food and Drug Administration of USA so far.

[Translation]

Use of Aluminium Foils in Railways Catering System

3105. SHRI RAM BHAGAT PASWAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is resentment among the people against serving meals in the aluminium foils in place of thali and whether the quality of meals is poor which is harmful for health, whereas charges for it are high;

(b) whether Government are aware that cold and rotten food is served in the casseroles in the Railways resulting in resentment among the people; and

(c) whether Government propose to replace the present system of serving meals in casseroles by thalis?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Extensive opinion polls conducted reveal that majority of passengers found the quality of food given in casseroles to be good as well as hot/warm.

(c) No, Sir.

Computerisation of Reservation at Kanpur

3106. SHRI JAGDISH AWASTHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to install computer for railway reservation at Kanpur;

(b) if so, the time by which computer installation work is proposed to be started at Kanpur Station; and

(c) if not, the measures proposed to be taken for streamlining reservation system at Kanpur railway station, and by what time these measures are proposed to be taken?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Kanpur is not yet included in the stations approved for computerisation of reservations.

(b) Does not arise.

(c) At present, no change in reservation system is proposed.

[English]

Recovery of Gold/Silver from Sea Bed

3107. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether certain parties have offered to retrieve contraband gold and silver sunk in the sea by smugglers while being chased during anti-smuggling operations;

(b) if so, the parties which made such an offer; and

(c) the terms and conditions on which

the parties are prepared to recover gold and silver from sea bed?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). Yes, Sir. Two parties namely, M/s Lagan Offshore Company Ltd., and M/s Madgavkar Salvage, Panaji, Goa, have offered to retrieve contraband gold and silver sunk in the sea by smugglers while being chased during anti-smuggling operations. While M/s Lagan Offshore Pvt. Ltd. have offered to conduct the operation on the condition that a portion of the recovered gold would be retained by them, M/s Madgavkar Salvage have not indicated their terms and conditions.

Revision of Pay Scales of Bank Employees

3108. SHRI R. JEEVARATHINAM: Will the Minister of FINANCE be pleased to state:

(a) whether the bank employees, particularly those in clerical grade have been very much agitated over the Government's failure to revise their pay scales;

(b) if so, the details thereof; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Indian Banks' Association (IBA) holds negotiations on behalf of bank managements with the Unions of Award Staff employees of public sector banks in the matter of revision of their pay scales etc. On expiry of the IV Bipartite Settlement, IBA started negotiations with the unions for Vth Bipartite Settlement. An understanding is reported to have been

reached between IBA and the majority workmen unions on major issues pertaining to wage revision.

Stock Exchange at Cuttack

3109. SHRI ANADI CHARAN DAS: Will the Minister of FINANCE be pleased to state:

(a) the action taken by Government to set-up a Stock Exchange at Cuttack in Orissa; and

(b) the basic conditions and the constraints in setting up the Stock Exchange in Cuttack?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Government have not received any proposal for setting up a Stock Exchange at Cuttack in Orissa.

Rubber Prices in Internal Market

3111. SHRI GEORGE JOSEPH MENDACKAL: Will the Minister of COMMERCE be pleased to state:

(a) whether the S.T.C. has released rubber during the peak rubber production period in October, 1988;

(b) if so, the reasons therefor;

(c) whether the STC purchased rubber from surplus market to save small farmers; and

(d) if not, the reasons therefor and steps being taken to ensure stable market prices during peak production periods?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). The buffer stocking scheme for natural rubber operated by the Government aims to provide remunerative returns to the growers as well as supply of rubber to the user industry at reasonable price. The market intervention by STC in October, 1988 was with a view to ensuring steady supply of rubber to the user industry at affordable prices.

(c) Yes, Sir.

(d). Does not arise.

Export of Wheat to China

3113. SHRI HARIHAR SOREN: Will the Minister of COMMERCE be pleased to state:

(a) the quantum of wheat exported to China in 1988-89;

(b) whether Government have proposal to increase the wheat export in 1989-90;

(c) if so, the details thereof;

(d) whether China has placed order for purchase of wheat from India; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) No export of wheat has been made to China in 1988-89.

(b) No, Sir.

(c) Does not arise.

(d) No, sir.

(e) Does not arise.

Export of Pepper to US.

3114. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of COMMERCE be pleased to state the quantity of pepper exported/being exported to U.S.A. during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): The quantity of black pepper exported to U.S.A. during April '88-Feb. '89 has been estimated at around 4465 MTs.

Domestic Supply by EPZ Based Foreign Companies

3116. SHRI SATYENDRA NARAYAN SINHA: Will the Minister of COMMERCE be pleased to state:

(a) whether the provision of allowing 25 percent of the production in the EPZ (Export Processing Zone) areas to be sold in the domestic market is being misused;

(b) if so, in what respect; and

(c) the remedial steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) No, Sir.

(b) and (c). Questions do not arise.

Arrest of Smugglers

3117. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state : the number of smugglers arrested during the year 1988 and the number of foreigners, with their nationality, out of them?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The number of persons arrested during the year 1988 and the number of foreign nationals out of them, are given in the table below:-

Number of persons arrested.

Number of foreign nationals arrested

3253*

505*

* Figures are provisional.

The particulars of the countries to which these foreigners belong are not maintained separately.

D.A. Instalment to Government Employees

3118. SHRI BALASAHEB VIKHE PATIL:
SHRI V. TULSIRAM:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have consti-

tuted an enquiry committee to find out the details leading to the issuance of the orders for release of another instalment of Dearness Allowance to the Central Government employees;

(b) if so, the details thereof and when the committee is expected to submit its report;

(c) how far the issuance of orders for DA instalment to the employees will be delayed

as a result of this incidence; and

(d) when final orders for payment of D.A. instalments will be issued?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Government have not constituted any Committee to inquire into the issue of fraudulent order purported to have been issued by the Ministry of Finance sanctioning Dearness Allowance to Central Government employees at revised rates w.e.f. 1.1.89.

(b) Does not arise.

(c) There will be no delay in the issue of the orders for the release of DA instalment due on 1.1.89 on account of the issue of the fraudulent order.

(d) The matter is under consideration of Governmento

Compensation to Victims of Perumon Accident

3119. SHRI A. CHARLES: Will the Minister of RAILWAYS be pleased to state:

(a) the number of applications filed before the Ad hoc claims Commissioner for payment of compensation by the legal heirs of those who died in the Perumon railway accident near Quilon on July 8, 1988:

(b) the number of cases disposed of;

(c) the number of cases in which the claims were allowed and the number of cases that were not found acceptable; and

(d) the main grounds on which the claims were not accepted?

THE MINISTER OF STATE OF THE

MINISTRY OF RAILWAYS (SHRIMADHAV RAO SCINDIA): (a) 111 cases for 101 deaths have been registered.

(b) 110.

(c) Compensation awarded in 90 cases. 20 cases have been dismissed.

(d) Cases were dismissed because (i) claimants were not dependents of the deceased; (ii) duplicate claims were preferred.

[Translation]

Cases of Embezzlement in Bank of Baroda

3120. DR. KRUPASINDHU BHOI: Will the Minister of FINANCE Be pleased to state:

(a) the number of cases of embezzlement in Bank of Baroda which came to light during the last three years;

(c) whether most of the cases are connected with Gujarat;

(c) if so, the details thereof; and

(d) the action taken/proposed to be taken against officials involved in these cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India has reported that its present data maintenance system does not generate State-wise statistics of frauds detected in a Bank. However, information regarding the total number of frauds and amount involved therein, as reported to RBI Bank of Baroda, for the years 1986, 1987 and 1988, is given below:-

<i>Year</i>	<i>No. of frauds (in India) lakhs)</i>	<i>Amount involved (Rs in lakhs)</i>
1986	80	361.64
1987	97	165.22
1988	77	56.10

(Data provisional)

(d) details of action taken by Bank of Baroda against the delinquent employees involved in cases of frauds during the years 1986, 1987 and 1988 are as under:-

	1986	1987	1988
(i) No. of employees convicted on charges of frauds	1	—	2
(ii) No. of employees given major/minor penalty	28	26	33

(Data provisional)

[English]**Indian Banks, Associations**

3122. SHRI BANWARI LAL BAIRWA:
Will the Minister of FINANCE be pleased to state:

(a) whether the Indian Banks' Association (IBA) has been conducting negotiations with trade unions in Banking Industry for wage revision of award staff in nationalised and other banks;

(b) whether the IBA is a registered trade union of Bank Managements or whether it has been given any statutory authority by Government to conduct the negotiations with trade unions of award staff in banks;

(c) if not, whether settlements entered into between IBA and trade unions in Bank-

ing Industry are valid; and

(d) if not, the action proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (c). Indian Banks' Association (IBA) is an Association of various scheduled Commercial banks and it holds, on their behalf, negotiations with award-staff unions in the matter of service conditions of Award Staff. The memoranda; of settlements are signed between the IBA and the unions under the provisions of relevant Industrial Laws and the memoranda are, therefore, to be honoured by both the parties.

(d) Does not arise.

Judges in Guwahati High Court

3123. SHRI N. TOMBI SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Government propose to increase the number of judges to meet the requirements of the proposed permanent branches in Imphal, Agartala and other State capitals within the jurisdiction of the Guwahati High Court; and

(b) if so, the details thereof?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND):

(a) Yes, Sir.

(b) It has been decided to increase the present sanctioned strength of the Guwahati High Court of 12 Judges to 17 permanent Judges and 2 Additional Judges.

[*Translation*]

Loss to Bidi Workers Welfare cess due to Evasion of Central Excise duty

3124. SHRI MADAN PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether the All-India Bidi Workers Association has alleged that evasion of central excise duty leads to loss of Bidi workers' Welfare cess; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The Government have not received any representation from the All-India Bidi Workers Association alleging that

evasion of Central Excise duty leads to loss of bidi workers welfare cess. A representation from the All-India Bidi Cigar and Tobacco Workers Federation has, however, been forwarded to this Ministry from the Ministry of labour. In the said representation a request has, inter-alia, been made for withdrawal of central excise duty exemption on 20 lakhs unbranded bidis allowed in a financial year alleging that such exemption is being mis-used by unscrupulous bidi manufacturers leading to evasion of both central excise duties as well as bidi welfare cess. The matter has been considered by the Government and because of administrative reasons it has been decided not to withdraw the said exemption as it is availed of mainly by persons in the unorganised/cottage sector.

[*English*]

Delegation of Magisterial Powers to Railway Officers

3125. SHRI R. M. BHOYE: Will the Minister of RAILWAYS be pleased to state:

(a) whether some suggestions have been received by Government that Magisterial powers be conferred on nominated railway officers so that they could try such offences as ticket-less travel, trespass, roof-travel and unauthorised entry of persons into ladies' compartments;

(b) the other suggestions received about these matters; and

(c) the reaction of Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). The suggestion to confer magisterial powers on nominated Railway Officers to try some offences has been made in the Report of the

Joint Committee on Railways Bill, 1986.

(c) The legal implications are being examined.

[*Translation*]

Supply of Narmada Water to Rajasthan

3126. SHRI VIRDHI CHANDER JAIN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the details of the progress made so far in the construction of Narmada canal; and

(b) the time by which water of Narmada canal will reach in Barmer and Jalore districts of Rajasthan along with the quantity of water and area likely to be covered by it.

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). Construction of Narmada Canal in Rajasthan has not started. 1.35 lakh hectare area is expected to receive irrigation benefits in Rajasthan from 616 million cubic metres of Narmada water allocated to Rajasthan.

[*English*]

Coastal Railway Project

3127. SHRI HUSSAIN DALWAI: Will the Minister of RAILWAYS be pleased to state:

(a) the present position of coastal railway;

(b) whether it is a fact that during the **Seventh Five Year Plan** it was planned to be completed upto Dasgaon;

(c) the plans of coastal railway for **Eighth Five Year Plan** period; and

(d) whether Dasgaon is proposed to be linked upto Chiplun on coastal railway line during the Eighth Five Year Plan?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Based on a fresh survey conducted for the balance portion of the line from Mangalore to Roha, the proposal for this line was sent to Planning Commission for consideration and clearance. The Commission has since cleared the Mangalore-Udupi section for construction and the same has been included in the Budget of 1989-90.

(b) No, Sir.

(c) and (d). Will depend upon the clearance by the Planning Commission and the availability of resources

Trade and Technology Relations with Canada

3128. DR. V. VENKATESH: Will the Minister of COMMERCE be pleased to state:

(a) whether trade and technology relations between Canada and India provide adequate scope for further expansion; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). The Government have initiated various measures and identified areas for expanding Indo-Canadian Relations in the sphere of Trade and Technology. The focus is largely on the following aspects;

- i) Exploring possibilities of enhancing bilateral trade with specific emphasis on identifying specific items;

- ii) identifying opportunities for technology transfer and industrial cooperations ; and
- iii) Identifying sourcing possibilities for exports of commodities to Canada and Vice-versa.

A large number of items for exports from India, like Engineering goods, automobile ancillaries, electronic components, computer software, agro-marine products have been identified and, similarly, for imports from Canada, items like electronics technologies, sophisticated electrical components, telecommunications equipment and technologies have been identified as potential areas. As a consequence of these measures, bilateral trade between the two countries is likely to go up.

OECD Interest in Indian Market

3131. SHRI VIJAY N. PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether the Organisation of Economic Cooperation and Development (OECD) member states have shown keen interest in Indian markets;

(b) if so, the steps Government proposed to take advantage from renewed interest of OECD;

(c) whether Government have taken up with OECD countries transfer of sophisticated technologies for space, defence and in other sensitive fields and

(d) if so, the results thereof?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) and (b). Our Trade Policy is non-discriminatory in character vis-a-vis imports from member countries of GATT, including OECD countries.

Our trade relations with these countries are based on the principle of according Most Favoured Nation treatment to these countries.

(c) and (d). Transfer of sophisticated technologies is negotiated and arranged from different countries on strategic and competitive considerations.

Cess Collection by Tobacco Board

3132. SHRI N. VENKATA RATNAM: Will the Minister of COMMERCE be pleased to state:

(a) whether the Tobacco Board, Guntur (Andhra Pradesh) has been collecting cess from the selling growers and purchasing traders;

(b) if so, the rate of the cess being so collected and the amount so far collected, spent and balances, if any; and

(c) the details of the amount spent with the purpose of its use?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) The Tobacco Board has been collecting cess on tobacco sold at the auction platforms from the growers sellers.

(b) Cess at the rate of 1 paisa per kg. of tobacco sold at the auction platforms is collected from the growers sellers as per Section 3 of the Tobacco Cess Act, 1975. An amount of Rs. 38,78,931.38 has been collected so far in five auction seasons in Karnataka and four auction seasons in Andhra Pradesh w.e.f. the introduction of auction system in 1984.

(c) The amount is remitted by the Tobacco Board to the Consolidated Fund of India.

Declaration of Good Friday and Christmas Day as Public Holidays in banks

3133. PROF. K.V. THOMAS : Will the Minister of FINANCE be pleased to state:

(a) whether some of the nationalised banks in Bihar, Uttar Pradesh, Assam and Madhya Pradesh are not declaring Good Friday and Christmas day as Public Holidays;

(b) if so, the reasons therefor; and

(c) whether instructions are proposed to be issued to banks to declare Christmas Day and Good Friday as Public Holidays?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Public Holidays in the States are declared by the State Governments under section 25 of Negotiable Instruments Act, 1981. depending upon the local usages, customs and requirement in the respective States. Nationalised banks are required to observe the holidays so declared by the concerned State Government.

[*Translation*]

Joint Ventures in ASEAN Countries

3134. SHRI KALI PRASAD PANDEY. Will the Minister of COMMERCE be pleased to state:

(a) whether joint ventures involving partnership arrangement with more than two ASEAN countries enjoy preferential treatment in ASEAN market; and

(b) if so, the steps Government propose to take to establish joint ventures and response of Indian entrepreneurs thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Approved industrial joint venture projects involving partnership arrangement between two or more ASEAN countries enjoy 90% tariff preference in ASEAN market.

(b) The proposals as and when received from Indian entrepreneurs to establish joint ventures abroad are considered by the Government as per existing guidelines.

[*English*]

Targets During 1988-89

3135. SHRI VISHNU MODI: Will the Minister of RAILWAYS be pleased to state:

(a) the targets fixed for the year 1988-89 for track renewal, scrap disposal, electrification, manufacture of diesel and electric locomotives and coaches in the country;

(b) the targets achieved; and

(c) the reasons for shortfall, if any?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA):(a) A statement is given below:-

(b) and (c). Since the year will end only on 31.3.89, it is premature to reply at this stage.

STATEMENT

Targets fixed for 1988-89	
1	2
i) Track renewal	3750 km

1	2
ii) Scrap disposal	Rs. 220 crores
iii) Electrification	680 route km.
iv) Manufacture of locomotives:	
a) Electric	110
b) Diesel	184 (including 10 for PSUs)
v) Manufacture of coaches	1642

Seizure of Hashish

3136. DR. PHULRENU GUHA: Will the Minister of FINANCE be pleased to state:

(a) the quantity of hashish seized during 1987 and 1988 and the value thereof ; and

(b) the number of persons arrested during these two years and the number of them convicted?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA) : (a) and (b). Following quantities of hashish (charas) had been seized during 1987 and 1988;

(in Kilograms)

1987	1988
14,796	17,390

In 1987, 2018 persons and in 1988, 2007 persons were arrested for being involved in drug-related crimes. In 1987, 247 persons and in 1988, 333 persons were convicted.

No precise value of the drug seized can.

be estimated as this depends upon various factors like purity, place of origin, local demand and supply, etc.

Agricultural Loans Advanced by Nationalised Banks

3137. SHRI KAMAL CHAUDHRY: Will the Minister of FINANCE be pleased to state:

(a) the amount of agricultural loans advanced by the nationalised banks and the number of persons to whom loans were granted during 1987-88 and 1988-89 (till date) Statewise;

(b) whether Government have exempted or propose to exempt interest on agricultural loans in view of the heavy rains and floods in September, 1988 in Punjab and other States; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The amount of outstanding agricultural advances of public sector banks as well as the number of borrowal accounts as at the end of

December 1985 and December 1986 (latest available) are set out in the Statement below.

RBI has issued instructions to all scheduled commercial banks to extend relief to the persons affected by natural calamities in-

cluding those affected by floods in Punjab. These guidelines inter alia provide for conversion of short-term production loans into medium term loans rescheduling of existing term loan instalments and provision of additional need based loans to the affected persons.

STATEMENT

<i>Name of State/Union Territory</i>	<i>December, 1985</i>		<i>December, 1986</i>	
	<i>Accounts</i>	<i>Amount</i>	<i>Accounts</i>	<i>Amount</i>
	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
<i>Northern Region</i>	16.31	1768.08	17.87	2008.47
Haryana	3.85	350.25	4.27	408.64
Himachal Pradesh	1.19	41.40	1.22	49.44
Jammu & Kashmir	0.48	22.18	0.45	24.09
Punjab	5.82	671.26	6.54	761.82
Rajasthan	4.72	389.54	5.14	459.27
Chandigarh	0.04	185.98	0.05	199.30
Delhi	0.21	107.48	0.20	105.90
<i>North-Eastern Region</i>	2.74	96.06	3.21	117.75
Asam	1.74	63.15	1.90	77.55
Manipur	0.13	3.27	0.14	4.18

<i>Name of State/Union Territory</i>	<i>December, 1985</i>		<i>December, 1986</i>	
	<i>Accounts</i>	<i>Amount</i>	<i>Accounts</i>	<i>Amount</i>
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>
Meghalaya	0.20	6.33	0.21	6.92
Nagaland	0.06	7.97	0.07	9.61
Tripura	0.53	11.89	0.58	15.09
Arunachal Pradesh	0.02	0.53	0.02	1.30
Mizoram	0.01	0.70	0.01	1.10
Sikkim	0.05	2.22	0.27	2.00
<i>Eastern Region</i>	26.31	985.55	29.10	1141.34
Bihar	9.57	401.28	10.40	471.23
Orissa	6.92	223.63	8.17	258.70
West Bengal	9.80	356.37	10.49	409.40
A & N Islands	0.02	1.37	0.04	2.02

Name of State/Union Territory	December, 1985		December, 1986	
	Accounts	Amount	Accounts	Amount
1	2	3	4	5
Central Region	25.38	1434.47	27.27	1628.53
Madhya Pradesh	7.17	450.88	8.08	548.77
Uttar Pradesh	18.21	983.60	19.20	1079.76
Western Region	17.92	1315.49	19.76	1560.96
Gujarat	6.86	471.60	7.49	555.73
Maharashtra	10.75	823.16	11.96	984.79
Goa, Daman & Diu	0.30	20.56	0.30	20.13
Dadra & Nagar Haveli	0.01	0.17	0.01	0.30
Southern Region	71.33	3196.79	77.92	385.42
Andhra Pradesh	26.27	1183.14	27.42	1398.08
Karnataka	14.38	770.54	16.25	927.46
Kerala	9.65	355.83	10.33	404.06

Name of State/Union Territory	December, 1985		December, 1986	
	Accounts	Amount	Accounts	Amount
1	2	3	4	5
Tamil Nadu	20.44	868.54	23.20	1096.72
Pondicherry	0.58	18.44	0.71	23.76
Lakshadweep	0.00	0.30	0.01	0.35
All India	160.00	8793.45	175.14	10307.46

Note: Totals may not add up due to rounding differences

Economic Cooperation With Turkey

3138. SHRI SRIBALLAV PANIGRAHI:
Will the Minister of COMMERCE be pleased to state:

(a) whether Government have a proposal to establish economic cooperation with Turkey:

(b) if so, the details thereof; and

(c) the steps taken to implement those proposals?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). Continuous efforts are being made to expand trade and economic cooperations with Turkey. There is an Indo Turkish Joint Committee on Trade, Economic and Technical Cooperation which has been holding meetings from time to time. Recently during the visit of the Turkish President to India, possibilities of joint collaborations in either country and in third countries and expansion and diversification of trade were discussed. It was agreed that the business organisations in the two countries should establish contacts with each other so as to explore such possibilities.

Extension of Suburban Section Bombay Upto Dahanu

3139. SHRI ANOOP CHAND SHAH:
Will the Minister of RAILWAYS be pleased to state:

(a) whether there is a proposal to extend suburban railway section upto Dahanu on Western Railway from Churchgate instead of Virar;

(b) whether survey for the same is in final stage; and

(c) the details in this regard.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). No, Sir. However, an engineering-cum-traffic survey which includes Virar-Dahanu section is in progress.

Road over bridge on Silchar Badarpur

3140. SHRI SUDARSHAN DAS: Will the Minister of RAILWAYS be pleased to state:

(a) the progress made in the construction of road over bridge at KM 27.67 on Silchar Badarpur Road (N.H. 53) in between Badarpur Ghat and Panchagram Railway stations of Northeast Frontier Railway;

(b) whether there is any delay in execution of the work; and

(c) if so, the reasons therefor and steps taken to expedite the completion of the projects?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Proposal for construction of road-over bridge on Silchar-Badarpur Road (National Highway No. 53) at Km. 27.6. between Silchar and Arunachal Railway stations has been sponsored by the Border Roads Organisation as a deposit work. The General Arrangement Plan has been finalised. The Railway has furnished the detailed estimate to the Border Roads Organisation.

(b) and (c). After acceptance of the estimate and depositing of the estimated cost by the Border Roads Organisation. The work will be taken up for execution.

Export of Colour Picture Tubes to USSR

3141. SHRI KAMAL NATH : Will the Minister of COMMERCE be pleased to state:

(a) the total number of colour picture television tube exported to Soviet Union during the last two years;

(b) the foreign exchange earned therefrom;

(c) the names of the companies which are engaged in the export; and

(d) the names of the new foreign markets explored for export of such tubes?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). Export of Colour Picture Tubes was Freely Permitted in the last two years. These exports have been canalised through ET & T from 4th November, 1988. A provision of export of 6.5. lakh Colour Picture Tubes was made during 1988 for export to USSR. Details of number of colour picture tubes actually exported and foreign exchange earned thereon will be available after the commodity-wise data has been compiled by the DGCI&S. Some of the companies which were involved in these exports are Phoenix, Weston, JCT, Sonodyne etc. The new foreign markets being explored for such export include Hungary, Pakistan, Bangladesh Rumania etc.

Abolition of Grade of Superintendent in New India Assurance Company

3142. SHRIMATI USHA VERMA: Will the Minister of FINANCE be pleased to refer to reply given on 13 March, 1988 to Ustarred Question No. 10965 regarding Claim Inspectors in New India Assurance Company and State:

(a) whether in New India Assurance Company, the technical staff, like Claim Inspectors/Mechanical Engineers etc. were being recruited in the grade of superintendent prior to their recruitment in the grade of Assistant Administrative Officers;

(b) if so, the date since when the grade of superintendent, was abolished; and

(c) the reasons for abolition of the grade of superintendent?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir, Prior to 1973, New India Assurance Company had recruited Motor Claims Inspectors in the grade of Superintendent for survey and assessment of Motor Claims. These were generally Diploma Holders in Automobile Engineering with a few years of practical experience. Most of such Superintendents have since been promoted as Assistant Administrative Officers.

(b) Superintendent's scale was not abolished. However, no recruitment has been made in the grade after 1974.

(c) For administrative reasons, it was decided not to effect recruitment in the grade of Superintendent. The general Insurance (Rationalisation and Revision of Pay Scales and Other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Amendment Scheme, 1985, provides that no fresh appointment to the post of Superintendent shall be made by the company. Nor is there any provision for recruitment to this cadre in the recruitment policy or promotion policy framed by G.I.C.

Indigenous Kit to Detect Drugs

3143. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to refer

to the reply given on 3 March, 1989 to Unstarred Question No. 1331 regarding equipment to check drug trafficking and state:

(a) the approximate cost of the drug identification kit;

(b) whether its performance is satisfactory as compared to the imported one;

(c) the steps being taken to increase its production to meet the demand of the country; and

(d) whether Government propose to export it also?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) to (d). The approximate cost of the drug identifications kit comes to Rs 1,500/- plus taxes. The indigenous kit has been modelled on the United Nations Drug Identification kit. Hence its performance is expected to be comparable with the United Nations kit. However, the field enforcement agencies have been directed to report back about their experiences and suggestions on the performance of these kits. The Hindustan Antibiotics Limited, have plans to manufacture 2000 kits by April, 1989. The present capacity is expected to be adequate to meet domestic requirements, and infact, the firm will be in a position to export. The United Nations Division of Narcotic Drugs have already been addressed in the matter.

Performance of State Trading Corporation

3144. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) the performance of the State Trad-

ing Corporation (STC) in the last three years, year-wise;

(b) whether the STC has taken steps to improve its various export promotion activities; and

(c) if so, the performance of STC on export during the first nine months of 1988-89?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) The performance of State Trading Corporation, in terms of trade turnover, during the last three years has been as follows:-

<i>(Rs in Crores)</i>	
1985-86	2551
1986-87	2735
1987-88	3646

(b) Yes, Sir. STC has taken a number of steps to improve its export promotion activities.

(c) STC's exports during the period April-December, 1988 amounted to Rs 263 crores.

[*Translation*]

Translation of Act In Hindi

3145. SHRI PARASRAM BHARDWAJ: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of central acts which have been translated in Hindi and the number of acts which are yet to be translated;

(b) the arrangement made for the trans-

lation of these acts and whether this arrangement is adequate for this purpose; and

(c) the time by which the remaining acts are likely to be translated in Hindi?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) 1425 Central Acts have been translated into Hindi till 28.2.1989. Two Central Acts, both of them enacted in 1988, remain to be translated. At present certain categories of Acts, such as Temporary Acts, Appropriation Acts and Acts that have become obsolete, are not translated. Some amending Acts which make textual amendments in the principal Acts are not translated separately as they can be incorporated in the principal Acts.

(b) The Official Languages Wing of the Legislative Department has been entrusted with the work of translation of Central Acts. The existing arrangements in this regard are adequate.

(c) This work is likely to be completed in about 6-8 months.

[English]

Desertification Due to Misuse of ground Water Resources

3146. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government have received any reports on the adverse effects of the misuse of ground water resources leading to desertification of vast areas;

(b) if so, the details of extent of water-loss and extent of consequent desertification; and

(c) the steps taken by Government for the conservation and useful harnessing of

the country's water resources?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) No, Sir.

(b) Does not arise.

(c) Measures taken to conserve and utilise the country's water resources include construction of dams and water harvesting structures, afforestation of micro-watersheds in semi-arid areas, integrated land and water management, catchment area treatment, soil conservation and encouraging use of various water saving devices such as drip and sprinkler irrigation systems.

Export of Mutton and Buffalo Meat

3147. SHRI CHINTAMANI JENA: Will the Minister of COMMERCE be pleased to state:

(a) whether mutton and buffalo meat is being exported, if so, the quantity exported during the last three years, year-wise and the foreign exchange earned therefrom;

(b) the agency through which it is being exported and the names of the countries to which exported;

(c) whether some of the countries have banned the import of mutton and buffalo meat from India;

(d) if so, the names of those countries and the reasons therefor; and

(e) the steps being taken to locate more market to boost this trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir. The quantity and value of Mutton and Buffalo meat exported during the last three years has been as under:

Mutton

<i>Year</i>	<i>Quantity (in MT)</i>	<i>Value (Rs. in crores)</i>
1985-86	10,618	24.12
1986-87	9,378	22.97
1987-88	7,968	21.91

Buffalo

<i>Year</i>	<i>Quantity (in M.T)</i>	<i>Value (Rs. in crores)</i>
1985-86	31,623	31.18
1986-87	30,064	45.84
1987-88	51,540	67.04

(b) the meat is being exported by a number of private exporters. The major countries to whom meat is being exported are UAE, Malaysia, Oman, Kuwait and Bahrain.

(c) to (d). Yes, Sir. Saudi Arabia banned import of Buffalo meat from India from 1982-83 because of the reported outbreak of disease among Indian cattles. Kuwait had also imposed a ban which is now partially lifted.

(c) Efforts are being made by APEDA and exporters to locate more markets.

[*Translation*]

**Setting up of Drug Manufacturing Unit
Abroad**

3148. SHRI CHINTAMANI JENA: Will the Minister of COMMERCE be pleased to state:

(a) whether some Indian drug manufacturers propose to set up drug manufacturing units abroad;

(b) if so, the names of such manufacturers and the names of the countries where they propose to set up drug manufacturing units; and

(c) whether clearance has been given by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). A proposal has been received from M/s. Unichem Laboratories Ltd. for setting up a Joint Venture in USSR for the production of drugs.

(c) No, Sir.

[*English*]

**Bringing of Colour TV sets and VCRs
From Hong Kong and Singapore**

3149. SHRI JAGANNATH PATTHAIK: Will the Minister of FINANCE be pleased to state:

(a) whether some organised syndicates send Indian 'tourists' regularly to Hong Kong

and Singapore for just two or three days to bring back colour TV sets and VCRs to be sold by the syndicates at a premium;

(b) if so, the number of TV sets and VCRs being brought into the country on an average per day during the last one year; and

(c) the corrective measures taken or Government proposed in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) The Government are not aware of any organised syndicate sending Indian 'tourists' regularly to Hong Kong and Singapore for just two or three days to bring back colour TV sets and VCRs, to be sold by the syndicates at a premium. However, reports received indicate that certain persons arrange for the importation of electronic equipments such as T.V. sets for sale in the market by sending carriers to Singapore, Hong Kong and Bangkok for short visits.

(b) The Government do not maintain any statistics in this regard.

(c) The Collectorates are advised to conduct raids on hawkers and dealers dealing in such notified goods. Passengers baggage, arriving on flights from Singapore and Hong Kong is subjected to greater scrutiny. Out-right confiscation is resorted to by Adjudicating Officers where merchandise is brought in the guise of baggage.

Foreign Banks Operating in India

3150. SHRI JAGANNATH PATTHNAIK: Will the Minister of FINANCE be pleased to state:

(a) the number of foreign banks operat-

ing in India alongwith the number of branches of each bank;

(b) the profits made by each of them from their operations in India during the last three years;

(c) whether the deposits in the foreign banks are increasing every year; and

(d) if so, the steps being taken by Government to attract deposits to the nationalised banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India (RBI) has reported that at present 21 foreign banks are having 137 operating branches in India. The bank-wise details of the number of branches and the profits made by these banks during the last three years are given in the Statement below:-

(c) and (d). The deposits of the foreign banks operating in India have increased from Rs. 2680.90 as on the last Friday of December, 1985 to Rs 5276.27 as on the last Friday of December, 1988. There has been a steady increase in the aggregate deposits of nationalised banks also during the last four years and the figures are as follows:

(Amount in Rs. Crores)

December, 1985	52366.91
December 1986	63666.71
December, 1987	74135.81
December, 1988	88693.57

Mobilisation of deposits is an important activity of the nationalised banks and they strive for these through their service banking facilities.

STATEMENT

(In crores of Rupees)

Sl. No.	Name of the Bank	No. of Branches	Profits		
			1985	1986	1987
1	2	3	4	5	6
1.	Grindlays Bank p.l.c.	56	7.68	14.05	16.86
2.	Citibank N.A.	6	8.10	8.35	7.56
3.	The Hongkong and Shanghai Banking Corporation	20	4.80	5.28	11.27
4.	Standard Chartered Bank	24	1.87	9.17	4.63
5.	Bank of Credit and Commerce International (Overseas) Ltd.	1	2.14	8.84	5.70
6.	American Express Bank Ltd.	3	0.87	5.00	6.88
7.	Bank of America National Trust and Savings Assn.	4	5.35	8.32	3.24
8.	The Bank of Tokyo Ltd.	3	1.24	3.76	0.47
9.	The British Bank of the Middle East	1	1.09	1.22	2.75

Sl. No.	Name of the Bank	No. of Branches	Profits		
			1985	1986	1987
1	2	3	4	5	6
10	Banque Nationale De Paris	5	0.38	1.50	1.24
11.	Algemene Bank Netherland N.V.	3	0.98	1.00	1.27
12.	Banque Indosuez	1	0.61	0.62	1.40
13.	Deutsche Bank A.G.	2	0.52	0.53	0.42
14.	Bank of Oman Ltd.	1	0.41	0.34	0.46
15.	Societe Generale	1	0.04	0.64	0.13
16.	Oman International Bank, SAO	1	(-) 0.13	0.60	1.14
17.	Abu Dhabi Commercial Bank Ltd	1	(-) 0.04	0.08	0.09
18.	The Mitsui Bank Ltd.	1	0.36	0.26	0.36
19.	The Bank of Nova Scotia	1	(-) 0.01	0.30	0.41
20.	Sonali Bank	1	0.15	0.20	0.19
21.	The Bank of Bahrain and Kuwait B.S.C.	1	--	--	0.12

(-) : Indicates Loss.

Raids to Unearth Excise Duty Evasion

3151. SHRI MOHANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have launched country-wise raids to unearth excise duty evasion during the year 1988;

(b) if so, the areas where Government have launched such raids;

(c) the outcome thereof; and

(d) the action Government have taken against the persons involved in such evasion?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) to (d). To unearth Evasion of Central Excise duties is an on-going policy of Government. During the year 1988 a total number of 5334 cases of evasion of Central Excise duties were detected all over India involving duty to the tune of Rs. 352.22 crores. A total number of 1543 searches were conducted during this period all over India. The value of goods seized in the year 1988 is approximately Rs 42.16 crores.

After issue of show cause notices in cases detected, adjudication proceedings are carried out by departmental officers. In the adjudication proceedings, apart from demanding duty, fines and penalties are also imposed depending upon the merits of each case. Prosecution proceedings in deserving cases are also launched in addition to above action. The number of prosecutions launched during the year 1988 is 130.

Detention charges for Tourist Carriages

3152. PROF. MADHU DANDAVATE: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways have increased detention charges for tourist carriages from Rs 500/- per day to Rs 2400/- per day;

(b) if so, whether this will adversely affect the promotion of tourism by conducted tours; and

(c) if so, whether concessions for educational tours will be granted?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Detention charges have been revised for non air conditioned reserved carriages, tourist cars/saloons from Rs 250/- for 12 hours or part thereof to Rs 100/- per hour .

(b) No, Sir.

(c) Does not arise.

Civic Amenities to Slums in Bombay

3153. PROF. MADHU DANDAVATE: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Maharashtra Government has asked for the transfer of tenure to the beneficiaries as a part of slum clearance on Railway land and provision of civic amenities in Bombay; and

(b) if so, whether the Central Railway has given necessary clearance?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) No, Sir.

Feed Cost Factor in Acquaculture

3154. PROF. MADHU DANDAVATE: Will the Minister of COMMERCE be pleased to state:

(a) whether feed cost forms a large component in the cost of production in aquaculture, mainly an export oriented industry;

(b) if so, whether the industry is dependent on imported prawn feed till the indigenous feed factories come up in adequate numbers; and

(c) if so, whether Government will withdraw the import duty on the imported prawn feed to enable the exports to effectively compete in world market?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) Yes, Sir. In India, so far no company is manufacturing nutritionally balanced, high energy, quality prawn feed.

(c) Government has already given duty concession on import of prawn feed by reducing the import duty to 35% effective from 16.5.1988.

Loans Advanced by State Bank of India

3155. SHRI SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state:

(a) the total advances made by State Bank of India during 1988;

(b) the advances made to various priority sectors, sector-wise, during the last year;

(c) the proportion of priority sector lending by the State Bank of India directed towards the weaker sections, the minorities, the Scheduled Castes and Scheduled Tribes etc. during the year, by target group; and

(d) whether any direction has been given to the State Bank of India for increasing the share of the weaker sections in their total lending as well as in the priority sector lendings?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). The RBI has reported that present data reporting system does not yield information on advances made during a year. However, the outstanding bank credit of State Bank of India as at the end of Dec. 1988 was Rs. 18824 crores. Sector-wise break-up of priority sector advances of State Bank of India outstanding as at the end dec. 1988 are set out below:-

<i>Total Priority Sector Advances</i>	<i>Rs. 8478 crores</i>
i) Advances to Agriculture	Rs. 3489 crores
ii) Advances to Small Scale Industries	Rs. 3560 crores
iii) Advances to other priority sectors	Rs. 1429 crores.

(c) and (d). The proportion of outstanding advances as at the end of December 1988 in favour of weaker sections (including member of SC/ST) was 25.1% of priority sector advances outstanding as on that

date. All scheduled commercial banks including State Bank of India, have been advised to provide 40 per cent and 10 per cent of their total credit towards priority sectors and weaker sections respectively.

State Bank of India has crossed these targets as at the end of December, 1988.

Import and Export of Cashew Nuts

3156. SHRI SYED SHAHABUDDIN: Will the Minister of COMMERCE be pleased to state:

(a) the quantity of raw cashew nuts imported during the last three years, year-wise;

(b) the quantity of processed cashew nuts exported during the same period, year-wise;

(c) the steps taken for promoting the production of raw nuts in the country;

(d) the percentage of processed cashew nuts exported in bulk as distinct from retail packaging; and

(e) the average per unit cost of import and value of export for the latest year for which the figures are available?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Quantities of raw cashewnuts imported during the last three years:

1985-86	1986-87	1987-88 (p*)
23310 MT	49045 MT	42256 MT

Note* (P) Provisional.

Source: Cashew Export Promotion Council, on the basis of figures from DGCI & S, Calcutta and Customs Houses.

(b) Quantities of Cashew Kernels (proposed from raw cashewnuts) exported during the last three years:

1985-86	1986-87 (P)	1987-88 (P*)
37097 MT	41759 MT	36949 MT

Note: (P) Provisional .

Source: Cashew Export Promotion Council, on the basis of figures from DGCI& S, Calcutta and Customs Houses.

(c) The major steps taken for promoting the production of raw nuts in the country relate to:

- i) increasing in the acreage under cashew
- ii) increasing the productivity by use of high yielding varieties, pest control and improved farm techniques.
- iii) conducting research aimed at increasing productivity.

(d) value wise exports of retail consumer packets of roasted and salted cashew kernels account for about 0.2% of the value of total exports of cashew kernels.

(e) For the Year 1987—88 (p) the unit cost of import was Rs. 15.92/Kg. and (ii) the value of exports of cashew Kernels was Rs. 322.71 crores.

Source: Cashew Export Promotion Council, based on figures from DGCI&S and Customs Houses.

Heroin Seized in Bombay

3157. SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-items captioned, "Heroin worth 5 crore seized" appearing in the 'Indian Express' dated 11 February, 1989;

(b) if so, the details thereof;

(c) whether any arrest has been made; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). Yes, Sir. The officers of Narcotics Control Bureau, Bombay had effected a seizure of 5 kgs. of heroin on 8.2.1989 from a hotel in Bombay.

No precise value of the drug seized can be estimated as this is dependent upon various factors like purity, place of origin, local demand and supply, etc.

In this connection, two Nigerians have been arrested for appropriate action under the Narcotic Drugs and Psychotropic Substances Act, 1985

Cultivation of Ganja in Kerala

3161. SHRI MULLAPPALLAY
RAMACHANDRAN:
SHRI P.A. ANTONY:

Will the Minister of FINANCE be pleased to state:

(a) whether cultivation of Ganja is on the increases in Kerala;

(b) if so, the details thereof including the places of such cultivation;

(c) the extent of Ganja cultivation destroyed and the quantity of Ganja seized in 1988 in Kerala by the concerned authorities; and

(d) the main Districts in Kerala where this cultivation was destroyed?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). Reports received indicate that illicit cultivation of ganja is undertaken in certain pockets of Idukki district of Kerala like Mathikettanpara, Kambakkal, Kadaveri, Kottakombu, Vattavadai, etc. In 1988, 867 acres of such cultivation was destroyed and 7,096 kgs. of ganja seized by the authorities concerned.

Mutual Fund Business by Private Sector Units

3162. SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to the news-item appearing in the Hindustan Times of 14 February, 1989 where in it has been stated that private sector units may be allowed to enter mutual business;

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Government has not allowed private sector units to enter the mutual fund activity.

(b) and (c). Do not arise in view of reply to (a) above.

[*Translation*]

Ghaggar River Flood protection Scheme in Rajasthan

3164. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of WATER RESOURCES be pleased to state:

(a) the places where the flood water of Ghaggar river collects in Himachal Pradesh, Punjab and Haryana;

(b) whether Government propose to utilise the flood water of Ghaggar river thus collected; and

(c) if so, the amount provided to Government of Rajasthan for this purpose and the details of scheme prepared to save the areas from damages by flood water?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) The flood water of river Ghaggar at present collects at Ottu Weir in Haryana and in the depressions in Rajasthan.

(b) Utilisation of waters of river Ghaggar for irrigation is envisaged in the Bhakra Nangal Agreement 1959. Haryana is already utilising the supplies in river Ghaggar at Ottu Weir for irrigation and Rajasthan is utilising the flood waters which flow down Ottu Weir for inundation irrigation in the river bed. Rajasthan also proposes to utilise the waters collected in the depressions.

(c) In order to save the areas from damages by flood waters of river Ghaggar, Ghaggar Flood Control Scheme was taken up by the Government of Rajasthan for which a Central loan assistance of Rs. 100 lakhs was provided during the Sixth Five Year Plan. Government of Haryana also

propose to construct Jaspur barrage on river Tangri and Dhanaura barrage on river Markanda, which are tributaries of river Ghaggar, for irrigation and flood control. These schemes were earlier examined in the Central Water Commission and detailed investigations have been recommended by the Advisory Committee.

[*English*]

Procurement from Iron Ore Mines in Orissa

3165. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state:

(a) the names of different iron ore mines in Orissa from which the Minerals and Metals Trading Corporation MMTC has been procuring iron ore; and

(b) the total quantum of iron ore procured by MMTC from different iron ore mines in Orissa in 1986-87, 1987-88 and 1988-89 till date?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) A list of iron ore mines in Orissa from which MMTC has been procuring iron ore is given in the Statement below:-

(b) The quantities of iron ore procured by MMTC from different Iron ore mines in Orissa during the last three years are as under:-

<i>Quantity in lakh tonnes</i>	
<i>Year</i>	<i>Quantity</i>
1986-87	20.25
1987-88	19.21
1988-89 (Upto January 1989)	9.23

STATEMENT

1. Banspani Iron Ore Mines
2. Jajang
3. Jhilling-Langalota
4. Murgaberda
5. Khand Bandh
6. Gurubeda
7. Baitarani
8. Joruri
9. Oliburu
10. Khundapani
11. San-Indupur
12. Roida
13. Kasia
14. Seramda
15. Guali
16. Gandamardan
17. Daitari
18. Tonke
19. Urmundi
20. Gorumahisani (Gumi)
21. Badampahar
22. Baldaguda
23. Kalaparoat

24. Chamakpur
25. Raikela
26. Oraghat
27. Noagaon
28. Bonai
29. Barsuan
30. Bhanjapalli
31. Kasira
32. Barpada-Kasia
33. Dalki
34. Ghatkuri
35. Koira
36. Putlipani
37. Nadidi

World bank Aided Gujarat Rural Road Project

3166. SHRI RANJIT SINGH
GAEKWAD : Will the Minister of FINANCE
be pleased to state:

(a) whether the World Bank aided
Gujarat Rural Road Project is pending clear-
ance for a considerable time;

(b) whether the World Bank has agreed
to finance the project;

(c) if not, the reasons therefor; and

(d) the steps taken for its clearance?

THE MINISTER OF STATE IN THE

DEPARTMENT OF ECONOMIC AFFAIRS
IN THE MINISTRY OF FINANCE (SHRI
EDUARDO FALEIRO): (a) No, Sir.

(b) to (d). Agreements were signed with the World Bank on 12th May 1987 for an IDA credit of \$ 119.6 million for financing the Gujarat Rural Roads Projects.

**Raids on the Premises of Customs/
Income-Tax/Sales Tax Officers**

3167. SHRI MOHANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) the number of Customs Officers, Income tax Officers and Sales tax Officers whose premises were raided during the current year;

(b) the value of unaccounted money and other goods seized from their premises.

(c) whether action has been taken by Government in each case; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) During the current year i.e. 1.1.1989 to 10.3.1989, 23 searches were conducted by various branches of the C.B.I on the residential/office premises of 18 officers of Customs and 1 officer of Income Tax Department in connection with investigation of 8 cases registered against them on the allegation of having acquired assets disproportionate to the known sources of their income and showing undue official favour to the private persons/ parties. No raid was conducted on the office/residential premises of Sales Tax Officers.

(b) During the course of searches the following movable/immovable Assets have

been discovered.

Cash, FDRs, NSCs, Bank Balances etc.

:

Rs. 54,78,230.00

Movable Assets Like TVs, Fridge and other costly house holds

:

Rs. 13, 30,838.00

Immovable Assets like Flat, House and Plot

:

Rs. 11.92,000.00

Besides a number of incriminating documents relating to above cases were seized.

(c) and (d). Investigation is in progress and action according to law will be taken after finalization of the investigation.

Transportation of Coal to TPS and SEB

3168. SHRI RANJIT SINGH GAEKWAD: Will the Minister of RAILWAYS be pleased to state:

(a) the per tonne/k.m. freight being charged for transportation of coal to different power stations in Gujarat during the last three years;

(b) the total amount received from Gujarat against transportation of coal from mines to the Thermal Power Stations of the State and the total quantity transported during this period;

(c) whether there is delay in making payment of rail freight by the Gujarat Electricity Board and the large amount is pending for payment against transportation of coal;

(d) if so, the details thereof;

(e) the reasons given by the Gujarat Electricity Board for delayed payment; and

(f) Government's reaction thereto?

vary according to the distance for charge from the particular colliery to the Thermal Power Station concerned.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Thermal Power Stations in Gujarat get coal from different collieries and the freight charges

(b) Approximate figures of amount of freight charges received from Power Houses in Gujarat for transportation of coal, and quantity of coal moved are given below:

<i>Year</i>	<i>Amount received (Rs in Crores)</i>	<i>Quantum of coal received (Million Tonnes)</i>
1985-86	141	5.9
1986-87	202	7.6
1987-88	280	9.4

(c) Yes, Sir.

(c) the time scheduled for its completion?

(d) to (f). An amount of Rs. 38 Crores was outstanding against Gujarat Electricity Board on 31.12.1988. Delay in payment of railway dues is on account of non-release of funds against Credit Note-cum-Cheques tendered by Gujarat Electricity Board and their disputing the freight payable in accordance with the provisions of the Tarrif. Clearance of outstanding dues is being constantly pursued with the authorities concerned.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). Computerised passenger reservation system at one station, viz. Ahmedabad, on Vadodara Division in Gujarat has been planned. The project is estimated to cost Rs. 8 crores approximately and is scheduled to be completed by December 1989.

Computerised Passenger Reservation in Vadodara Division

3169. SHRI RANJITSINGH GAEKWAD: Will the Minister of RAILWAYS be pleased to state:

(a) whether computerisation of passenger reservation on a number of stations of Vadodara Division in Gujarat has been planned for completion in near future;

(b) if so, the details of the stations included for computerisation of passenger reservation system, estimated cost involved with respect to each station; and

Prices of Gold and Silver

3170. SHRI S.M. GURADDI:
SHRI G.S. BASAVARAJU:

Will the Minister of FINANCE be pleased to state:

(a) the prices of gold and silver during 1989;

(b) whether there has been steep rise in their prices; and

(c) if so, the details thereof and the steps proposed to be taken to reduce the prices?

THE MINISTER OF STATE IN THE
DEPARTMENT OF REVENUE IN THE
MINISTRY OF FINANCE (SHRI A.K.

PANJA): (a) Average prices of Gold and
Silver in 1989 at Bombay in Rupees.

	<i>Per 10 gms. Standard gold</i>	<i>Per 1 kg. of silver</i>
Jan. '89	3253	6585
Feb'89	3261	6784

(b) and (c). There was no steep rise in gold prices. Silver prices have risen by about Rs 200/- only during February, 1989. However since these are not essential commodities Government does not regulate their prices.

Trade Between India and Pakistan

3171. SHRI S.M. GURADDI:
SHRI T.V. CHAN-
DRASHEKHARAPPA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the State Bank of Pakistan has allowed banks and authorised dealers to accept export letters of credit received from India directly in favour of private sector parties in Pakistan;

(b) if so, whether some other measures were taken by Pakistan to ease trade norms in respect of India; and

(c) if so, the details thereof?

THE MINISTER OF COMMERCE
(SHRI DINESH SINGH): (a) Yes, Sir.

(b) and (c). Banks in Pakistan have also been allowed to open letters of credit for imports from India for specified items on behalf of private sector units without referring to the public sector agency concerned

with imports. This development follows the notification of 24th April, 1988 by the Pakistan Government of 249 items which can be imported by private parties in Pakistan from India.

Improvement of Private Sector in Trade with USSR

3172. SHRI S.M. GURADDI:
SHRI T.V. CHAN-
DRASHEKHARAPPA:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Ministries of Industry and Commerce have worked out some plans for private sector joint venture with the Soviet Union;

(b) if so, whether any talks between the two countries have been held;

(c) if so, the outcome thereof;

(d) whether the Soviet Union has shown keen interest in involvement of private sector in the trade between the two countries; and

(e) if so, the details of agreements arrived at in this regard?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P.R.
DASMUNSI): (a) to (e). Both Soviet Union

and India are making joint efforts to promote trade and New Forms of Cooperation including setting up of joint ventures in India, in USSR and in third countries, production cooperation, cooperation in services sector, etc. These cover both public and private sector units. A number of joint venture proposals in various areas such as leather, textiles, forest based products, chemicals, electronics, etc. are being negotiated between concerned Indian and Soviet organisations.

The 12th meeting of the Inter-Governmental Indo-Soviet Commission on Economic, Scientific and Technical Cooperation held in New Delhi from 7th to 9th March, 1989 decided to set up within its framework a separate Working Group on New Forms of Cooperation in order to facilitate and promote New Forms of Cooperation including production cooperation, joint ventures and direct links between India and Soviet enterprises. The first meeting of Working Group is scheduled to take place in Moscow some time in May-June, 1989.

Customs Duty Exemption to Cold Storage Plants for Karnataka Sericulture Project

3173. SHRI M.V. CHANDRASEKHARA MURTHY:
SHRI V. SREENIVASA PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Karnataka has repeatedly urged Union Government to grant customs duty exemption to the cold storage plants imported from Japan for the Karnataka Sericulture project;

(b) whether Union Government have since agreed to provide customs duty ex-

emption in this regard; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). Yes. Sir.

(c) Government have exempted the 13 cold Storage Plants imported under the Karnataka Sericulture Project, from so much of the customs duty as is in excess of 45% ad valorem, involving a revenue loss of Rs. 7 crores approximately.

[Translation]

Fly over in U.P.

3174. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to state:

(a) the names of places in Uttar Pradesh where Government propose to construct fly-overs on railway lines during 1989-90.

(b) whether fly-overs at level crossings near Hapur, Moradabad and Rampur are also proposed to be constructed; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Road-over bridges at Subedarganj (Allahabad), Hardoi, Phaphamau, Rai-Barelli, Nishatganj (Lucknow) and Road-Under bridge at Ghaziabad (Gaushala) have been proposed for sanction in the Railways, Work, Programme 1989-90. Besides, 17 road over/under bridges sanctioned earlier are in various stages of progress.

(b) and (c). A Road-over bridge at Moradabad has been commissioned to traffic in August 1988. The State Government has not sponsored proposal for construction of Road-over bridge near Hapur, Rampur and at any other location near Moradabad.

Hill Allowance to Bank Employees

3175. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether he is aware that the employees of some Central Government Organisations such as Life Insurance Corporation etc. Posted in hilly areas of Uttar Pradesh are paid Hill Allowance;

(b) if so, whether this allowance is also paid to the employees working in Nationalised Banks; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Employees of the Life Insurance Corporation are entitled to get Hill Allowance in terms of the provisions of various notifications issued by Insurance division of this Ministry.

(b) and (c). The award staff and officers in the public sector banks are paid this allowance in accordance with the provisions of the Bipartite Settlements and Officers Service Regulations, respectively.

Upgradation of Cities

3176. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has received representation for upgradation of Trivandrum, Chandigarh and Tirupati cities for the

purpose of grant of allowances to Central and State Government employees;

(b) whether Government are aware that due to heavy influx of tourists in these cities, the price index there is higher than in other cities; and

(c) if so, whether Government propose to upgrade these cities during the current financial year?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Yes, Sir. Representations have been received for upgradation of these cities for the purpose of allowances to Central Govt. employees.

(b) Although the Consumer Price Index Numbers for Industrial Workers are available for Trivandrum and Chandigarh (but not Tirupati), these indices can not be used for comparison of costliness among different centres, as they have different consumption baskets based on different consumption habits and family sizes.

(c) No, Sir. Upgradation is related to increase in population and not to costliness of cities.

Railway Examination Centre in U.P.

3177. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to state:

(a) the number of examination centres in U.P. for various examinations being conducted by the Railways;

(b) the locations of those centres and whether a proposal to open such centre in Almorà also is under consideration of his Ministry; and

(c) if so, by what time a decision in this

regard is likely to be taken?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Railway Recruitment Boards, which conduct examinations for recruitment to Group 'C' posts, on the Railways, open examination centres, wherever justified. The number of these centres varies from time to time.

In Uttar Pradesh, Cities such as Allahabad, Lucknow, Kanpur, Gorakhpur, Varanasi, Agra, Bareilly, Pilibhit, Sitapur etc. are chosen as examination Centres by the Railway Recruitment Boards.

No request for fixing an examination centre at Almora has, however, been received by the Railway Board.

Prior approval of the Ministry of Railways is not necessary for opening of examination centres by Railway Recruitment Boards.

(c) Does not arise in view of reply to parts (a) & (b).

[English]

3178. **SHRI S.B. SIDNAL:**
SHRI T.V. CHANDRASHEKHARAPPA:

Will the Minister of COMMERCE be pleased to state:

(a) whether Government have decided to take urgent steps to resolve the trade disputes concerning exports and imports;

(b) if so, the details thereof

(c) whether any committee has been appointed in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) The Export Commissioner in the Office of Chief Controller of Imports & Exports has been designated as Nodal Officers for the purpose of dealing with trade disputes and complaints and to ensure that the same are resolved expeditiously. Trade Dispute Cell has been set up in the Office of the Chief Controller of Imports & Exports for the purpose. Guidelines for settlement of trade disputes and complaints have been formulated and sent to all concerned who are generally receiving such complaints.

(c) and (d). Regional Sub-Committees on Quality Complaints have been set up at Bombay, Calcutta, Cochin, Delhi, Madras, Ahmedabad Bangalore and Kanpur to examine complaints on quality and ensure prompt settlement to redress the grievance of overseas buyers.

Minimum contesting age for elections

3181. **SHRI V. KRISHNA RAO:** Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether there is a great demand from various sections of the society in the country for reducing the minimum contesting age to 22 years; and

(b) if so, the reaction of Union Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) No, Sir.

(b) Does not arise

Suggestion of FIEO For concessions to Boost Exports

**3182. SHRI H.N. NANJE GOWDA:
SHRI BANWARI LAL PURO-
HIT:**

Will the Minister of COMMERCE be pleased to state:

(a) whether the Federation of Indian Export Organisations (FIEO) has urged Government to provide some concessions to boost export performance;

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

(c) whether Government propose to provide any concession to exporters to improve export performance; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) FIEO has submitted a paper 'Mid-term Appraisal of Exports' containing various suggestions inter-alia raising the investment of SSI units, lowering of interest rates on export finance, disbursement of CCS/duty drawback through Commercial banks, strengthening of Indian Missions abroad and value addition norms of 100% EOUs etc.

(b) Government has recently reduced interest rates on pre and post shipment export finance. The advantage of disbursement of CCS and duty drawback through Commercial Banks is also being explored.

(c) and (d). Exporters are provided relief through CCS, duty drawback, REP Scheme, concessional export finance and Duty Exempted Import Licenses like Advance Licence and Import Export Pass Book Scheme

Rubber Production

3184. SHRI RADHAKANTA DIGAL:
Will the Minister of COMMERCE be pleased to state:

(a) the annual rubber production in the country in last three years, year-wise ; and

(b) the steps taken to increase the production and the results thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) The production of natural rubber during the last 3 years has been as under:

1985-86 200, 465 MTs

1986-87 219,520 MTs

1987-88 235, 197 MTs

(b) For encouraging natural rubber cultivation/production/productivity the measures implemented by the Rubber Board already include:

i) rubber plantation development scheme;

ii) scheme for acceleration of development in non-traditional areas;

iii) establishment of nurseries and distribution of planting materials;

iv) supply of estate inputs to small holders on subsidised rates;

v) advisory and training services;

vi) scheme for promoting irrigation in rubber plantation; and

vii) community marketing and processing.

It is only a result of these measures that the production of natural rubber has increased from 146,987 tonnes in 1977-78 to 236,197 tonnes in 1987-88 and they yield per hectare improved from 770 kg. to 944 kg.

Commercial Borrowing

3187. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to the reply given on 5 August, 1988 to Unstarred Question No. 1581 regarding percentage of commercial borrowings in foreign debt and state:

(a) the break-up commercial borrowings, country-wise;

(b) the break-up of the estimated interest paid/payable on commercial borrowings during 1987-88 and 1988-89, country wise, and

(c) the additional commercial borrowings during 1987-88 and upto 31.12.88?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Countries-wise break-up of credit/borrowing is possible only in case of Bilateral Credit. In the case of commercial borrowing where creditors are generally banks or other institutions with transnational character operating out of various countries, such break-up is not practicable.

(b) For reasons stated above, it is not practicable to calculate country-wise break-up of estimated interest paid/payable. However, the estimates of total interest paid/payable on 1987-88 and 1988-89 on commercial borrowings are as under:-

<i>Year</i>	<i>Rs. Crores</i>
1987-88	888.40
1988-89	1.048.73

(c) The additional commercial borrowing committed during 1987-88 and upto 31.12.88 in 1988-89 financial year is as under:

<i>Year</i>	<i>Rs. Crores</i>
1987-88	2654.48
1988-89 (Upto 31st December, 88)	3273.93

Debt Trap

3188. SHRI JITENDRA PRASADA: Will the Minister of FINANCE be pleased to state:

(a) whether his attention has been drawn towards the news-item captioned "India falling into debt trap" appearing in the Hindustan Times dated 31 January, 1989;

(b) if so, the reaction of Government thereto; and

(c) the remedial steps proposed to be taken to meet the grim fiscal situation

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes Sir.

(b) and (c). The overall external debt position of the country is within manageable limits. The level of country's external indebtedness and the likely burden of the debt servicing are constantly kept in view to ensure that the debt servicing liability remains within prudent limits.

To strengthen the viability of India's external payments Government has been following policies to accelerate exports and ensure efficient import substitution with a view to reducing dependence on external

debt. The Union Budget presented recently also outlines various measures towards export enhancement, efficient import substitutions and containment of non-essential imports.

Financial Crisis in States

3189. SHRI PRAKASH CHANDRA:
SHRI DHARAM PAL SINGH
MALIK:

Will the Minister of FINANCE be pleased to state:

(a) whether some State Governments are under grave financial crisis;

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

(c) the reasons for the financial crisis;

(d) whether any steps have been taken by Union Government to avert the financial crisis of all the State Governments and ;

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) No, Sir.

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

Seizure of Brown Sugar in Bombay

3190. SHRI PRAKASH CHANDRA:
SHRI GURUDAS KAMAT:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the press report appearing in the Hindustan Times dated 15 February 1989 wherein it is stated that brown

sugar worth Rs. 81 crores has been seized near Bombay;

(b) if so, the details thereof;

(c) the action taken in this regard;

(d) the estimated quantity of brown sugar seized by Government during the last six months; and

(e) whether any steps have since been taken by Government to remove/stop this evil from the country and if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (e). Yes, Sir. On 14. 2. 1989, the officers of the Flying Squad of Prohibition & Excise Department of the Government of Maharashtra had seized 80 kgs. of brown sugar/heroin from a storage point at Madanpura, Bombay, consequent to the apprehension of one Mohd. Sahib Mohd. Zuber at Hotel Heritage at Central Bombay and recovery of 1 kg of heroin from him. In this connection, 7 persons in all had been arrested (including two from Pakistan) and remanded to judicial custody till 14.3.1989.

No precise value of the drug seized can be furnished as this is dependent upon various factors like purity, place of origin, local demand and supply etc.

In the last six months from September, 1988 to February, 1989, 1,785 kgs. of heroin (including brown sugar) were seized).

A number of aggressive countermeasures have been launched by the Government which, *inter alia*, include provision of deterrent punishments against drug-traffickers, strengthening of preventive and intelligence machinery (especially in and around borders and vulnerable areas adoption of

liberalised reward scheme for both officers and informers, strengthening of bilateral co-operation between neighbouring countries (including regional co-operation under the aegis of SAARC). The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Act, 1988 provides for preventive detention upto a maximum period of 2 years for drug related crimes. 250 persons have so far been detained under the said Act.

The Narcotic Drugs and Psychotropic Substances Act, 1985 has also been amended to strengthen it further. The Amendments, *inter alia*, include provision for forfeiture of illegally acquired property derived from or used in illicit trafficking of drugs; criminalising the activity of financing drug trafficking and death penalty on second conviction for specified offences.

[*Translation*]

Conversion of Hanumangarh-Suratgarh Railway Line

3191. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of RAILWAYS be pleased to state:

(a) whether the broad gauge line between Hanumangarh and Suratgarh has been completed;

(b) whether canal loop between Hanumangarh and Suratgarh is still a metre gauge line;

(c) whether the major commercial marketing centres of Gang Canal and Indira Gandhi Canal are suffering heavy losses because of their being located on this metre gauge canal loop line; and

(d) if so, whether Government propose to convert the canal loop line between Hanumangarh and Jaitsar into broad gauge to

save these marketing centres from incurring losses?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes Sir.

(b) Yes, Sir.

(c) and (d). Railways have no knowledge regarding losses suffered by concerned marketing centres, however, there is no proposal for conversion of canal loop line between Hanumangarh and Jaitsar into BG at present.

Measures to Check Sand Accumulation at Ganga Nagar Jaipur Rail Line

3192. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of RAILWAYS be pleased to state:

(a) since when the work of replacement of old tracks and gravel laying work from Ganganagar to Jaipur is being done and by what time this work is expected to be completed;

(b) whether sand accumulates at various places on Ganganagar-Jaipur rail line during the months of May and June as permanent arrangement has not been made to check this sand accumulation; and

(c) if so, whether any such arrangement is proposed to be made?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Work of replacement of track over due renewal and ballasting of unballasted track of the section, Sriganganagar to Jaipur, is being done since 1983-1984 and expected to be completed by 1991-92 subject to availability of funds.

(b) and (c). Sand accumulates on the

track during dust storms, which is removed by the track maintenance gangs. No permanent solution to the problem has been found so far. However, tree plantation is being undertaken wherever possible, to mitigate the problem.

Speed of Ganga Nagar Express

3193. SHRI MANPHOOL SINGH CHAUDHARY: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Ganganagar Express is in a dilapidated condition in respect of coaches and passenger amenities;

(b) whether Government propose to take steps in this regard and attach one two tier AC coach to it;

(c) whether the train runs at a slower speed between Ganganagar and Jaipur; and

(d) whether in order to increase its speed Government propose to attach diesel engine to it?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir, Both the rakes of Ganganagar Express have been renovated on 12th Jun. & 17th July, 1988 and are in good condition.

(b) There is no proposal to attach AC Coach to this train.

(c) No, sir.

(d) No, Sir.

Committee to Involve NRIs in Export promotion

3194. SHRI SHANTI DHARIWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether Government had taken a decision in September, 1988 to invite Non-Resident Indians for discussions for promoting India's export trade;

(b) if so, whether Government have already constituted a committee for this purpose; and

(c) if so, the details thereof and the issues discussed by the committee with them so far?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). A High Level Committee of Non-Resident Indians abroad for promoting India's foreign trade was set up under the Chairmanship of Commerce Minister in February, 1988. It comprises of Minister of State for Commerce (Vice-Chairman) Commerce Secretary, a Joint Secretary and 17 other members representing NRIs in different countries. The first meeting of the committee was held on 9th September, 1988 in which various issues connected with India's foreign trade were discussed in regard to projection of the image of Indian goods abroad, quality control aspects, problems relating to freight and role of NRIs in exports from India.

Ukniya Railway Station (Western Railway)

3195. SHRI SHANTI DHARIWAL: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government had received any proposal for development of Ukniya Railway Station (Kota Division, Western Railway);

(b) if so, the estimated expenditure likely to be incurred thereon; and

(c) the time by which this work is expected to be completed?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) There is no railway station named Ukniya on Western Railway

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

Change in Timing of Kota-Chittorgarh Train

3196. SHRI SHANTI DHARIWAL Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received a demand for changing the timings of Kota-Chittorgarh train from the passengers travelling between Kota and Chittorgarh;

(b) if so, whether Government have taken any action in this regard; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) to (c). Kota-Chittaurgarh line is still under construction.

Halt of Frontier Mail at Ramganj Mandi

3197. SHRI SHANTI DHARIWAL: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received any proposal to halt the Frontier Mail at Ramganj Mandi Railway Station;

(b) if so, the action taken thereon; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) yes, Sir.

(b) and (c). Three pairs of trains running between Bombay Central and New Delhi are adequately serving the traffic requirements of this station.

[*English*]

Second Class Non-AC Sleeper Coaches

3198. SHRIMATI KISHORI SINHA: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is any proposal to introduce a two tier second class non-AC sleeper coach which will be more comfortable than the three tier coach;

(b) if not, whether there are any proposals to make second class sleeper coaches more comfortable and less crowded; and

(c) whether in inter city express trains, chair cars without AC would become a common feature as in the Taj and Gomati Express etc.?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) All II class sleeper coaches are now being provided with cushioned berths.

(c) Yes, Sir, in the long run.

Manufacturer's Responsibility for Damages caused by Products

3199. SHRIMATI KISHORI SINHA: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the issue of manufacturer's responsibility for damages likely to be caused by the products he makes in his factory, remains unsettled as a result of the

compromise arrived at in the Bhopal gas tragedy case;

(b) if so, whether Government would consider to bring out a separate legislation to determine such responsibility; and

(c) if not, how will such a responsibility be fixed in any future disaster?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) The issue of manufacturer's responsibility for damages likely to be caused by the products he makes in his factory has not arisen in the Bhopal gas tragedy case.

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

Progress of Vamsadhara Project

3200. SHRI BHATTAM SRI RAMA MURTY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the project report of Vamsadhara Stage II for utilising 57 TMC of its water by Andhra Pradesh was sent to the Central Water Commission in February, 1979 and also to Government of Orissa;

(b) if so, the details and the outcome thereof;

(c) the original and the revised cost of the project as on 1982-83; and

(d) the extent of the area likely to be benefitted by the project?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) Yes, Sir.

(b) The Government of Andhra Pradesh have modified the project proposals.

(c) The estimated revised cost (1982-83) is Rs. 154 crores as against the original cost of Rs. 75 crores.

(d) About 43,400 hectares.

Diversion of 53 UP - 54 DN Via Duk

3201. PROF. NARAIN CHAND PARASHAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have taken any decision on the demand for the diversion of 53 UP & 54 DN Himachal Express via Duk;

(b) if so, the exact decision with timings and the date on which it has been taken; and

(c) the date w.e.f. which the train would start plying via Karnal?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) to (c). From 1.5.89, 53/54 Himachal Express will run via Karnal. The schedule of the train will be Delhi Dep. 22.25 hours and Nangal Dam Arrival 6.50 hours. In the return direction, Nangal Dam Dep: 20.20 hours and Delhi Arrival 4.30 hours.

Agreement with Swiss Government

3202. SHRI BHATTAM SRIRAMA MURTY: Will the Minister of FINANCE be pleased to state:

(a) whether an agreement has been signed with Government of Switzerland to provide mutual assistance in investigation of criminal offences;

(b) if so, when was the agreement signed; and

(c) the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). An Agreement by exchange of letters has been reached with the Govt. of Switzerland to provide mutual assistance in investigation of criminal offences. The letter were exchanged on 20th February, 1989. This agreement envisages that the two Governments will cooperate and provide assistance in investigation of criminal cases on the basis of the principles of reciprocity and dual criminality.

Import Licences for Tetracycline

3203. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have issued import licences for Tetracycline capsule or raw material therefor;

(b) if so, the criteria therefor;

(c) whether Government have received complaints of discrimination against small scale units in this regard; and

(d) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) Import licences are issued on the basis of certification of essentiality by the sponsoring authority, indigenous clearance and approval by the Supplementary licensing Committee.

(c) and (d). A representation has been received from some small scale drug manufacturers recently which is under examination.

[*Translation*]

Rate of Interest on Loans to Small Paper Mills

3204. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether the All India Association of Small Paper Mills has requested for loans to the paper industry at minimum interest;

(b) if so, whether Government have since taken any decision in this regard;

(c) if so, the details thereof and the time by which the said loans are proposed to be given; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The Reserve Bank of India (RBI) has reported that it has not received any request from the All India Association of Small Paper Mills for seeking loans at minimum rates of interest. However, small and medium newspaper units had represented to RBI that banks were reluctant to grant financial assistance mainly due to the non availability of credit guarantee cover. RBI had advised the banks to treat the advances granted to small and medium newspaper units which satisfied the investment criteria laid down for SSI units as priority sector advances and consequently eligible for guarantee cover.

[*English*]

Trade Balance with U.K.

3205. SHRIMATI BASAVARAJESWARI:

DR. KRUPASINDHU BHOL:

Will the Minister of COMMERCE be pleased to state:

(a) whether the trade deficit between India and Great Britain is widening every year;

(b) if so, the factors responsible therefor; and

(c) the efforts made by Government to reduce the gap?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). As per figures available with DGCI&S, the following are the bilateral trade figures between India and UK since 1986-87. It may be observed that the trade deficit in 1987-88 was less than that in the preceding year.

(Value: Rs. crores)

Year	Imports from	Exports to	Balance of Trade
1	2	3	4
1986-87	1622	736	(—) 886
1987-88	1804	1032	(—) 772
1988 (Apr.- Sept.)	1187	543	(—) 644
1987 (Apr. - Sept.)	897	481	(—) 416

The major items imported from UK which contribute to the bilateral trade deficit include rough diamonds, machinery and other engineering goods. These items are, however, essential for generation exports and for the development of our economy. In order to reduce the trade gap, continuous efforts are being made to increase our exports by diversifying the export basket, implementing trade promotion measures, exchange of trade delegations, buyer-seller meets, participation in trade fairs, publicity, etc.

Purchase Tax Arrears on Coffee

3206. SHRIMATI BASAVARAJESWARI: Will the Minister of COMMERCE be pleased to state the present position regarding clearance to arrears of purchase tax on coffee growers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): The Coffee Board has paid in full the arrears of purchase tax levied on coffee for the assessment years 1974-75 to 1982-83 to the State Government of Karnataka together with the interest accrued in pursuance of the Supreme Court's Orders in this regard.

Agreement with Japanese Government

3207. SHRIMATI BASAVARAJESWARI: Will the Minister of FINANCE be pleased to state:

(a) whether an agreement has been reached between India and Japan on the extension of Official Development Assistance;

(b) if so, the details of the contract entered;

(c) to what extent this will modernise the Burnpur works of Indian Iron and Steel Company Ltd; and

(d) from when it will be implemented?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). No general agreement has been signed on Official Development Assistance. However, the Government of Japan have extended an Engineering Services loan of Yen 5,546 million (equivalent to Rs. 67.30 crores approximately) for modernization of the Burnpur Steel Works of Indian Iron and Steel Company Ltd. The contract for consultancy engineering services has been awarded and the scope of works includes the review of the feasibility study report prepared by Japan International Cooperation Agency (JICA), preparation of basic plan, preparation of technical inquiry specification, master plan for organisation, management system, education and training of personnel; and start up operation and updating of cost estimates.

(c) The modernization of the plant will increase its production capacity to about 21.5 lakh tons of steel annually and enhance the manpower productivity per worker from the present 27 tons per year to 152 tons per year.

(d) The investment decision for the plant modernization will be taken on the basis of the detailed engineering study which is expected by December, 1989.

Rate of Interest on Agricultural Loans

3208. DR. DATTA SAMANT: Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to the news-item regarding reduction in rate of interest on agricultural loans appearing in the Indian Post of January 9, 1989;

(b) if so, the views of Union Government in this regard;

(c) whether the Government of Maharashtra has asked of permission to reduce the interest on agricultural loans; and

(d) if so, the decision of Union Government in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) to (d). The consistent stand of Reserve Bank of India and Central Government in this regard has been that tampering with the interest rate structure through whatever modality, harms the rural credit system. Secondly crop loans are being provided by cooperative credit structure, commercial banks and Regional Rural banks and any reduction of interest rates for borrowers from the cooperative credit structure would create adverse climate for the multigency system. Thirdly, the loss in income, as a result of reduction in interest rates would further weaken cooperative credit structure.

In order to give relief to farmers, the interest rates charged for agricultural production credit were reduced in March, 1988 for loans upto Rs. 15,000/- and further reduction was made with effect from 1st March 1989 on loans between Rs. 15,000/- and Rs. 25,000/-. Under the reduced rates of interest, the rate of interest on crop loans upto Rs. 7,500/- per crop season is kept low at 10% per annum. Further, the interest rate for any investment credit availed of by small and

marginal farmers is 10% per annum only. Besides this, there are various provisions for providing relief to various categories of borrowers in case of natural calamities and other adverse exigencies and these are being invoked whenever need arises. In view of this the Government do not favour any further reduction in interest rates.

Cancellation of G.T. Express

3209. DR. P. VALLAL PERUMAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that the G.T. Express trains running between New Delhi and Madras stations and vice versa had to be cancelled on many days during December, 1988-January, 1989;

(b) if so, the reasons therefor; and

(c) whether Government would ensure that sufficient number of bogies are kept as standby for smooth and timely running of the trains particularly long-distance express and mail trains?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) The train was cancelled only twice during December'88/January'89.

(b) Accident enroute.

(c) Operationally not feasible.

Technology Exhibitions

3210. SHRI BALASAHEB VIKHE PATIL:
SHRI V. TULSIRAM:

Will the Minister of COMMERCE be pleased to state:

(a) whether technology exhibitions are being held in various parts of the country;

(b) if so, the details and number of such exhibitions to be held, State-wise;

(c) the fields particularly the agriculture, population and employment expected to be exhibited; and

(d) whether Government have directed the State to have places for exhibitions in the States on the pattern of Pragati Maidan, New Delhi?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). Exhibitions depicting India's progress in Science and Technology under the title "Nehru and Science" are being held as part of the 40th anniversary celebrations of India's independence and Jawaharlal Nehru's birth centenary. The schedule of the exhibitions is as follows:—

1) Delhi	—	November 14-29, 1988
2) Bhopal	—	January 11-25, 1989
3) Ahmedabad	—	March 8-20, 1989
4) Hyderabad	—	May 1989 (Tentative)
5) Bhubaneswar	—	August 1989 (Tentative)

(c) The exhibitions will cover a wide range of topics and will involve all major Departments and organisations of the Central Govt. like the Deptts. of Science & Technology, Atomic Energy, Electronics, Telecommunications, Indian Council for Medical Research, Council of Agricultural & Industrial Research, etc.

(d) Government have conveyed to the State Governments the usefulness of setting up exhibition complexes in the State capitals.

Joint Ventures with USSR

3211. SHRI BALASAHEB VIKHE PATIL:
SHRI P.M. SAYEED:
SHRI V.TULSIRAM:
SHRI SRIKANTHA DATTA
NARASIMHARAJA WA-
DIYAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether an agreement on joint ventures has been reached between India and the USSR recently;

(b) if so, the fields to be covered under this agreement;

(c) the expected benefits to be gained by India as a result thereof; and

(d) the details of the items proposed to be exported and the States from where it will be exported?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (d). During the recent visit of Mrs. A.P. Biryukova, Alternate Member of Politbureau and Deputy Chairman of the Council of Ministers of USSR from 13th to 19th February, 1989 four joint venture

agreements were finalised in principle between Indian private sector organisations and Soviet Enterprises. These were in the areas of leather processing, tannary and jute. The Indian private parties concerned are required to submit detailed proposals in the prescribed format to the Government for necessary approval. As these are joint ventures, no specific items will be exported based on it. However, this will help export of leather goods and jute products from various States, particularly, West Bengal, Uttar Pradesh, Tamilnadu etc.

Replacement of M.G. Tracks

3212. SHRI K. RAMAMURTHY: Will the Minister of RAILWAYS be pleased to state:

(a) the details of the five "mission oriented" activities being undertaken by the Railways for putting the metre gauge tracks to the best use; and

(b) the steps taken to implement the recommendations of the Report written more than ten years ago in regard to stretching of metre gauge tracks over 25,000 kilometres and the replacement of 650 existing MG locomotives?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) In the Technology Development Plan prepared by Research, Designs & Standards Organisation, Lucknow, of the five Missions identified, only one Mission related to development of technology for upgradation of Metre Gauge systems covering passenger and freight services and transshipment facilities. Upgradation of Metre Gauge is planned to cater for higher speed and heavier axle load wagons to improve mobility. Amongst the activities being undertaken for the purpose are the following:

- i) upgradation of certain Metre Gauge routes for high speed passenger trains and heavier freight through-put;
- ii) designing of higher axle load wagons with improved wagon-bogies and couplers capable of moving at a speed of 75 kilometre per hour;
- iii) design and modification of locomotives of 2200 horsepower capable of moving at speeds upto 120 kilometres per hour; and
- iv) design and manufacture of M.G. high speed passenger coaches suitable for moving at 110-120 kilometres per hour.

(b) Action on recommendations of the "Metre Gauge Operations Committee (Nair Committee)", which submitted its report in May, 1979, was taken keeping in view the growth of traffic and the constraints of resources. Upgradation of the Metre Gauge system is now being accorded higher priority. As regards replacement of Metre gauge steam locomotives, in the ten year period upto 31.3.1988, 1070 locomotives have been phased out and the balance 1896 locomotives will be phased out by the year 2000.

Strike by Bank Officers

3213. SHRI K. RAMAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that the Bank Officers went on strike on 25 January, 1988 and also on 25 January, 1989; and

(b) whether wage cut was effected on the basis of the 'on work no pay principle'; and

(c) if not, the reasons therefor and the number of banks which have not effected the wage cut and for how many officers; bank-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) and (c). There are standing instructions of Government issued to banks which *inter-alia*, provide for deduction of wages on the principle of "no-work-no-pay" for erring bank employees. The banks are expected to follow these instructions as and when warranted. Information as to whether Government instructions have been complied with by all banks is being collected and to the extent available will be laid on the Table of the House.

Joint Ventures with Bangladesh

3214. PROF. RAMAKRISHNA MORE:
SHRI HARIHAR SOREN:
SHRI BANWARI LAL PUROHIT:

Will the Minister of COMMERCE be pleased to state:

(a) whether a high level delegation from Bangladesh visited recently to discuss the possibility of setting up joint ventures in Bangladesh;

(b) if so, the details of the talks held in this connection with Bangladesh delegation;

(c) the outcome thereof;

(d) the fields in which the joint ventures are proposed to be set up; and

(e) the programme drawn up in this regard for 1988-89 and 1989-90?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir. A delegation from the Metropolitan Chamber of Commerce and Industry, Dhaka visited India from 19th to 22nd February, 1989.

(b) to (d). The delegation held discussions with Confederation of Engineering Industry, PHD Chamber of Commerce, the Federation of Indian Chambers of Commerce & Industry and visited the Indian Engineering Trade Fair. The delegation also called on the Minister of Planning and Commerce. During the discussions the delegation indicated their interest in entering into joint ventures with Indian companies, in Bangladesh, in areas like gas based industries, leather, textiles, etc. with possibilities of buy back of the finished products by India or exports of the products to third countries.

(e) It is expected that, in 1988-89 and 1989-90, Indian and Bangladesh business interests would continue their inter-action, following the discussions in New Delhi.

Late Running of Tamil Nadu and G.T. Express Trains

3219. SHRI R. JEEVARATHINAM: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are aware of the fact that for the last three months the South-bound Tamil Nadu Express and the G.T. Express trains have been arriving at their destinations almost daily many hours late to their stipulated arrival timings;

(b) if so, the reasons therefor; and

(c) the steps taken to adhere to the arrival timings of these trains at their destinations both at Madras and New Delhi?

THE DEPUTY MINISTER IN THE

MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) Yes, Sir.

(b) Electrification works, Alarm chain pulling and Equipment failures.

(c) Punctuality will improve soon as Electrification works get completed on North-South route.

Fly over at Jaipur-Keonjhar

3220. SHRI ANADI CHARAN DAS: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have since received acceptance to the estimates from the State Government in connection with fly-over bridge at Jaipur-Keonjhar Road; and

(b) if so, the further action taken in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir.

(b) Does not arise.

Seizure of Black Money and Gold

3221. SHRI DHARAM PAL SINGH MALIK: Will the Minister of FINANCE be pleased to state:

(a) the estimated black money and gold seized by Government in recent raids in North India during the last six months; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Income Tax Department seized unaccounted assets (cash, jewellery, etc.) to

the tune of Rs. 8958.84 lakhs and Gold Control and Anti-Smuggling authorities seized 5154 kgs. of gold worth Rs. 171.77 crores during the last six months in the country.

(b) Necessary legislative and administrative measures as deemed appropriate are taken from the time to time to curb the generation of black money.

Concrete Sleeper Unit, Palghat

3222. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether the concrete sleepers manufacturing unit at Palghat has commenced functioning; and

(b) if so, the details of capacity, target and output as on 31 December, 1988?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) No, Sir, the production has not yet commenced.

(b) In terms of Contract, the first 10,000 nos. are to be supplied by 27th May, 89 and there-after a minimum of 65,000 nos. of

concrete sleepers each year.

Sick Units

3223. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the number of industrial units termed as 'sick units' by nationalised banks as on 30 June, 1987 and 30 June, 1988 respectively;

(b) the total bank credit locked up in sick units as on these dates;

(c) whether corresponding figures for 31 December, 1988 are available, if so, the details thereof; and

(d) the effect of setting up of the Board for Industrial and Financial Reconstruction (BIFR) on sick units during the past two years?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). As per the latest data available with RBI, the position of SSI sick, non-SSI sick and non-SSI weak units as at the end of June '87 is as under:

(Rs. in crores)

	<i>No. of units</i>	<i>Amount</i>
1. Sick SSI units	158226	1542.25
2. Non-SSI sick units (as defined in Sick Industrial Companies (Special Provisions) Act, 1985.	1057	2680.44
3. Non-SSI weak units (not covered under the Act)	655	1515.19

(d) BIFR became operational with effect from 15.5.87. Number of cases ap-

proved, sanctioned etc. by them as on 28.2.89 is as follows:

(1) Approval accorded under Section 17 (2) of Sick Industrial Companies (Special Provisions) Act, 1985 i.e. the companies can make their net worth positive on their own	59
(2) Scheme sanctioned	23
(3) Recommendation for winding up sent to be concerned High Court	16
(4) Draft Schemes formulated and short particulars published, inviting comments/suggestions	19
(5) Prima-facie opinion formed that it is equitable that the company be wound up and show cause notice issued/ published in newspapers.	31
(6) Reference from Supreme Court disposed.	1
(7) Cases disposed as not maintainable	48

Export Duty on Coffee

3224. SHRI MULLAPPALLY RAMA-CHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) the details of variations in Export Duty on coffee introduced during 1988;

(b) the latest position regarding export duty on coffee;

(c) whether any representations have been received by the Union Government from coffee growers in Kerala, Tamil Nadu and Karnataka on the levy of export duty of coffee;

(d) if so, the details thereof; and

(e) Government's decision in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (e). With effect from the 18th August, 1988, export duty on coffee was reduced from Rs. 1700/- per tonne to Rs.

1000/- per tonne. Representations from various Associations of coffee growers were received by the Government for abolition of export duty on coffee. Coffee was fully exempted from export duty with effect from the 26th August, 1988.

Issue of Licences to Nationalised Banks for Opening Branches

3228. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India and Government have taken any steps to implement the Second Phase of the Branch Licensing Policy, 1985-90 and sanctioned new branches in the rural areas;

(b) if so, the number of branches proposed to be opened during the Second Phase in each of the States/Union Territories alongwith the names of such places, district-wise, in Himachal Pradesh; and

(c) the likely date by which the licences would be issued and the branches opened alongwith the names of the nationalised

banks to which they have been/would be allotted in Himachal Pradesh?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that it was envisaged that the current Branch Licensing Policy for 1985-90 will be implemented in two phases. The first phase will cover the period from April, 1985 to March, 1988 and second from April, 1988 to March, 1990. Since the lists of identified centres were received very late from most of the States, it was felt that banks will have very short time to open their branches at the allotted centres. Hence, the allotment of eligible centres was completed in one lot. RBI, in February, 1987 advised the banks that the branches at the allotted centres should be opened in a phased manner during the remaining period of the current Policy. With the adoption of Service Area Approach to

rural lending it is necessary that banks open their branches at the allotted centres expeditiously for implementation of Service Area Approach. As such, the question of implementation of the Branch Licensing Policy in two phases does not arise. However, out of 5359 rural and semi-urban centres allotted under the current Branch Licensing Policy, as per available information with RBI, banks have opened their branches at 2627 rural and semi-urban centres so far.

Under the Service Area Approach the allotment of centres has been completed in the State of Himachal Pradesh and RBI has allotted 23 eligible centres to banks as per the norms laid down in this regard. RBI has advised its Regional Office to issue necessary licences to allottee banks. District-wise and bank-wise details of centres allotted for opening branches in Himachal Pradesh under Service Area Approach are set out in the Statement below.

STATEMENT

<i>S. No.</i>	<i>Name of Centre</i>	<i>Name of District</i>	<i>Name of allottee bank</i>
1	2	3	4
1.	Jassana	Una	Central Bank of India
2.	Malyawar	Bilaspur	UCO Bank
3.	Marotan	- do -	UCO Bank
4.	Bairchha	Solan	UCO Bank
5.	Pingla	Mandi	Punjab National Bank
6.	Badu	- do -	- do -
7.	Teban	- do -	- do -
8.	Kufri	- do -	- do -
9.	Sudhar	- do -	- do -

1	2	3	4
10.	Mahakal	Kangra	- do -
11.	Garh Jamlula	- do -	- do -
12.	Balakrupi	- do -	- do -
13.	Samloti	- do -	- do -
14.	Kandbari	- do -	- do -
15.	Nalian	- do -	- do -
16.	Dharcchandna	Shimal	UCO Bank
17.	Tikkar	- do -	- do -
18.	Shillaroo	- do -	- do -
19.	Dargi	- do -	- do -
20.	Panesh	- do -	Punjab National Bank
21.	Khatnol	- do -	UCO Bank
22.	Basantpur	- do -	Punjab National Bank
23.	Chailly	- do -	- do -

Opening of Bank Branches in Himachal Pradesh

3229 PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the State Bank of India, the UCO Bank and the Punjab National Bank have surveyed/identified any new centres for the opening of their branches in Una, Hamirpur, Bilaspur, Kangra, Mandi, Kulu and Kinnaur districts of Himachal Pradesh during the Seventh Five Year Plan; and

(b) if so, the names thereof, bank-wise and district-wise and the likely date by which

the licences would be issued to them by them Reserve Bank of India and the branches opened?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Reserve Bank of India (RBI) has reported that under the current Branch Licensing Policy for 1985-90, UCO Bank has not submitted any proposal for opening branches in Himachal Pradesh. However, State Bank of India (SBI) and Punjab National Bank (PNB) have submitted proposals for opening their branches in Himachal Pradesh as per details given below:—

<i>Name of Bank</i>	<i>Name of centre</i>	<i>Name of District</i>
1	2	3
S.B.I.	Ghumarwin	Bilaspur
	Pongdam	Kangra
	Neychowk	Mandi
	Larji	Kulu
P.N.B.	Nalti	Hamirpur
	Katheg	Kangra
	Bankhandi	- do -
	Nurpur	- do -
	Sansarpur Terrace	- do -
	Chamunda	- do -
	Parour	- do -
	Mohakal	- do -
	Ghallour	- do -
	Sandhol	Mandi
	Shamshi	Kulu
	Bajaura	- do -
	Nangran	Una
	Teuri	- do -
Nangal Kalan	- do -	
Marwari	- do -	
Lahralli	- do -	
Behdal	- do -	

RBI has further reported that the allotment of centres to banks is generally made on the basis of lists of identified centres received from the State Governments as per the norms laid down in the Policy and not on the basis of proposals submitted by individual banks. The centres submitted by SBI were not considered for allotment as they

were either not identified or though identified did not conform to the Policy norms. PNB was allotted some of the above centres as they were included in the list of identified centres and were conforming to the norms. District-wise names of these centres and date of opening the branches are indicated below:—

<i>Name of centre</i>	<i>Name of District</i>	<i>Date of opening the branch</i>
1	2	3
Nalti	Hamirpur	28.11.1987
Bankhandi	Kangra	28.3.1987
Sansarpur Terrace	Kangra	30.10.1987
Ghallour	Kangra	24.12.1987
Sandhol	Mandi	11.12.1987
Behdal	Una	12.9.1988

Restoration of Shimla Mail

3230. PROF. NARAIN CHAND PARASHAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether any representation has been received by the Railways for the restoration of Shimla Mail, which used to provide a link between Kalka and Amritsar/Patthankot; and

(b) if so, the likely date by which the train would be restored keeping in view the hardships caused to the people of Himachal Pradesh, Chandigarh, Haryana, Punjab and J & K travelling from the extreme districts of one of State to another?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHARIP PRASAD): (a) Yes Sir

(b) Presently not feasible.

Opening of Extension Counter of SBI on the Campus of Regional Engineering College, Hamirpur In Himachal Pradesh

3231. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has allotted a licence for opening an Extension Counter of the State Bank of India on the Campus of the Regional Engineering College Hamirpur, Himachal Pradesh;

(b) if so, the date on which the licence has been allotted and the likely date by which the Extension Counter would be opened; and

(c) if not, the reasons for delay and the

likely date by which the licence would be given and the Extension Counter opened?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that it has approved the proposal of State Bank of India (SBI) to open an extension counter in the campus of Regional Engineering College, Hamirpur, Himachal Pradesh. RBI has already advised its Regional Office to issue necessary licence to SBI.

Import Licences for Potassium Penicillin V

3232. DR. KRUPASINDHU BHOI: Will the Minister of COMMERCE be pleased to state:

(a) the names of units issued import licence for Potassium Penicillin V first crystal during 1988-89;

(b) whether a technical inspection in this regard was undertaken by a public sector undertaking;

(c) if so, the details thereof;

(d) whether these units imported further quantity of enzyme in 1988-89 after the technical inspection; and

(e) if so the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) M/s. Jagsonpal Pharmaceuticals Ltd., a small scale unit, has been granted import licence during 1988-89 to the extent of 75 MMU for import of Penicillin V first Crystal, to meet 6 months requirements.

(b) and (c). An inspection of the plant of M/s. Jagsonpal Pharmaceuticals Ltd., was arranged by the Department of Chemicals & Petrochemicals through a technologist of Indian Drugs and Pharmaceuticals Ltd. (IDPL). The salient features of the inspection report dated 6.11.1988 submitted by IDPL are as under:—

i) M/s. Jagsonpal have adopted Penicillin V acylase supplied by NOVO Industry of Denmark (trade name semacy lase TM); who provide details of the plant and equipment required for the use of their enzyme. The plant has been fabricated under the advice of Dr. Sarkar and Dr. Ramachandran of IIT, Delhi. The plant was closed at the time of the visit and was scheduled to re-open after Diwali holidays.

ii) With some changes and adjustments the plant can certainly be changed over to Penicillin G aculase use. However, since they already have stock of NOVO Penicillin V acylase they will require Penicillin V until the present batch of enzyme is used up.

(d) and (e). Government have no such information.

Government Expenditure

3236. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to give up some anti-poverty schemes as a measure to curtail Government expenditure; and

(b) if so, the details thereof and the anti-

poverty schemes likely to be actually given up?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) No, Sir. There is no such proposal presently under consideration of Government.

(b) Does not arise.

Setting up of Desalination Plants

3241. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of desalination plants set up in the country so far for removing brackishness from sea water and to convert it into drinking water;

(b) the location of these plants;

(c) the capacity of each of these plants;

(d) whether there is any proposal to set up more such desalination plants in the country?

(e) if so, the details thereof; and

(f) the location identified therefor?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (c). The Ministry of Urban Development has provided financial assistance of Rs. 24 lakhs to instal 8 demonstration desalination plants in 8 villages in four States namely, Andhra Pradesh, Gujarat, Rajasthan and Tamil Nadu. These have been installed in two villages of each State.

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

Release of Foreign Exchange for Exporting Units

3242. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of FINANCE be pleased to state:

(a) whether the exporters have requested for release of foreign exchange to the exporting units through commercial banks instead of the Reserve Bank of India in order to avoid delay; and

(b) if so, the decision of Government thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Delhi Exporters Association had *inter-alia* requested for issue of blanket permits for release of foreign exchange by banks instead of by Reserve Bank of India. This suggestion has been examined by RBI and it has not been found acceptable.

Railway Bonds (Overseas Subscribers)

3243. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of RAILWAYS be pleased to state whether overseas subscribers are proposed to be allowed to purchase the bonds issued by the Railways?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): As per the terms and conditions of the prospectus governing the issue of Railway Bonds by Indian Railway Finance Corporation, foreign nationals are not eligible to subscribe to the bonds issued by the Corporation. It is not proposed to revise this condition.

Inside Trading In Stock Exchange

3244. SHRI SATYENDRA NARAYAN SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether insider trading has been effectively eliminated from stock exchanges;

(b) whether there are any institutional arrangements to check on insider trading;

(c) if so, the details thereof; and

(d) the names of persons who have been booked for insider trading and punishment awarded to them?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) It is a constant endeavour to eliminate insider trading from Stock Exchanges.

(b) to (d). Provisions exist in the listing Agreement between the Stock Exchange and the Company concerned that any declaration of bonus, rights issues with or without premium, dividend, working results, etc. will be intimated to the Stock Exchange concerned.

Moreover, Stock Exchanges have Surveillance Committees/Squads on the Trading floor to check malpractices, including insider trading.

The Securities & Exchange Board of India is expected to address itself to strengthening of measures to check Insider Trading.

Value Added Exports from EPZs

3245. SHRI SATYENDRA NARAYAN SINHA: Will the Minister of COMMERCE be pleased to state:

(a) whether the provision for value addition in the items exported through Export Processing Zone (EPZ) areas is being generally observed by the units established therein;

(b) if so, whether there have been demand for lower levels of value addition to be allowed for goods passing through EPZ areas; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) and (c). There have been some requested for reduction in the value addition due to various reasons. Government specifies the value addition in each case having regard to the relevant criteria applicable to the unit. Representations are examined with reference to these criteria.

Revival of Lapsed LIC Policies

3246. SHRI SATYENDRA NARAYAN SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether the Life Insurance Corporation designated January 1989 as lapsed policy revival month;

(b) whether special facilities were provided for this revival;

(c) if so, the results thereof; and

(d) whether Government intend to liberalise the terms for revival of lapsed policies or prevent their lapsing?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir. The

Life Insurance Corporation of India had launched a Special Revival Campaign from 1st December, 1988 to 28th February, 1989 which has been further extended upto 31st March, 1989.

(b) Yes, Sir. Concessions in rate of interest and evidence of good health have been allowed.

(c) The Life Insurance Corporation is getting good response from the policyholders.

(d) Several steps for prevention of lapses have been taken by the Corporation. The existing terms for revival of lapsed policies are reasonable. Moreover, further concessions in rate of interest and evidence of good health are also allowed during the Special Revival Campaign launched by Life Insurance Corporation of India from time to time.

Income Tax Exemption to Churhat Children Welfare Society

3247. PROF. MADHU DANAVATE:
Will the Minister of FINANCE be pleased to state:

(a) whether Churhat Society's Children Welfare Lottery has been exempted from income-tax for being a charitable body;

(b) if so, whether the Society declared prizes amounting to Rs. 4.6 crores though it paid out Rs. 57.5 lakhs only as prizes;

(c) if so, whether the Society has been assessed to tax of over rupees one crore after scrutiny of its accounts; and

(d) if so, the amount of tax received as also whether continued exemption of the society from income-tax is justified?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) yes Sir, the income of the Churhat Children Welfare Society (inclusive of lottery income) has been exempted for the assessment years 1984-85 to 1988-89 under Section 10(23 C) (iv) of the Income-tax Act, 1961.

(b) These figures are not correct. However, there is reported to be a difference between the amount of prizes declared and that of prizes paid. As there are litigations, the exact figures cannot be ascertained.

(c) and (d). Since the Churhat Children Welfare Society has been notified for exemption under Section 10 (23 C) (iv) of the Income-tax Act, 1961 for the assessment years 1984-85 to 1988-89, it has not been assessed to income-tax for these years.

The Society has not so far applied for continuation of exemption under Section 10 (23 C) (iv) of the Income-tax Act beyond the assessment year 1988-89.

Export of Drugs

3248. SHRI SHANTILAL PATEL:
SHRI G.S. BASAVARAJU:

Will the Minister of COMMERCE be pleased to state:

(a) the value of drugs exported during April-December, 1988 as compared to the corresponding period of the previous year;

(b) whether the exports have crossed the targets laid in this regard;

(c) if so, the extent thereof; and

(d) the reasons therefor?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) During April-

December, 1988 drugs valued at Rs. 235.50 crores were exported as compared to Rs. 106.10 crores during April-December 1987

(Source: Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council, Bombay)

(b) No, Sir. The pro-rata target for April-December, 1988 was Rs. 255 crores.

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

Price of Iron Ore Exported to Japan

3249. SHRI SHANTILAL PATEL:
SHRI G.S. BASAVARAJU:

Will the Minister of COMMERCE be pleased to state:

(a) whether Japan has agreed to hike price of iron ore imported from India;

(b) if so, whether any delegation of MMTC had visited Japan in this regard; and

(c) if so, the subjects discussed and the outcome thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) Yes, Sir.

(c) A Minerals and Metals Trading Corporation delegation visited Japan and held discussions with Japanese Steel Mills in December, 1988 in order to negotiate

prices and quantities of iron ore exports to Japan for the year 1989-90. As a result thereof it has been possible to obtain an increase in the quantity of iron ore to be exported from 105 lakh tonnes in 1988-89 to 112 lakh tonnes in 1989-90 (including Kudremukh iron ore concentrates). In addition, optional quantity of 12 lakh tonnes also has been provided.

Japanese Steel Mills have agreed to an average price increase of 15.82% for all ores including Kudremukh concentrates.

Export Processing Zone at Bhubaneswar

3258. SHRIMATI JAYANTI PATNAIK:
Will the Minister of COMMERCE be pleased to state:

(a) how many export processing zones have been set up in the country with date of sanction of each of them;

(b) whether the Trade Development Authority had prepared a project report for establishment of an Export Processing Zone at Bhubaneswar in Orissa;

(c) if so, the details thereof; and

(d) the time by which it would be established?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Six export processing zones have been set up in the country, the details of which are given below:—

Date of Sanction

	<i>Date of Sanction</i>
1. Kandla Free Trade Zone, Gandhidham, Kutch.	21.2.1963
2. Santacruz Electronics Export Processing Zone, Bombay.	17.11.1972
3. Madras Export Processing Zone, Madras.	28.6.1983
4. Falta Export Processing Zone, Falta (W.B.).	28.6.1983
5. Noida Export Processing Zone, Noida (U.P.).	28.6.1983
6. Cochin Export Processing Zone, Cochin.	28.6.1983

A seventh EPZ at Visakhapatnam has been sanctioned on 8.3.1989.

(b) Yes, Sir.

(c) The project, inter-alia, envisaged infrastructural development cost at Rs. 12 crores including an Air Cargo Complex to produce goods worth Rs. 100 crores from 90 units in 10 years with a foreign exchange earning of Rs. 42 crores. The items proposed to be produced included electronics, garments, marine products, engineering products, handicrafts, wood based items, leather products, machine tools, hand tools, milling and hobbing machines, aluminium products etc. with an employment potential of 10,000 persons.

(d) Locating an Export Processing Zone at Bhubaneswar can be considered only when it becomes possible for the Government to find additional resources besides finding the necessity of establishing more Export Processing Zones.

Irrigation Target of Subarnarekha Project in Orissa

3259. SHRIMATI JAYANTI PATNAIK: Will the Minister of WATER RESOURCES be pleased to state:

(a) the hectares of land to be brought under irrigation by 1991 in Orissa through Subarnarekha inter-state irrigation project;

(b) the progress made so far;

(c) whether the pace of work is commensurate with the target set; and

(d) if not, the steps taken to expedite the construction of the project?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) As per the proposals of the State Government for the Eighth Plan, about 2300 hectares of irriga-

tion potential is targetted to be created by 1991.

(b) to (d). The work on main canal and distribution system is in the initial stages. The State Government proposes to increase the outlay in the coming years.

Tea and Coffee Plantation in Non-Traditional States

3260. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether there is a programme for tea and coffee plantation in non-traditional States to provide employment and for export;

(b) if so, the details thereof;

(c) whether Government propose tea and coffee plantation on lands outside Reserve and Protected Forests but with the entry 'Forest' mentioned in the Record of Right, in such States; and

(d) if not the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) As regards tea, Tea Board has been operating a Scheme viz. New Tea Unit Financing Scheme from 1982-83 with a view to increasing production by way of bringing new tea areas under tea cultivation in non-traditional areas which are basically backward and inhabited by Scheduled Tribe and Backward Communities.

In case of coffee 15000 hectares of land is expected to be brought under coffee cultivation in non-traditional areas during the Seventh Plan period 1985-90. The employ-

ment generation by way of this is expected to be 48750 persons.

(c) and (d). Tea and coffee plantations in degraded forest land is subject to clearance under the provisions of the Forest Conservation Act, 1980.

Banking Facilities at District Headquarters of Manipur

3264. SHRI N. TOMBI SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether treasury/banking facilities are available at the district headquarters of Manipur namely Ukhrul, Tamenglong, Senapati, Chandel, Churachandpur Thoubal and Bishenpur by arrangement with the

United Bank of India, the lead bank of the State;

(b) if so, since when; and

(c) if not, whether Government propose to direct the lead bank to provide such facilities to the district headquarters in view of the difficulties faced by the outlying districts in the absence of treasury facilities?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). United Bank of India (UBI) the bank having lead responsibility for the Districts in Manipur has reported that their bank has made available treasury/banking facilities at the following District Headquarters of Manipur:—

<i>Name of District</i>	<i>Banking facilities available from</i>	<i>Treasury facilities available from</i>
1	2	3
Ukhrul	18.6.1971	—
Tamenglong	24.12.1976	—
Churachandpur	21.9.1970	1978
Thoubal	14.11.1972	1986

As regards the other District Headquarters in Manipur, UBI has not received any proposal from State Government for providing these facilities.

Export of Orchids

3265. SHRI N. TOMBI SINGH. Will the Minister of COMMERCE be pleased to state:

(a) the present position/arrangement for export of rare orchids of Manipur, the agencies involved and the amount earned in

terms of foreign exchange;

(b) whether Government propose to encourage agencies coming up with proposals for export of rare orchids from Manipur and adjoining States of Nagaland, Mizoram and Sikkim; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI): (a) Export of all varieties of orchids except the following is allowed under the current Export Policy:—

1. Wild Orchids
2. Berberts Aristota
3. Aconitum Heterophyllum
4. Coptis teeta
5. Dio scorea deltoidea
6. Gentiana Kurrea
7. Nardostachys Jatamansi
8. Physochajma Praelta
9. Podophyllum Hexandrum
10. Pnavaltia Serpumlia

The export of orchids is usually done by individual exporters. No state wise breakup of export earnings is available. However, during 1986-87 an amount of Rs. 10.30 lakhs was provisionally earned from the export of orchids.

(b) and (c). New Policy on Seed Development of the Govt. facilitates import to improved varieties of seeds, other plant materials etc. is step in this direction. APEDA encourages and assists the intending exporters of orchids by way of providing market information, Market Development, development of packaging of international standards etc.

Translation of Central Acts in Manipuri

3266. SHRI N. TOMBI SINGH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether Union Government propose to make arrangements for translation of Central Acts in Manipuri, the official language of the State of Manipur and recogni-

sed by the Sahitya Akademi as a modern Indian language;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) No, Sir.

(b) Does not arise.

(c) The Central Government has undertaken to publish authoritative texts of Central Acts only in the language which is mentioned in the Eighth Schedule to the Constitution and has also been declared to be the official language of a State.

Import of Finished Leather Footwears

3267. SHRI N. DENNIS: Will the Minister of COMMERCE be pleased to state:

(a) whether finished leather footwear goods are imported into India; and

(b) if so, the countries from which these items are imported and quantity imported during the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) No, Sir.

(b) Question does not arise.

Import of Rubber by Industries

3268. SHRI N. DENNIS: Will the Minister of COMMERCE be pleased to state:

(a) the industries permitted to import rubber; and

(b) the steps taken to ensure the proper utilisation of this permission by them?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). Import of Natural Rubber is canalised through State Trading Corporation (STC) and distributed to Actual Users, who are governed by the Actual User Conditions. Concerned sponsoring authorities are required to ensure proper utilisation of such material.

[*Translation*]

Raids on Advertising Agencies

3269. SHRI MADAN PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that black money is constantly increasing in the country;

(b) if so, whether Income tax Department has conducted any raid on the advertising agencies during the current year in this regard;

(c) whether a large amount of unaccounted money has been seized from these agencies; and

(d) if so, the amount thereof and the action proposed to be taken by Government against such agencies?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). In the absence of any official estimate of the amount of black money, it cannot be said that the amount of black money in the country is increasing. The Income-tax Department have conducted searches at the premises of two advertising agencies at Ahmedabad and New Delhi in the current financial year. During the course of these searches, *prima facie* unaccounted assets aggregating to Rs. 11.38 lakhs were seized. Appropriate

action under the Direct Taxes enactment is taken in these cases.

[*Translation*]

Insurance Schemes for Benefit of Weaker and Poor Sections of Society

3270. SHRI VIRDHI CHANDER JAIN: Will the Minister of FINANCE be pleased to state:

(a) the details of insurance schemes under social security measures being run by Government for the benefit of weaker and poor section of society;

(b) whether any suggestions for bringing about improvement in these schemes have been received by the Finance Ministry; and

(c) if so, the details of the decision taken or proposed to be taken by Government thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The required information is given in the Statement below.

STATEMENT

(a) The details of important Social Security Insurance Schemes introduced by the General Insurance Corporation of India and Life Insurance Corporation of India are as under:—

General Insurance Corporation of India

- (1) A Personal Accident Insurance Social Security Scheme for Poor Families was announced in 1985-86 Budget for 100 districts in the country, to begin with. The

Scheme was extended, in phases, to 214 districts in the country since its introduction on 15th August, 1985. With effect from 15th August, 1988, the Scheme has been extended to all the districts in the country which remained uncovered so far and thus the whole country now stands covered under the Scheme. The Scheme covers all people in the age group of 18 to 60 whose total family income from all sources does not exceed Rs. 7,200/- per annum. A sum of Rs. 3,000/- is payable to the dependents of the deceased earning members of poor families comprising of Landless Labourers, Small Farmers, Traditional Craftsmen, etc. in the event of accidental death. The Scheme is administered through the General Insurance Corporation of India and its four subsidiaries with active collaboration of the State Governments/Union Territories. The entire premium cost in respect of the Scheme is borne by the Central Government.

- (2) A Hut Insurance Scheme providing fire insurance protection to poor families in rural areas has been introduced with effect from 1st May, 1988. The Scheme applies to all Landless Labourers, Artisans and other very poor families only in rural areas whose total annual family income from all sources does not exceed Rs. 4,800/-. In the event of loss due to fire, as covered under this Scheme, the Insurance Company will pay to the insured a sum not exceeding Rs. 1,000/- for hut and a sum not

exceeding Rs. 500/- for belongings in the hut destroyed by fire. The Scheme is being operated by General Insurance Corporation of India and its four subsidiaries. The entire premium cost in respect of the Scheme is borne by the Central Government.

Life Insurance Corporation of India

- (3) *Landless Agricultural Labourers' Group Insurance Scheme:* Under this Scheme, the head of the family in every family of landless agricultural labourers is covered for Rs. 1000/-. The persons covered must be aged between 18 to 60 years. On his death before completion of age 60, a sum of Rs. 1000/- is payable to the family. The premium for the Scheme is paid by the Central Government and the entire country is covered under the scheme.
- (4) *Integrated Rural Development Programme Loanee Group Insurance Schemes:* The Loanees under the IRDP Programme are covered under the Scheme for a sum of Rs. 3000/- All new loanees from 1.4.1988 aged between 18 to 60 years are covered under the Scheme. On death of such a loanee before his completion of 60 years, a sum of Rs. 3000/- is payable to the family and if death is by accident, Rs. 6000/- is paid to the family. For this Scheme also the entire premium cost is borne by the Central Government.
- (5) *Social Security Fund Schemes:* LIC has created a Social Security Fund which bears 50% of the

premium cost under Group Insurance Schemes for handloom weavers, rickshaw pullers and auto-rickshaw drivers. The balance 50% is to be borne by the beneficiaries or their co-operative society or any other agency like the State Government, or Handloom Board etc. In the event of death of the insured, a sum of Rs. 3000/- is paid under this insurance scheme.

(b) and (c). A few minor suggestions were received from different quarters for making amendments/improvements in some of the above mentioned Social Security Insurance Schemes. These suggestions have been duly considered and acted upon.

[English]

Bank Credit to Sick Units

3272. SHRI VIJAY N. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether bank credit to sick units has been going up every year;

(b) if so, the amount of bank credit given to sick units during the last three years upto the end of December, 1988;

(c) whether Government have received reports that entrepreneurs are adopting strategy so that their units become sick for securing credit from banks or financial institutions; and

(d) if so, the strategy Government propose to adopt to check this practice?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). As reported by RBI, available data regarding

amount outstanding in sick units for the last three years is given below:

	<i>Amt. in Rs. crores</i>
December, 1985	4270.93
December, 1986	4874.49
June, 1987 (latest available)	
Sick units	4222.69
Weak units	1515.19

(For June, 1987, sick units are those as defined under the Sick Industrial Companies (Special Provisions) Act, 1985)

(c) and (d). RBI have advised banks from time to time impressing upon them, inter-alia, the need for identification of sickness at incipient stage itself and for initiating timely corrective action. In respect of units coming within the jurisdiction of the Sick Industrial Companies (Special Provisions) Act, 1985, the Board for Industrial and Financial Reconstruction has the authority to take suitable steps in respect of persons who in the judgement of the Board had misapplied funds or property of the sick industrial company or have been guilty of misfeasance, malfeasance or breach of trust, etc. in relation to the sick industrial companies.

World Bank Aided Irrigation Projects

3273. SHRI VIJAY N. PATIL: Will the Minister of WATER RESOURCES be pleased to state:

(a) the number of irrigation projects financed by the World Bank uptill 1988;

(b) the number of irrigation projects pending completion inspite of receiving first loan instalment during the last three years; and

(c) the steps being taken to expedite their completion?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) and (b). 43 irrigation projects in various States were/are being financed by the World Bank uptill 1988. Of these, 20 are on-going projects that are presently receiving assistance from the World Bank. Credit/loan assistance to these projects is spread over a period of five to seven years and is disbursed on bi-monthly basis on submission of reimbursement claims. It is anticipated that the World Bank assisted component of these projects will be completed when the entire credit/loan assistance is drawn down.

(c) Irrigation projects are planned, funded and implemented by the State Governments. Seventy percent of the assistance received from the World Bank is passed on to the States as additional central assistance. The implementation of these projects is being monitored, and State Governments are advised from time to time on various implementation measures to be taken, including provision of adequate funds.

Boom in Share Market

3274. SHRI VIJAY N. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether there has been an unprecedented boom in the share market;

(b) if so, the reasons analysed by Government for such phenomenon;

(c) whether experts form Stock Exchange have expressed fears of downward trend next year; and

(d) if so, the steps Government propose to take to protect small shareholders from

extreme form of speculation in share market and from manipulation of the price of share by companies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). There has been no unprecedented boom in the share market. Equity prices on the major stock exchanges which ruled easy during the major part of 1987-88 recorded a strong recovery during 1988-89. As stated in the Economic Survey 1989-90 the Government has analysed the reasons, inter-alia, as follows: "The upswing in the stock market can be attributed to the strong resurgence in economic growth, a bountiful monsoon, satisfactory corporate results, effective economic measures, continuation of policy reforms aimed at promoting efficient competition and the restoration of confidence among investors. Substantial funds mobilised by the financial institutions and mutual funds were also channelised for investment in a wide spectrum of equity issues in the secondary market."

(c) No, Sir.

(d) Does not arise.

Alleged Corruption Charges Against Tobacco Board Officers

3276. SHRI. N. VENKATA RATNAM: Will the Minister of COMMERCE be pleased to state:

(a) whether there have been allegations of corruption against some of the officers of the Tobacco Board (Guntur);

(b) if so, the details thereof; and

(c) the action taken or proposed to be taken against the officers concerned?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) There are allegations of corruption against three Auction Superintendents (Two cases against one Auction Supdt.), one Assistant Manager (Accounts) and six Field Officers of the Tobacco Board.

(c) On the basis of preliminary enquiry, regular departmental proceedings have been initiated by the Tobacco Board against one Auction Superintendent, one Assistant Manager (Accounts) and three Field Officers. Preliminary enquiry is in progress/examination in respect of one Auction Superintendent and three Field Officers of the Board. A complaint against one Auction Superintendent has been received on 9.3.89 and is under examination of the Board.

Trade with Saudi Arabia, Indonesia, Malaysia, Philippines and Thailand

3277. DR. PHULRENUGUHA: Will the Minister of COMMERCE be pleased to state:

(a) the value of imports from Saudi Arabia, Indonesia, Malaysia, Philippines and Thailand during last two years; and

(b) the value of exports to these countries during the same period?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) and (b). India's import from and export to (value-wise) Saudi Arabia, Indonesia, Malaysia, Philippines and Thailand during the last two years are indicated as under:—

(Value: Rs. crores.)

Country	*Imports		*Exports	
	1986-87 (PR)	1987-88 (P)	1986-87 (PR)	1987-88 (P)
1	2	3	4	5
1) Saudi Arabia	862.53	1386.96	213.56	295.91
2) Indonesia	99.35	82.39	23.03	26.56
3) Malaysia	552.15	819.93	84.83	89.17
4) Philippines	5.26	6.75	7.06	20.13
5) Thailand	63.72	63.89	63.49	81.61

P : Provisional

PR : Provisionally Revised

*Source : DGCI&S, Calcutta.

Bank Robberies

3278. SHRI KAMAL CHAUDHRY: Will the Minister of FINANCE be pleased to state:

(a) the total amount involved in bank robbery/dacoity cases during the year 1988;

(b) the details of the banks looted and the amount involved, bank-wise; and

(c) the amount retrieved or recovered and the cases of robbery solved so far?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Bank-wise information in respect of number of bank dacoities/robberies which took place in the country during the year 1988, amount involved therein and amount recovered is given in the Statement below.,

Reserve Bank of India has reported that all these cases have been reported to the police and the police are investigating these cases.

STATEMENT

<i>Sl. No.</i>	<i>Name of the Bank</i>	<i>No. of robber- ies dacoities</i>	<i>Amount inv- olved (Rs. in lakhs)</i>	<i>Amount recovered (Rs. in lakhs)</i>
1	2	3	4	5
1.	Allahabad Bank	3	1.28	—
2.	Andhra Bank	2	2.87	0.45
3.	Bank of Baroda	5	8.06	0.05
4.	Bank of India	6	6.18	1.14
5.	Bank of Maharashtra	1	1.00	—
6.	Canara Bank	4	7.75	4.40
7.	Central Bank of India	5	6.33	3.14
8.	Indian Bank	1	0.13	0.13
9.	Indian Overseas Bank	2	1.37	—
10.	New Bank of India	2	0.18	—
11.	Oriented Bank of Commerce	1	1.49	—
12.	Punjab & Sind Bank	8	8.50	—
13.	Punjab National Bank	12	13.96	1.87

1	2	3	4	5
14.	State Bank of Bikaner & Jaipur	1	19.07	—
15.	State Bank of Hyderabad	2	1.07	—
16.	State Bank of India	17	26.49	0.11
17.	State Bank of Patiala	4	28.85	5.86
18.	UCO Bank	6	3.43	0.13
19.	Union Bank of India	4	2.55	0.71
20.	United Bank of India	2	11.37	—
Total		88	151.93	17.99

(Data provisional)

Credit to Mauritius

3279. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) whether Government have extended the fifth line of credit to Mauritius;

(b) if so, the total amount of that credit;

(c) whether any agreement has been signed between India and Mauritius; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). A credit agreement between the Government of India and the Government of Mauritius, providing a Government-to-Government credit of Rs. 50 million to the Government of Mauritius was signed on 2.2.1989. This was the fifth Government -to-Government credit extended to the Government of Mauritius. The credit is available to the borrowing

Government for importing from India capital goods and consultancy services. The credit carries a rate of interest of 5% per annum and is repayable in 24 semi-annual instalments commencing from 1st November, 1991.

Export of Engineering Goods to Egypt.

3280. DR. KRUPASINDHU BHOI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government are exporting engineering goods to Arab Republic of Egypt;

(b) if so, the total amount worth engineering goods exported to Arab Republic of Egypt in last three years;

(c) the target set for the export of engineering goods to that country in 1989-89; and

(d) the details thereof?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) Export of engineering goods to Arab Republic Egypt during the last three years was as under:—

(in Crores Rs.)
(Provisional)

1985-86	30.90	
1986-87	27.00	Including
1987-88	25.00	electronics

(c) and (d). The Engineering Export Promotion Council has fixed an export target of Rs. 50.00 crores for engineering goods for the year 1989-90 for Arab Republic of Egypt. The Council has identified sectors like Auto parts, Diesel Engines, Pumps and parts, Construction equipment, Tractors, Packaging machinery, Electrical accessories and appliances, Fabricated steel structurals, Bolts and nuts, Hand, small and cutting tools and Electric power machinery for concentrated thrust in the ARE market during 1989-90.

Production and Import of Natural Rubber

3281. PROF. K.V. THOMAS: Will the Minister of COMMERCE be pleased to state:

(a) the likely production and consumption of natural rubber during 1989-90; and

(b) the quantity proposed to be imported during 1989-90 to meet the deficit?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) As per preliminary estimates the estimated production and consumption during 1989-90 is expected to be 280,000 MTs and 334,000 MTs respectively.

(b) For the present STC has provisionally been authorised to import 35,000 MTs of natural rubber. The actual imports will however depend on the production of rubber and its consumption during the coming months.

Stoppage of Sayaji Express at Palghar (W.R.)

3282. SHRI ANOOP CHAND SHAH: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is any proposal to provide a stoppage at Palghar on Western Railway to newly introduced Sayaji Express between Vadodara and Bombay; and

(b) the action taken thereon in view of Palghar being a station providing Rail facility to backward industrial areas like Boiser and Tarapur?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (SHRI MAHABIR PRASAD): (a) There have been demands for stopping 155/156 Sayaji Nagri Express at Palghar.

(b) Presently not feasible due to operational constraints.

[Translation]

Alleged Irregularity regarding Railway Land in Bokaro

3283. SHRI KALI PRASAD PANDEY: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that land and other facilities have been provided by the Railways for "Achinandan Talkies" in the Railway territory of Bokaro Steel City;

(b) if so, whether it has been done under the rules; and

(c) if not, whether any action has so far been taken against the concerned officers and whether Government propose to conduct an enquiry into this matter by a High official/vigilance agency?

THE DEPUTY MINISTER IN THE MINISTRY OF RAILWAYS (MAHABIR PRASAD): (a) Yes, Sir.

(b) and (c). This has been taken up for investigation by the Vigilance Organisation of the Railway, and appropriate action will be taken against any official found to be at fault.

[English]

Credit Deposit Ratio of Public Sector Banks in Orissa

3284. SHRI SRIBALLAV PANIGRAHI: Will the Minister of FINANCE be pleased to state:

(a) the present credit deposit ratio of public sector banks in Orissa;

(b) the percentage of the ratio of advances to deposits of scheduled commercial banks in that State at present (according to last estimate), and

(c) the advances extended by the public sector banks to the weaker sections of the society in that State during the last three years?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO). (a) The credit deposit ratio of public sector banks in Orissa as

at the end of September, 1988 (latest available) was 82 percent.

(b) The credit deposit ratio of all Scheduled Commercial Banks in Orissa as at the end of September, 1988 was 87.8 percent.

(c) The outstanding advances to the weaker sections in Orissa by the public sector banks as at the end of December, 1985 December 1986 and June 1987 (latest available) were Rs. 167.84 crores, Rs. 201.82 crores and Rs. 238.29 crores respectively.

Trade Balance with U.K.

3285. SHRIMATI BASAVARAJESWARI:
DR. KRUPASINDHU BHOI:

Will the Minister of COMMERCE be pleased to state:

(a) whether the trade deficit between India and Great Britain is widening every year;

(b) if so, the factors responsible therefor; and

(c) the efforts made by Government to reduce the gap?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c) As per figures available with DGCI&S, the following are the bilateral trade figures between India and UK since 1986-87. It may be observed that the trade deficit in 1987-88 was less than that in the preceding year.

Year	Imports from	(Value: Rs. crores)	
		Exports to	Balance of Trade
1	2	3	4
1986-87	1622	736	(—) 886
1987-88	1804	1032	(—) 772
1988 (Apr.-Sept.)	1187	543	(—) 644
1987 (Apr.-Sept.)	897	481	(—) 416

The major items imported from UK which contribute to the bilateral trade deficit include rough diamonds, machinery and other engineering goods. These items are, however, essential for generating exports and for the development of our economy. In order to reduce the trade gap, continuous efforts are being made to increase our exports by diversifying the export basket, implementing trade promotion measures, exchange of trade delegations, buyer-seller meets, participation in trade fairs, publicity, etc.

Import and Distribution of Tin

3286. SHRI V. TULSIRAM: Will the Minister of COMMERCE be pleased to state:

(a) whether the Executive Committee of Seven Nations' Association of Tin Producing Countries has reached an accord for export quota of tin to its members;

(b) if so, the quantity and quality of tin to be imported to India and the countries from where it will be imported;

(c) the criteria for its distribution Statewise; and

(d) the price at which tin will be sold in the open market for common use?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir. However, India is not a member of the Seven Nations' Association of Tin Producing Countries.

(b) to (d). Unwrought and unalloyed refined tin of 99.85 minimum purity is imported by the Minerals & Metals Trading Corporation of India Limited (MMTC), based on the requirements of tin registered by the actual users with it and the amount of foreign exchange released for the purpose. Coun-

tries of import are dependent upon competitiveness of prices and other terms and conditions quoted by the suppliers. Supplies of imported tin are made by the MMTC to the registered actual users (industrial) at prices fixed by the Committee headed by the Chief Controller of Imports & Exports every month.

Bandh Observed by Gold and Silver Merchants in Bombay

3287. SHRI ANOOP CHAND SHAH: Will the Minister of FINANCE be pleased to state:

(a) whether a 'Bandh' was observed by gold and silver merchants of Bombay for three days from 13 January, 1989 to 15 January, 1989;

(b) if so, the details of their demands; and

(c) Government's stand in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Yes, Sir.

(b) Licences of 10 gold dealers were suspended in Bombay during November, 1988 to January, 1989 for contravention of the Gold Control Act. The 'Bandh' was in protest against the suspension and their demand was revocation of these suspension orders.

(c) The cases are under investigation. Prima facie there is case that the aforesaid Bullion Dealers have been acquiring smuggled and illegally acquired gold from illicit sources and showing the receipt of such gold as purchased from various customers in the form of gold ornaments. Quantum of such illegally acquired gold is estimated to be very high. There is element of calculated and deliberate design to defraud

the Government. On conclusion of enquiry suitable action would be taken as per Law.

12.00 hrs.

[*English*]

SHRI ABDUL RASHID KABULI (Srinagar): With your permission Sir,

MR. SPEAKER: What is the problem?

KUMARI MAMATA BANERJEE (Jadavpur): I have written one letter to you and also I have given notice under Rule 184.

MR. SPEAKER: I will see.

KUMARI MAMATA BANERJEE: It is most unfortunate. In West Bengal Assembly they have passed a Resolution regarding Thakkar Commission Report.

MR. SPEAKER: Nothing doing. I have not allowed that discussion.

KUMARI MAMATA BANERJEE: I have given a notice, Sir.

MR. SPEAKER: I will see.

DR. KRUPASINDHU BHOI (Sambalpur): The other day our Hon. Finance Minister was telling that our foreign resource reserve has been depleted by Rs. 1300 crores. For that reason we are...

[*Translation*]

MR. SPEAKER: Please give it in writing, nothing can be raised like this.

[*English*]

No; I cannot do it like this.

DR. KRUPASINDHU BHOI: I have given it Sir.

MR. SPEAKER: I will see it.

DR. KRUPASINDHU BHOI: Sir, you allow me under Rule 377.

MR. SPEAKER: No, no submission.

DR. KRUPASINDHU BHOI: I have met you about Sukinda Nickel, Sir. (*Interruptions*)

[*Translation*]

MR. SPEAKER: I will see it.

(*Interruptions*)

[*English*]

How can I refuse others also? No, nothing doing.

MR. SPEAKER: Not like this. If I allow you, how can I refuse others?

SHRI SOMNATH RATH (Aska): Sir, we are concerned because the Prime Ministers' name was uttered and a statement was made in the West Bengal Assembly involving him in the murder of the ex-Prime Minister.

MR. SPEAKER: I cannot do anything.

SHRI SOMNATH RATH: We are concerned because the Prime Minister's name has been uttered. That is why we should condemn it. (*Interruptions*).. You are not only the Speaker of Lok Sabha, but also you are the Chairman of the CPA of India. The Speaker of that State happens to be the Chairman of that Branch and these matters are also considered in the Presiding Officers' Conference. May I beg of you to consider this matter in the Presiding Officers'

Conferences which are being held and condemn this, besides condemning it in this House?

MR. SPEAKER: If a Presiding Officer does like this what have I to do then?

SHRI SOMNATH RATH: We are concerned because the Prime Minister's name was uttered. The rules and procedures of the State Assembly are similar to those of this House. How can the Prime Minister's name be uttered there? You are not allowing any Chief Minister's name to be uttered in this House.

MR. SPEAKER: Mr. Rath, what are you doing? You know I cannot do anything. I only depends on the good sense of the Speaker who presides over that House. I am the Speaker here and I am not the Speaker there. They are to do as the rules should permit them. It is good sense that should prevail. Should it not? Every Speaker is responsible to the House and they are all autonomous bodies. They have to look after the interests of the Legislatures and the democratic institutions according to the rules and they should do it. If somebody has erred somewhere, it is upto him to correct it.

(Interruptions)

MR. SPEAKER: What is the problem? Let me know what is the point.

SHRI P.M. SAYEED (Lakshadweep): I have a submission to make Sir.

MR. SPEAKER: I don't need submissions. You give me in writing any motion and I will consider it.

SHRI P.M. SAYEED: I don't want to shout, that is why I say.

MR. SPEAKER: Anything for consideration, you give me in writing and I will consider it.

SHRI P.M. SAYEED: Sir, yesterday you had already made a statement here regarding your anguish and also your pain that the Opposition Parties are not attending. They have been suspended. May I suggest one thing Sir? Now that the rumour is going on throughout the country about Thakkar Commission Report, its implication and the grave situation that is arising...

MR. SPEAKER: What can I do about it?

SHRI P.M. SAYEED: May I suggest that some of the Opposition leaders and also the Prime Minister and the Government can be contacted by you so that the delicate issue that is involved in the Report could be told to them that in case it is to be placed before the House it has far reaching consequences?

MR. SPEAKER: Please listen, I understand my limitations.

(Interruptions)

SHRI. P.M. SAYEED: You can initiate...

MR. SPEAKER: That is what I said yesterday also.

SHRI G.M. BANATWALLA (Ponnani): I also support him, Sir.

MR. SPEAKER: I agreed with you. I am at your disposal. My good offices and my services are at your disposal.

SHRI P.M. SAYEED: You should try again, Sir.

MR. SPEAKER: I tried my level best. I can still try my best and I will always try my best.

SHRI. P.M. SAYEED: That is what we are telling, Sir.

MR. SPEAKER: I know, but it is a question of both hands. One hand cannot clap. It takes both the hands to clap. It is a question of give and take.

(Interruptions)

MR. SPEAKER: It is a question of coming across and talking to each other. If they don't talk, I cannot do anything. I called them and called everybody—from this side and that side. The Speaker's office is at the disposal of the Hon. Members of the Opposition as well as the Ruling Party at any time. I have got no hesitation. I have got no reservation. I have got no personal thing in it. I only want to run this institution. I am at your disposal. My good offices, whatever they are worth, are always available.

(Interruptions)

MR. SPEAKER: Now why are you wasting my time?

SHRI BRAJAMOHAN MOHANTY: Sir, now the Foreign Ministers of the Islamic States have recognised the rebel government in Afghanistan.

MR. SPEAKER: I cannot say anything about it.

SHRI BRAJAMOHAN MOHANTY: The Minister should make a statement. It is a very serious situation.

SHRI G.M. BANATWALLA: We should also recognise that government.

MR. SPEAKER: Which government?

SHRI G.M. BANATWALLA: Afghanistan Mujaliden Government.

MR. SPEAKER: It is upto the government. I cannot say anything.

SHRI G.M. BANATWALLA: They should be recognised by us.

MR. SPEAKER: That is your point of view. That is all.

SHRI ABDUL RASHID KABULI: Sir, regarding Hajis I have got one submission. Last year.. .

MR. SPEAKER: Not allowed. That is not on the agenda

*(Interruptions)**

SHRI ABDUL RASHID KABULI: This pertains to the Haj pilgrimage for the current year.

[Translation]

MR. SPEAKER: You give me in writing

[English]

You can write to me. I will see. Not allow.

*(Interruptions)**

12.07 hrs.

PAPERS LAID ON THE TABLE

[English]

Notification regarding customs duty changes in the contest of Budget proposals and exemption under customs Act. 1982

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): I beg to lay on the Table:-

[Sh. A.K. Panja]

(1) A copy each of the Notifications Nos. G.S.R. 243 (E) to 335 (E) (Hindi and English versions) published in Gazette of India dated the 1st March, 1989 together with an explanatory memorandum regarding Customs Duty changes and exemptions in the context of Budget proposals pertaining to Indirect Taxes announced by the Finance Minister in Lok Sabha on the 28th February, 1989, under section 159 of the Customs Act, 1962 [Placed in Library, see No. L.T.7558/89]

(2) A copy each of the Notifications No.s G.S.R. 137 (E) to 242 (E) (Hindi and English versions) published in Gazette of India dated the 1st March, 1989 together with an explanatory memorandum regarding Central Excise duty changes and exemption in the context of Budget Proposals pertaining to Indirect Taxes announced by the Finance Minister in the Lok Sabha on the 28th February, 1989 under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944. [Placed in Library, see No. L.T.7559/89]

Export Inspection Agency (Recruitment) Amendment Rules, 1988 etc, etc. and review on the working of and annual report of Minerals and Metals Trading Corporation of India for 1987-88

THE MINISTER OF STATE OF THE
MINISTRY OF RAILWAYS (SHRI
MADHAVRAO SCINDIA) I beg to lay on the
Table:-

(1) A copy of **Export Inspection Agency (Recruitment) Amendment Rules, 1988 (Hindi and English versions)** published in **Notification No. G.S.R. 1013** in **Gazette of India** dated the **31st December, 1988**, under sub-section (3) of section 17 of the **Export (Quality Control and Inspection) Act, 1963** [Placed in Library, see No. L.T.7560/89]

(2) A copy each of the following Notifications (Hindi and English versions) issued under section 3 of the **Imports and Exports (Control) Act, 1947**.

(i). The **Imports (Control) Second Amendment Order, 1988** published in **Notification No. S.O. 1187 (E)** in **Gazette of India** dated the **16th December, 1988**.

(ii) **S.O. 1186 (E)** published in **Gazette of India** dated the **16th December, 1988** making certain amendment in the **Open General Licence No. 14/88** dated the **30th March, 1988**.

(iii) **S.O. 157 (E)** published in **Gazette of India** dated the **24th February, 1989** making certain amendments in the **Open General Licence No. 4/88** dated the **30th March, 1988**.

(iv) **S.O. 158 (E)** published in **Gazette of India** dated the **24th February, 1989** making certain amendments in the **Open General Licence No. 9/88** dated the **30th March, 1988**. [Placed in

Library, *see* No. L.T.7561/89]

12.08 hrs.

PUBLIC ACCOUNTS COMMITTEE

[*English*]

Hundred and Forty-third Report

SHRI R. S. SPARROW (Jullundur) : Sir, I beg to present the Hundred and Forty-third Report (Hindi and English Versions) of Public Account Committee on Crash Housing Programme for construction of General Pool Accommodation.

- (1) A copy of each of the following papers (Hindi and English versions) under sub-section(1) of section 619 A of the Companies Act, 1956:-

(i) Review by the Government on the working of the Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year 1987-88.

(ii) Annual Report of the Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year 1987-88 along with Audited Accounts and comments of the Comptroller and Auditor General thereon.

12.08 $\frac{1}{2}$ hrs.

COMMITTEE ON SUBORDINATE LEGISLATION

[*English*]

Twenty-first Report

SHRI ZAINUL BASHER (Ghazipur): Sir, I beg to present the Twenty-first Report (Hindi and English versions) of the Committee on Subordinate Legislation.

- (4) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above. [Placed in Library, *see* No. L.T.7562/89]

(5)(i) A copy of the Annual Report (Hindi and English versions of the spices Board, Cochin, for the year 1987-88.

12.09 hrs

PUNJAB BUDGET 1989-90

[*English*]

MR. SPEAKER: Now the House will take up Punjab Budget.

SHRI S.B. CHAVAN...

- (6) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above. [Placed in Library, *see* No. L.T.7563/89]

SHRI R.L.BHATIA : (Amritsar) Sir, I want to make a submission. I want that the Minister should make a statement on the

[Sh. R.L. Bhatia]

affairs of expenditure as well as income and the circumstances in Punjab as such. Normally the Minister makes a statement. So I request him to make a statement.

12.10 hrs

[MR. DEPUTY SPEAKER in the *Chair*]

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) Sir, I lay on the Table of the House the Annual Financial Statement of the State of Punjab for financial year 1989-90.

Consequent on the Proclamation issued under article 356 of the Constitution on the 11th May, 1987 the powers of the Legislature of the State of Punjab are exercisable by or under the authority of Parliament. The Statement of estimated receipts and expenditure of the State of Punjab for the financial year 1989-90 is, therefore, being placed before the House.

REVISED ESTIMATES 1988-89

The Revised Estimates for the current year place state's tax and non-tax revenue at Rs. 1185.10 crores showing decline of Rs 9.25 crores from the Budget Estimates owing to the continued disturbed conditions in the State. The State's share of Central Taxes, duties and Grants -in-aid from the Government of India are more by Rs. 177.32 crores at Rs. 528.92 crores compared to Rs. 351.60 crores in the Budget. The expenditure on revenue account is Rs 1990.65 crores in the Revised Estimates compared to Rs. 1785.17 crores in the Budget Estimates the increase of Rs. 205.48 crores is due to payment of additional instalments of dearness allowance and revision of pay scales and a result of implementation of recommendation of Third Pay Commission

to the employees and larger expenditure on social services namely, relief on account of natural calamities, education, medical, public health, sanitation and water supply, urban development and police. As a result, the deficit of Rs. 239.22 crores on revenue account estimated in the Budget will turn into a deficit of Rs. 276.63 crores.

On the capital account, the receipts are now estimated at Rs 1306.01 crores compared to Rs. 2375.17 crores in the Budget. Taking into account the transactions in the Public Account and the opening deficit, the current year is expected to close with an overall deficit of Rs. 76.84 crores compared to Nil balance estimated in the Budget .

The revenue receipts are estimated at Rs. 1980.86 crores. showing an increase of Rs. 266.84 crores over the Revised Estimates for the year 1988-89, State's tax and non-tax revenue receipts estimated at Rs. 1442.88 crores are higher than the Revised Estimates of 1988-89 by Rs 257.78 Crores. The State's share of Central taxes and grants is Rs. 537.98 crores, which is higher than the Revised Estimates for the year 1988-89 by Rs.9.06 crores. The expenditure on revenue account is estimated at Rs 2041.57 crores. The areas where major increases in expenditure are envisaged are police, education, medical services family welfare Public health, sanitation and water supply, agriculture, minor irrigation, community development and transport services.

On the capital account, the receipts are placed at Rs 1896.04 crores and expenditure including loans and advances at Rs 1891.74 crores. Taking into consideration the Revenue Accounts, the capital Account and the Public Account, the Budget for the Year 1989-90 relating to transactions for the year is balanced, leaving the carried forward deficit of Rs. 76.84 crores of the previous year unchanged.

PLAN OUTLAY

The State Plan outlay for 1989-90 has been fixed at Rs. 789 crores, including Ninth Finance Commission Award of Rs. 89.01 crores for Grants for Special problems. The Central assistance for the Year 1989-90 will be Rs. 36.62 crores. A special assistance of Rs. 560.00 crores will be given to the State during 1989-90. The annual Plan provides Rs. 354.65 crores for irrigation, flood control and power, Rs. 82.27 crores for agriculture and co-operation and Rs. 23.65 crores for industry and minerals. The State Government will continue to pay special attention to ongoing projects and projects at an advanced stage of completion.

VOTE ON ACCOUNT

While as required, the Annual Financial Statement for the year 1989-90 has been laid before the house and the connected Demands for Grants are also being circulated to the Hon'ble Members alongwith the other Budget papers I am, at this stage, seeking only a 'Vote on Account' for the first six months of the financial year 1989-90 except for the requirement of food procurement where the annual requirement needs to be Voted to keep procurement operations going.

12.13 1/2 hrs

SUPPLEMENTARY DEMANDS FOR GRANTS (PUNJAB) 1989-90

[*English*]

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K.GADHVI) I beg to present a statement (Hindi and English versions) showing the Supplementary Demands for Grants in re-

spect of the State of Punjab for 1988-89.

12.14 hrs.

MATTERS UNDER RULE 377

[*Translation*]

- (i) Demand for early conversion of Maharajganj metre gauge railway line into broad gauge

SHRI KRISHNA PRATAP SINGH (Maharajganj): Mr. Deputy Speaker, Sir, there was a very old railway line in Maharajganj. This railway line was included in the proposal for conversion of metre gauge railway lines into broad gauge rail line. Since the year 1980, I have been pressing for the completion of this scheme and the stock reply has been that due to paucity of funds, the work of conversion could not be taken up. But this work does not involve a very big seem.

The hon. Minister of Railways, is therefore, requested to order completion of this scheme and if there is some hitch in this, a survey for a new rail line from Darauda to Chhidha-walia may be conducted.

- (ii) Need for steps to improve the lot of handloom weavers

SHRI MADAN PANDEY(Gorakhpur): Mr. Deputy Speaker, Sir, the introduction of synthetic yarn has eroded the popularity of handloom textiles and thus handloom weavers are facing serious difficulties. Their problems are being further aggravated by steep rise in the prices of yarn and irregularities committed in the purchase of their products and payment therefor. The recent steps taken by Government have also proved ineffective.

[Sh. Madan Pandey]

Lakhs of weavers in handloom producing centres of Eastern U.P., such as Gorakhpur, Khalilabad, Maunath Bhanjan, Toda etc. are on the verge of starvation due to aforesaid situation.

I, therefore, request the Central Government to make appropriate changes in textile policy with a view to ensure supply of yarn to the weavers at cheap rates, make arrangements for purchase of and payment for their products at remunerative prices. The Government should arrange to set up yarn mills, printing, processing and dyeing plants at Gorakhpur—a handloom textile producing centre.

Government should also arrange to impart training in modern techniques to the weavers at Gorakhpur etc. and set up handloom centres.

[*English*]

- (iii) **Need to extend the Special Rice Production Programme to all blocks of Ganjam District, Orissa and also extend it beyond March; 1989**

SHRI SOMNATH RATH (Aska): Sir, special rice production programme has been taken up in 63 blocks in the State of Orissa. Out of these, 7 blocks belong to Ganjam district which is predominantly an agricultural district. The people of the district are hard-working cultivators who believe in agricultural production in letter and spirit.

The term of the special rice production programme in 7 blocks of Ganjam district where it is operative now, is running out by March, 1989. As the progress of the programme is appreciable, it would be better if the programme is extended beyond March, 1989. The programme in question should

also be extended to all blocks of the district of Ganjam.

Ganjam district is affected by recurring drought and on account of unpredictable climate very often, the hard work of people does not produce the desired result. If special rice production programme is extended to all the blocks of the district, it will boost the morale of the cultivators and they will imbibe the spirit of augmenting agricultural production in the years to come.

As the programme is satisfactorily operating, the entire district should get the benefit of this programme.

[*Translation*]

- (iv) **Need for special financial assistance or grant to the State Government of Rajasthan to tackle water scarcity problem in Tonk Parliamentary Constituency**

SHRI BANWARI LAL BAIRWA (Tonk): Mr. Deputy Speaker, Sir, there is acute shortage of drinking water in some parts of my constituency Tonk. The schemes to solve the drinking water problem in my constituency are grossly lacking. In the past 4 years, due to scanty rains either the wells have dried up or the water level in wells has gone too down. It is unfortunate for Rajasthan that the State Government is short of financial resources to attend to the problem of drinking water as it has to spend heavy sums every year to tackle the situation arising from recurring faming and other natural calamities.

I request the Central government to provide special financial assistance or grant to the State Government of Rajasthan to tackle the problem of water scarcity, particularly in my constituency Tonk and for con-

struction of 'Kheli' in each village for making available drinking water for the cattle.

[English]

- (v) **Need to bring legislation to declare West Coast Canal as National Water way, conduct hydrographic Survey for Quilon Trivendrum Sector and Finalise Pilot Project for Veli-Kovalam Waterway**

SHRI A. CHARLES (Trivandrum): Sir, the question of declaring West Coast Canal as National Waterway is pending for a very long time. The hydrographic survey and techno-economic study of the Cochin-Quilon sector of this Waterway has been completed long before. In view of its importance it is requested that necessary legislation for declaring it as a National Waterway may be passed in this session of the Parliament itself. Alongwith this, I also request that the hydrographic survey and the necessary studies in respect of the Quilon-Trivandrum sector, which has already been ordered, and the Pilot Project for Veli-Kovalam Waterway may also be finalised urgently so that ultimately this stretch may also be declared as National Waterway without delay.

[Translation]

- (vi) **Need to expand telephone facilities in the country through a special scheme**

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Deputy Speaker, Sir, the utility of telephone is increasing every day in the present busy life and consequently demand for telephones is rapidly increasing. At the time of independence there were 321 telephone exchanges and 12,000 subscribers in the country but today the number has reached the figure of more than 12,000 telephone exchanges and 38 lakhs subscribers.

The demand for telephones is likely to touch the 2 crore figure at the end of this century and even today approximately 15 to 20 lakh people are on the waiting list for telephones. The call maturity rate in Delhi, which was 75.3 per cent in 1985, has been brought to the level of 96.6 per cent this year by commissioning electronic exchanges by Government. Similarly the maturity rate of S.T.D. calls also increased from 34.3 per cent to 75.6 per cent. Last year 206 cities of the country were linked with Delhi and I.S.D. facility was further extended to 13 other countries. However, it is not an easy task to meet the ever increasing demand for telephones in the country. In the Eighth Five Year Plan a provision of Rs. 19 crores has been made for telephones and during this period 50 lakhs telephone connections will be provided, which will be inadequate to meet the demand of people.

I, therefore, urge upon the Minister of Communications to formulate a special scheme to meet the increasing demand for telephone services in the country so that in near future telephone services may be provided not only in the cities but also in the villages where people are eagerly waiting for telephone services.

- vii) **Need to organise centenary Celebrations to Commemorate the memon of Maulana Abul Kalam Azad and Khan Abdul Gaffar Khan**

SHRI AZIZ QURESHI (Satna): Sir, the Centenary celebrations of the great freedom fighter of international repute like Maulana Azad and Badshah Khan (Abdul Gaffar Khan) are due in the current year. Nothing in particular has been done so far to organise celebrations in memory of these great sons of India.

The Delhi University may be named as Khan Abdul Gaffar Khan University and

[Sh. Aziz Qureshi]

prominent highways, buildings academic and cultural institutions of national repute may be named after him. Not a single prominent memorial has been established for Khan Abdul Gaffar Khan. Anything done in this connection shall be a cementing force to unite the country and uphold the banner of its integrity and secular traditions aloft. Similarly, the cherished ideals of Maulana Azad shall be a powerful inspiration to posterity to fight for the integrity, sovereignty and secular traditions of India.

The Government of India should initiate action to organise celebrations to commemorate the memory of Maulana Azad and Badshah Khan in a suitable and dignified manner throughout the country and issue directions to all the State Governments to organise the same in a befitting manner by rendering special financial assistance to them.

[Translation]

(viii) Need to set up a labour Court at Gopalganj (Bihar)

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Deputy Speaker, Sir, there are five sugar mills, two cardboard factories, a large number of small scale and beedi units in district Gopalganj of Bihar. More than 25 thousand workers are engaged in these industries but for getting justice the workers have to go to the labour court at Muzaffarpur which is 200 kms away from this place. Workers of East Champaran, West Champaran, Siwan and Chhapra districts bordering Gopalganj have also to go to Muzaffarpur for seeking justice. District Gopalganj is situated in the middle of all these districts.

I, therefore, urge upon the hon. Labour Minister to set up a labour court at Gopalganj so as to make it easy for the labourers to seek justice.

[English]

(ix) Need to set up the proposal nickel extraction plant in Sukinda area of Cuttack district of Orissa

DR. KRUPASINDHU BHOI (Sambalpur): Sir, Government of India had approved a proposal for establishment of a nickel extraction plant of 5000 tonnes per year in Sukinda area in the district of Cuttack in Orissa in 1974 involving an investment of Rs 39.50 crores. But the project has not been taken up so far on the plea of technical difficulties and constraint of resources. The total reserves of nickel in Kansa area and ore burden in chrome mines in Sukinda Valley is estimated at more than 65 million tonnes with 1.2% nickel oxide. As India is an importer of nickel metal involving 150 crores this year and the cost per tonne was 7000 dollars last year and 17,000 dollars this year, production of nickel from ore available in Sukinda area is very necessary. Otherwise, the country will continue to lose valuable foreign exchange every year.

Now, there are three established processes for nickel extraction available in the globe, i.e. Sherett Garden, Canada, International Nickel, Canada and Le Nickel, France. If a nickel extraction plant is set up with any of these processes, it will prove technically feasible and economically viable and the country will save sizeable foreign exchange once the plant starts commercial production. The present reserves of ore can be exploited for more than 100 years even in the original capacity of 5000 tonnes is doubled. It is high time now that the steel and Mines Ministry convince the Planning Commission as well as Finance Ministry to expedite the process for the establishment of the plant. I urge upon the Government to install the nickel extraction plant at Sukinda without any further delay.

12.27 hrs.

GENERAL BUDGET, 1989-90— GENERAL DISCUSSION —*CONTD.**[English]*

MR. DEPUTY SPEAKER: The House will now take up further discussion on Budget (General) for 1989-90.

[Translation]

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Deputy Speaker, Sir, I support the General Budget for 1989-90 presented in this House by the hon. Minister of Finance.

Sir, the hon. Finance Minister has announced several schemes in his budget speech in connection with celebration of centenary of Pt. Jawahar Lal Nehru. In this Budget, a provision of Rs. 500 crore has been made for a scheme for removal of unemployment. But it is a matter of great surprise that only 120 districts have been selected for the implementation of this scheme. It is impossible to do away with the problem of poverty by selecting only 120 districts in a vast country like India.

The number of poor people in India is more than 6 crore and 50 lakh. According to an International organisation of the U.N.O., there are 50 crore people in the world who do not even get two square meals. Their number in India is 7 crore. According to this organisation 2.79 crore people—45 lakh in Maharashtra, 30 lakh in West Bengal, 25 lakh in Uttar Pradesh and 18 lakh in Delhi-live in "Jhuggi Jhonpris".

Mr. Deputy Speaker, Sir, you will recall that in the previous Budget presented by hon. Tiwariji in this House he had made several announcements for the advancement of the rural population and he had termed it as a Budget of the benefit of farm-

ers. For the past four years we have been seeing the Budgets every year and hearing the announcements made therein. But the poor people did not get even 75 per cent benefit of those announcements and schemes. If the benefits of the schemes meant and formulated for the poor in this House, do not reach them, how can you claim that they are being uplifted. 65 per cent population of India, which contributes its might in execution of large construction works of the nation have a right to appeal to its leader for provision of adequate funds. There is no use of presenting Budget and expressing concern for the poor unless it is ensured that the benefits intended for the poor in fact reach them.

The Government had declared in the last year's Budget that communication system will be developed. We were expecting that the prices of T.V. sets will be reduced but does the Government intend to develop the communication media only by increasing the prices of T.V. sets? Therefore, this increase should be withdrawn. Earlier radio was a very expensive item and was possessed only by the rich class. However, due to the simple policy of the Government, radios are now available in every village. But the existing policy in regard to the T.V. sets is conducive to its general availability for the common man and consequentially the rural population will not be able to benefit through it. We had hoped that the prices of kerosene, sugar and salt too will be reduced in this Budget because they are necessity items for both the rich as well as the poor. The Government has increased the prices of commodities like steel etc. but it has been stated number of times that before the presentation of Budget, an assessment should be made in regard to the stock of commodities available with different industrialists. But today it so happens that the industrialists hoard the goods in the pre-Budget days and earn profits worth lakhs of rupees on them after the presentation of Budget. Therefore, an assessment

[Sh. Kali Prasad Pandey]

should be made so as to get informed of the stock position with each individual company. The Government proposes to achieve the target of bringing down the percentage of people living below the poverty line to 20 per cent by the year 1994-95. But this can not be achieved merely by spending money on other schemes. These schemes should be implemented in all seriousness. A number of schemes were formulated for Bihar but the poor because even poorer and the rich became richer because unless and until the entire system is streamlined, mere Budgetting and announcements won't benefit the poor the country. The number of people living below poverty line is 440 lakh i.e. 46.5 per cent of the rural population and 90.6 lakh, that is 40.5 per cent of the urban population in Uttar Pradesh. Bihar ranks second with 329.4 lakh, that is 51.4 per cent rural population and 36.1 lakh, that is 37 per cent urban population. Similarly, the number of people living below poverty line in Madhya Pradesh, Orissa, Tamilnadu, West Bengal, Andhra Pradesh and Karnataka is 46.2 per cent, 42.4 per cent 29.4 per cent 29.2 per cent, 36.4 per cent and 35 per cent respectively. Bihar ranks second in this category. I would like to know as to why the Koyal Project has been kept pending since such a long period and why are the funds not being allocated for it. Again, why is the Kanti Thermal Power Plant not being completed so that the people of Uttar Pradesh may be benefitted by it. The Government grants funds for various schemes but what was our target in regard to the completion of the Koyal Project and the Kanti Project? Had the Government kept in view these problems before granting funds for the scheme, this situation would not have arisen. The Government did not pay attention to the completion of Kanti Thermal Power Plant which would have benefitted people living in Gopalganj, Siwan and East Champaran. Consequently, it has not started functioning till

date. If You consider this honestly and had the Koyal-Karo Project been completed in time, the Jharkhand movement would not have brewed up. While Uttar Pradesh ranks first, Bihar ranks, second among the backward areas though it is the same Bihar where in Champaran, Mahatma Gandhi had launched his movement for the upliftment of the poor and for creating an awakening among the masses. I hail from the same Bihar where great personalities like Maulana Mazrul Haque and the first President of India, Dr. Rajendra Prasad were born. If the problem of unemployment in Bihar is to be solved, the Government should set up industries at the district level so that the standard of living of the people may be raised there. Whether an increase in the railway freight won't affect the price situation. If it is so, what steps we are going to take to implement the schemes so as to make up the deficit? A little while ago the point of rural banks was raised in the House. I wanted to know the name of the rural banks in Gopalganj district of Bihar, where there has been the cases of bungling. One such case of bungling of Rs. 62 lakhs was traced in a bank at Bathna Kuti. Similarly, a case of bungling involving an amount of Rs. 30 lakh was detected in a bank at Samra. The C.B.I. was ordered by this House in 1985 to conduct an enquiry into the matter. Till today i.e. upto 1989, the C.B.I. has not been able to complete their investigation process. The late Shrimati Indira Gandhi had said that there should be a wide network of rural banks and the amount of subsidy should be distributed for the upliftment of the poor. However, instead of any improvement in the conditions of the poor, there has been an improvement in the financial position of the bank managers. If the pocketing of funds by the bank managers is stopped, we can certainly bring in the upliftment of the poor and help improve the destiny of our country. The India fertilizers Corporation is paying a rent of Rs. 40-50 thousand per godown. A solution can surely be found if those exorbitant

tures are reduced. The condition of the Scheduled Castes and Scheduled Tribes too is the same as before. The Hon. Prime Minister has made announcements regarding the Panchayati Raj. The Government should take steps to develop the Panchayat level and for the upliftment of schools. Our country can develop only if the people in villages progress. With these words, I conclude.

[English]

SHRI JAGANNATH RAO (Berhampur): Mr. Deputy Speaker, Sir, can I sit and speak?

MR. DEPUTY SPEAKER: Yes, you can.

SHRI JAGANNATH RAO : Thank you, Sir.

Mr. Deputy Speaker, Sir, I welcome the Budget proposal for 1989-90. In a planned economy the Union Budget is not a mere finance statement of receipts and expenditure but it is an instrument of economic growth. Various economic and fiscal policies followed by the Government in the last 3 or 4 decades have made the economy sound and robust. We now have a self-reliant and self-generating economy. We are able to finance our Plans to a great extent. Of course, we have to get some external assistance in certain spheres. But this is inevitable. No country in the world has developed its economy without external assistance. Therefore, the policy that has been followed by the Government all these years has shown results and our economy has become sound and resilient. In spite of drought in 1987, the foodgrain production has gone up to 170 million tonnes, much more than the targeted figure of 166 million tonnes. How could it happen if the economy is not sound?

The Opposition criticises the Govern-

ment for its policies and says that the policies have made the country bankrupt. This is far from true. The GDP has increased by 5 per cent. Agricultural production has increased. Industrial production has gone up by 9 per cent. Export have gone up by 24 per cent. All round development in the economy is the result of the policies followed by the Government all these years. Therefore, the Budget of this year is a continuation of the Budget of last year and a projection of the policies of the Government in the coming years. The momentum created by the Budget last year is now being accelerated by additional allocations to various sectors. These allocations are not only to maintain the momentum created but also to accelerate it for still more rapid growth.

Hitherto, Green Revolution was confined to the two States of Punjab and Haryana and to wheat and rice only. But now it is being extended to other States also which have a perennial source of irrigation. There also the production is being increased two-fold, three-fold and even four-fold. Unless it is done, the States always have to look to the Centre for supply of foodgrains. Therefore, if every State becomes self-sufficient to the extent possible, it will ease the pressure on the Central Government and the money spent on procuring and maintaining the foodgrain stocks can be otherwise spent for developmental purposes.

Sir, as I said our exports have increased and we are the tenth industrial nation in the world. I think we are occupying ninth place. How could it happen? It could happen because of the policy adumbrated by Pandit Jawaharlal Nehru to build up the infrastructure in the country for rapid development in agriculture and industry. That policy has now borne fruit. Now we are producing everything that is required. Of course, there is a little shortage and we are importing to that extent. But our imports are dwindling year by year. Exports are rising and imports are

[Sh. Jagannath Rao]

being cut to the minimum. So, Sir, it is not correct on the part of the Opposition to say that the Government's policies have put the country in a debt trap. There is no question of any debt trap here and our creditworthiness is known all over the world. The World Bank had sanctioned about 5,000 million dollars four or five years ago. But we did not ask the entire money. We took about half of the loan and we had already repaid it. So, our creditworthiness is known all over the world. How could we do it if the economy is not sound? We have to view the economic policies of the Government in the right perspective and not merely criticise the Government without offering any alternative proposals, as is done by the Opposition.

The policies that are being followed by the Government are quite sound. But the main problem is that we have to face poverty. The first three Plans had concentrated on building up the infrastructure. The emphasis in the Fourth Plan was shifted to economic growth coupled with social justice. In 1969-70, Indiraji declared a war on poverty and raised the battle-cry 'Garibi Hatao' and formulated the 20-Point Programme to eliminate poverty and to alleviate the poor. From 1971 to 1980, for ten years nothing special could be done due to several reasons such as internal disturbances in the country, the Janata Party coming to power for two and a half years and so on. All these factors led to disruption and the implementation of the Programme was not very effective. Only from 1980 onwards the 20-Point Programme is being implemented and this has now borne fruit. Out of a population of 37 crores below the poverty line, about 10 crores of people have crossed the poverty line. Still there is poverty. Poverty cannot be eradicated overnight. It takes some years. But steps are being taken. Efforts are made by our Prime Minister Rajiv Gandhi to implement the 20-Point Programme with more

vigour and greater thrust and determination so that poverty is eliminated. We have formulated a scheme called IRDP. This IRDP scheme is intended to give financial help to self-employed persons in the rural areas such as a carpenter, black-smith, a cobbler and so on. This scheme helps those people who have some trade in their hands or some skill in their hands. They can utilise the money which they get as a loan and improve their trade and thereby improve their economic condition. But what about those people without any skill who are also given this IRDP loan? They are not able to utilise the money properly. They spend the money on daughter's marriage or for brother's house. A rupee is not invested which can produce another rupees. So, they become debtors and a large amount of money given by the Banks is lying unrecovered. Thousands of crores remain unrecovered. Therefore it is to be seen as to how far the IRDP has been successful; to what extent, how many people have been benefited; and what type of people were benefited. Those people who are not benefited should not be given IRDP Loan. There should be some other help such as RLEGP or some such thing. There is a programme called NREP. It is also a project which is carried on 50-50 basis. What are the works carried on in rural areas? Primary schools have been opened, village roads have been provided, village talks have been provided and so on. So how long will it take? How many people can be employed? How many jobs can be created? So, it would be a very difficult and complex problem. Though the Government has a will, determination to do it and lot of efforts are being made in this direction, I am surprised that enough jobs could not be created in the rural areas. The only thing is that the Khadi and Village Industries Board can encourage, wherever possible, the people who have skill, by improving their jobs. This is a problem which has to be viewed objectively and not merely criticising the Government that nothing is being done. Where nothing is

being done or where the money is not utilised, there have to evaluate and see how best it could be done. How are you going to create jobs? Employment in rural areas is problem. I do not know how the Government going to tackle this employment problem in the coming years. Poverty is not being reduced. If you go to the rural areas where there is an industry or any irrigation project or any industrial project, people round about 10-15 kms. radius are benefited because they are employed in those projects Both husband and wife are employed. Their condition is very good. they are paid better salaries. They are better clothed. They get better food and so on. But in the interior areas, there is no scope for employment. There is no water. There is no land. Nobody has land so that they can work on that land. Therefore it is a complex problem. It will take time. It is not being tackled by the Government with great determination and greater thrust.

I welcome the budget proposals. In spite of all these things, the Budget has kept the deficit under control. The deficit is only Rs 7000 crores or something like that. The inflationary pressures are bound to be there in a developing economy. Every developed country has experienced this. So, the inflation is coming down year after year. We should look at these things objectively. It is a good Budget. The rise in the cost of inputs will not affect the commonman but only persons who are in a position to pay the additional Excise Duty. A person who can purchase a T.V. can pay a little more. A person, whose annual income is Rs. 50,000 or more has to pay a surcharge of 8 per cent. Therefore, somebody has to pay. Without this how can you have revenues and how can you raise the resources for the Plan? The national investment as envisaged in the Plan for the upliftment of the poor is a very welcome step. It is a Budget meant for the poor. Not only that. The economy will be developed. Human resource development

is a greatest thing which Panditji took up in the beginning. To develop human personality in all its aspects from cradle to grave, steps are being taken to improve it. Steps are also being taken to improve education, health, nutrition, food and even latest facilities are being provided towards education. The public school system is being introduced in the rural areas like the Navodaya Vidyalayas. A comprehensive plan is being formulated so that the human personality is developed, the economy is developed and the country will become a prosperous country. Every man in the village can feel proud that he belongs India, a country which has its own traditions, culture and commands respect all over the world.

SHRIMATI JAYANTI PATNAIK (Cuttack): Mr. Deputy Speaker, Sir, I must congratulate the hon. Finance Minister for presenting well balanced get which takes into account all aspects of our economy. It is a growth oriented Budget. It is designed to provide relief and incentives for the lower middle class people. Keeping the deficit entirely on a manageable limit, the attempt has been made to raise resources by taxing luxury goods and has chosen to launch a direct assault on poverty and unemployment. So, it goes to the credit of the Government to have managed the economy substantially despite worst droughts of the century, last year. The World Bank in the latest Report regarding Indian economy has complimented the Government for the sound economic management. Our Gross Domestic Product has increased by 3.6 per cent and the average growth rate of GDP during the current plan will exceed the plan target of 5 per cent. The inflation rate has been contained. There has been commendable growth of 8 per cent in the manufacturing sector. We are very glad that the performance of the public undertakings has been given priority by the Government and there is continuous effort to improve it. The Public undertakings should contribute to national

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resources, and they should be able to fund their own modernisation expansion and diversification programmes. In this connection, I would urge that the non-essential public enterprises and those that are dealing with consumer goods and services might be privatized, to generate greater resources for the essential ones.

Now I come to exports. There has been a substantial increase in exports, due to the well-conceived policy of export promotion; but urgent steps are necessary for import-substitutions in the field of key items like oilseeds, fertilizers etc. The Technology Mission for Oilseeds is the right step in this direction. We have to build a strategy for self-sufficiency in fertilizer production. It may be necessary to review the system of administered price for fertilizers. In this connection, I would like to say that the proposal by large private groups to set up fertilizer plants at Paradeep in Orissa should be considered sympathetically.

One thing I would also point out here, viz. That it is a matter of great concern that the phosphate plant at Paradeep has stopped production because of constraints in importing raw materials. It is also a matter of great concern that the shifting of its head office to Orissa has not yet been considered. We know that the State Government and the people of the State have been demanding the shifting of its head office to Orissa. I do not know why it has not been considered. The plant is in Orissa, but the head office is not there—it is here? How long will it continue here I must know this categorically; is the head office going to be shifted? This is very much required for coordination and efficient running of the plant. So, this should be considered sympathetically.

The fertilizer plant at Talcher also requires technological improvement, to run it properly.

Now I come to the Budget that has taxed the rich, and helped the pro-poor. It has emphasized the proper image of the Government. The merger of RLEGP and NREP is a welcome feature, but I would like to suggest here that the contribution by poor States like Orissa—which is much below the national average in poverty index—should be reduced from 25% to 12½, while for the richer States it should be increased. Why am I saying this? It is because we have to see that regional imbalance and regional disparity are removed. We know that when we have different schemes for poverty alleviation, we should first see the intensity of poverty. We are now saying that those whose income level is below Rs. 6500 are poor; and those whose income is only Rs 1000 are also poor. But how long will it take to raise, above the poverty line, especially those whose income is only Rs 1000 or Rs. 2,000 ? In rich States, the mobilization of resources is more ; But because of being below poverty line and because of the fact that 40% of the population in States like Orissa consists of scheduled castes and scheduled tribes, it is very difficult to remove the regional imbalance in such states.

So, this should be taken into account.

Then we have the new employment scheme introduced in memory of Pandit Jawaharlal Nehru. It is an excellent step; and in my opinion, it should be extended to all the districts, instead of only to 120 districts. So is the case with ICDS projects also. It is now going to be extended to 500 more districts; but I want to say that the people of India, especially the women want that all these blocks should be covered under these projects.

13.00 hrs.

The meagre provision in the Budget that is Rs. 251 crores for women and children is not at all sufficient.

Irrigation is the main instrument for

agriculture. Various economic studies show that average employment per acre of agricultural land is low in India compared to countries like Japan. This means that improvement of agricultural facility, intensification of agricultural practices and farm development can absorb a substantial number of surplus labour force. It is a common experience that in many States irrigation potential created by the construction of dams is ideal for want of distribution network. I would suggest that these projects be identified and a special assistance by Central Government be given to poorer States for completion of incomplete projects of this kind to bring about benefit of irrigation to the people immediately.

I welcome the new scheme called Home Loan Account Scheme. It is an imaginative scheme for development of housing programme. The Prime Minister, in the recent announcement, has suggested for a joint title for the house sites under the Indira Awas Yojna Scheme. I would request the Government to make a provision for a joint title for house sites for all the woman; otherwise a single woman who heads a family and especially a women headed family must have special facilities for housing. This is the most basic need of the family and for the women.

While decontrol of cement and aluminium is a right step, there has been distressing report about difficulty faced by small scale industries, which are the users of aluminium and other things. I would not ask why we are exporting aluminium and alumina also. There is metal called calcium alumina. The small scale industries are not at all getting these things for their use whereas we are exporting this metal. So, we have to first meet the demand of our country and then we can export. This is the thing we have to take into consideration. During the past year there has been substantial rise in the prices of metal throughout the world. Our country

should take advantage of this international situation to provide a boost to metallurgical industries. In this connection, I would like that Central Government examine the feasibility of setting up projects for extraction of nickel and vanadium in Orissa where such ore is available. With high international price of these imported items, it is necessary to do so to save valuable foreign exchange and reduce foreign dependence as regards these strategic materials.

Modification of the Gold Control Act is the step in the right direction and will help the poor gold-smiths and artisans. Introduction of new National Saving Certificate will stimulate savings. Modification of the pension schemes will benefit the retired people. Raising the pension for freedom fighters is a correct step to help people who suffered during the freedom struggle. A massive thrust is required in the Khadi and Village Industries and Artisan sectors. Since these activities employ the larger segments of our manufacturing activity, it is necessary to step up investment in this sector substantially in two ways. Firstly, the outlays of KVIC and similar funding organisations should be augmented. Secondly, greater infrastructure should be built up in the handicrafts and handloom village industries and artisan sector by way of new training organisations and strengthening of implementing agencies. I would suggest that in selected larger districts in the country separate infrastructure for rural artisan programme should be built up with central support, supporting the activities from the present Districts Industries Centres who are paying all their attention to small industries and self-employment programme. For want of a separate organisation in the districts, the artisan sector and the village industries sector are suffering. It is necessary to introduce this programme in the interest of providing a massive thrust to the artisan programme.

I would also like to mention that one of

[Smt. Jayanti Patnaik]

the highlights of the Budget is limiting the Defence expenditure to the present level. Large Defence expenditure is a drain on resources which are scarce and are needed for developmental activity. We must congratulate our Prime Minister for making commendable effort to ease tensions and improve our relations with neighbouring countries. Cutting down Defence expenditure will have a logical consequence in these efforts. This is an important objective of the Budget. It is a socialistic budget and it has taken into account the interests of the poor people and taxed those people who can pay and that is why the Budget is a welcome Budget. It is a balanced Budget and also a growth oriented Budget.

SHRI WILLIAMSON SANGMA : (Tura)

Mr. Deputy Speaker, Sir, I rise to participate briefly in the general discussion on the Budget for 1989-90. While I support the new directions the Budget would give to the national economy, I would like to use this platform to highlight certain specific areas of distress relating to my State., Meghalaya, on account of non-implementation of a number of approved and sanctioned schemes and projects to which I would like to draw the attention of the Government.

I fail to understand how, even when no less a person than the Prime Minister himself laid the foundation stone of a particular vital and sanctioned project, it remains unimplemented for a long time. In this connection I will give an example. On the 27th December, 1987 when the Prime Minister visited my district. Garo Hills, accompanied by a number of senior colleagues of his Cabinet, like Shri K.C. Pant, Defence Minister, the then Minister of State for Civil Aviation, Mr. Jagdish Tytler and other Central leaders including a number of senior officers, he laid the foundation stone for the Tura (Baljek) Airport. A very big crowd attended the func-

tion, thought it was Sunday. As you may be aware, in the hilly areas of our part of the country the Christians do not generally come to attend public functions, particularly on Sundays. But expecting something very big from the Prime Minister, a large number of people gathered to attend this function. And in their presence the Prime Minister while laying the foundation stone said that the engineers would now come and start the construction work of the airport soon. But nothing has been done up till now. For a hillman a promise is a promise. Once a promise is made it should be acted upon. It should not remain as a mere proposal in the file. It should be translated into action.

On the same day, the Prime Minister also announced that the construction work of ropeway from Siju to Dudnai would also be started soon. This project was agreed to by the late Prime Minister and while presiding the Special Meeting of the North Eastern Council held on 22.12.1980 in New Delhi she announced that it would be taken up during the Sixth Plan period itself. However, nothing has happened till now.

Regarding the Tura airport, I learnt only yesterday from the then Minister of state for Civil Aviation that even the finance has been sanctioned. You can well appreciate, Sir, what will be the feeling and reaction of the people in such situation.

It appears that there is no proper coordination amongst the Ministries. I will give an example. While I was the Chief Minister of Meghalaya, I used to attend the Ministers Committee for the Economic Development of the North Eastern Region. I continuously pleaded for the construction of a rail-cum-road bridge across the Brahmaputra river between Jojigopa and Pancharathna. After a great deal of persuasion, the Government of India agreed to have a rail-cum-road bridge. Initially Government agreed for a rail bridge, but later on it agreed for a rail-cum-

road bridge. Necessary re-designing of the bridge to make it rail-cum-road had been completed within scheduled time and the location survey had also been completed. Our late Prime Minister Indiraji laid the foundation stone of this rail-cum-road bridge some years ago. When this matter was raised by me in the meeting of the Ministers Committee of the Economic Development of the North-Eastern Region, it was very unfortunate that the Minister of State for Railways, who was wrongly briefed by his officers, while intervening in the meeting said that the location survey was being completed. It was a surprise to me. Sir, lakhs of people had attended the foundation stone laying function. But the Minister now said that the location survey was being completed. I do not know how things are being done.

Sir, coming to another very important scheme, Indira Gandhi Regional Institute of Medical Sciences, the need for such an institution was realised by our late Prime Minister Smt. Indiraji. She had agreed in principle to have such an institution in the North Eastern Region and agreed to locate it in Shillong. Necessary land, more than 300 acres, has been acquired by the State Government for this purpose. We requested our present Prime Minister Shri Rajiv Gandhi to lay the foundation stone. In the first instance, the Prime Minister expressed his inability. I tried to know the reasons. I was told that because of some administrative reasons, there was some difficulty to comply with our request. However, we again requested him to lay the foundation stone in 1986. He agreed to do so and laid the foundation stone in May 1986, during SAARC Conference in Shillong. Once the highest man in the administration made a promise and laid the foundation stone, it is the duty of the concerned Ministry to execute the project. It should not remain in the file like a certificate only.

Sir, I do not want to go into the details of

the Budget provisions. I have always been trying to persuade our present hon. Finance Minister, who was the then Planning Minister, that there should be a Tribal Sub Plan for the North Eastern Region Hill States. In all the States, where there is a sizable tribal population, there is a general annual plan and in addition they get Tribal Sub Plan also. Unfortunately, in the North Eastern Region only some States like Manipur, Assam and Tripura get tribal sub-plan in addition to their General Annual Plan, but the hill States in the North-Eastern Region, namely, Meghalaya, Nagaland, Mizoram and Arunachal Pradesh, do not get the Tribal Sub Plan. I took up the matter with the present Finance Minister who was then the Minister of Planning. The Planning Commission did not agree to my request. The plea taken by them was that the entire state is a Tribal State and the entire plan is Tribal Plan, and as such there was no need for a Tribal Sub-Plan. I demanded that let the entire plan for these States be regarded as Tribal Plan and financial assistance should be cent per cent as is available for the Tribal Sub-Plan in other States. Up till now I have not been able to persuade them to agree with me, but I do not see any logic in their stand.

The Government of India during the regime of late Shrimati Indira Gandhi and even now during the regime of Shri Rajiv Gandhi set up a Ministers Committee for looking after the socio-economic development of North Eastern Region. This Committee has now been upgraded and consists of Chief Ministers and it is chaired by the Home Minister. This Committee had the occasion to review a number of schemes which are sanctioned for the entire north-eastern region and see as upto what extent the programme had been implemented and what were the handicaps and difficulties. But for the last two years, it appears that no such meeting has taken place. I would suggest that this should be revived and the schemes which have been approved and cleared both

[Sh. Williamson Sangma]

by the concerned Ministry as well as by the Planning Ministry should not be delayed for implementation.

Coming back to the Indira Gandhi Regional Institute for Medical Sciences, as stated earlier, the foundation stone for the project was laid by our Prime Minister, Shri Rajiv Gandhi, in May, 1986 during SAARC conference in Shillong. Now it is more than three years. Even the Director of this Institute has not been appointed. Not a single brick has been laid. You can imagine what would be the people's feeling and reaction. It was our firm belief that the work of this Institute would be taken up in right earnest by the concerned Ministry. But unfortunately, there is no progress at all. I would earnestly request the Government to look into this matter and see that all the approved and sanctioned schemes are taken up for implementation without any further loss of time and all the pending schemes, including central schemes, are approved and taken up early.

[*Translation*]

SHRIMATI USHA VERMA (Kheri): Mr. Deputy Speaker, Sir, I am grateful to you for having granted me the time to speak. I also congratulate the hon. Finance Minister on the Budget for the year 1989-90 which has substantially provided that the Government is committed to undertake the work of upliftment of the poor as well as to usher in an era of social and economic justice. It has also been the effort of the Government to bring above the poverty line the poor, the hard working, the labourers and the economically backward sections of the society. The hon. Finance Minister has tried to make the Budget village oriented and for the benefit of the poor. Therefore, I want to congratulate him.

I want to congratulate even the Hon. Prime Minister for having presented the Budget in the face of economic crisis and when our economy is laden with foreign and internal debts. Content of non-planned and superfluous expenditure on the administration is also increasing which needs to be stopped because more funds are required for the development works. In view of all these things, the hon. Finance Minister has taken a number of corrective measures and has also taken an initiative to strike a balance and infuse discipline in the economy. All the basic problems have been taken care of. But a liberal view has been adopted towards the industries in the Budget. In spite of this the poor are not getting the funds which should have been made available to them under the Hon. Prime Minister's schemes, under I.R.D.P. and under the provisions made for loans. None of the schemes, whether regarding the schools, roads, electricity or the farmers, is getting requisite funds. In this regard there should be a substantive control on corruption. Then alone can we succeed in the proper implementation of our programmes aiming at the upliftment of the poor. The poor do not get any assistance even through the banks.

Now, I would come to my constituency, Lakhimpurkheri. A survey was conducted in 1977 for a new railway line between Farukhabad and Gola Gokarnnath via Shahjahanpur-Momkandi. Even earlier such a survey was conducted but in that regard the Railway Ministry gave merely curt reply that they were short of funds. An that account we have been facing financial constraints to implement this scheme. Therefore, I urge upon the hon. Finance Minister to provide some funds for the implementation of this scheme. The provision of a new railway line in the backward areas like ours will also bring in a facility for the people living in these areas. At present there is only one very old railway line in that area which is not capable of meeting the requirements of such

a vast area. Therefore, my submission to the hon. Finance Minister is that he may kindly allocate funds for the proposed railway line mentioned by me.

13.25 hrs

[SHRIMATI BASAVARAJESWARI *in the Chair*]

This will facilitate the proper implementation of the Hon. Prime Minister's 20-Point Programme and 14-Point Programme in that area which has a population of 10 lakhs. I would like to congratulate the hon. Prime Minister for having shouldered the responsibility of strengthening the Gram Panchayats for providing facilities to the Villagers. This is a commendable thing. It is my submission that facilities should be provided to them at the earliest so that the Hon. Prime Minister's schemes may be implemented properly with the help of Gram Sabhas. This is what the Hon. Prime Minister himself wants. Apart from this, the farmers have been given all the facilities of irrigation, diesel pumps etc. but they should also be given proper price for their crop so that they may produce maximum quantity of foodgrains for the country.

I would once again like to congratulate the Hon. Prime Minister for having taken so many positive steps through this Budget. However, I feel a bit sorry that the benefits have not reached the rural areas. If the people living in rural areas are benefitted, no power on earth can fail our Government. My submission is that maximum amount of funds should be allocated for the welfare of my area, so that all the problems regarding railway, road and school facilities may be solved.

I thank you for allowing me time to speak and once again thank the Hon. Prime Minister and the hon. Finance Minister for having presented such a good Budget.

SHRI DILEEP SINGH BHURIA (Jhabua): Madam Chairman, I rise to support this Budget occupies a prominent place in the affairs of the country. I wanted that the members of opposition as well as of the ruling party to sit together and discuss the various aspects of this Budget because it attracts the attention of the entire country. But, it is a matter of regret that the members of opposition are not present here today.

Before the Budget was presented in the House, members of opposition parties presumed various things but couldn't find anything worth criticising when the Budget was presented. They were greatly disappointed. Madam Chairman, there are people who are misleading the masses. We will have to think about them. Members of the opposition parties misguide the farmers when they happen to come in contact with them. They claim that they will get their loans write off. No Government can afford to write off the loans. In this way people are misguided. There should be certain norms to be observed by each political party. I would like to thank the hon. Minister for implementing Nehru Rozgar Yojna during this Nehru Centenary year. This will cover 120 districts and a provision of Rs. 500 crores has been made for implementing this scheme. I would like the Government to give priority to the poor, the weaker sections and Harijans and Adivasis. 36 percent of the total population in our country is living below the poverty line. The Government should take measures to provide foodgrains at fair prices to the people living below poverty line as is done in case of adivasis. A mention has been made to reduce the rate of interest on the loan amount ranging between 15000/- to 25000/- The small farmers are very backward. They may need fifty thousand to Rs. one lakh for modernising their agricultural activities. Payment of interest on this amount is really difficult. Money-lenders charge heavy interest and thus earn a lot without doing any labour. I would like the Government to make

[Sh. Dileep Singh Bhuria]

provision for granting interest-free loans to the farmers so that they can utilise the money for increasing the production and thus pay the instalments of their loans in due time. The farmers have to suffer financial loss and their economy shatters due to the natural calamities like floods, drought cyclones etc. According to the land ceiling laws, a farmer cannot have more than 25 acres of land. It is, therefore, necessary to grant interest-free loans to the small farmers. Sajjan Mill in Ratlam is lying closed for the last four years. Banks and big shareholders are responsible for the closure. The State Government wants to re-start the mill but the bankers are not interested in extending help for the purpose. The closure of this mill has rendered about three thousand people unemployed. In these circumstances, the Government should come forward to rescue the people. We should extend help to these poor people beyond statutory provisions. Law with no consideration to public welfare is futile. As the State Government is willing to re-start this mill in order to provide employment to the people, the hon. Minister is urged upon to consider this matter and take effective measures to see that the mill is started at the earliest. Secondly, I would like to say something about the industries. The Government have proposed to create infrastructure facilities at 61 development centres. My constituency has been declared industrially backward since the year 1975. Our leader Shrimati Indira Gandhi had laid the foundation stone on 23 October, 1984 for setting up a polyester fibre industrial unit but it has not been set up so far. The Government should review the situation and find out the reasons for the delay in work. Frequent policy changes leave these backward areas as they were while the advancing areas continue to maintain their pace of advancement. Effective measures should be taken to remove such an imbalance. We should identify backward

districts in the country and pay special attention for their development. Otherwise the number of such areas would increase. The number will go to 71 and then to 100 from 60. Inadequate assistance would not do. We can succeed only if sufficient assistance is given to the poor. So, equal chances should be given to all. The proposal of giving Rs 750/- as pension to the freedom fighters, is commendable. But there are freedom fighters who, though they have been given a certificate by the Government, have to run to plead their case to the Members of Parliament and to certain other VIPs. The Government should provide help to them. They are not going to survive for a long time. If any extra help is needed that should also be extended to them. Our Prime Minister Rajiv Gandhi advocates socialism and Shrimati Indira Gandhi also sacrificed her life for the same purpose. We are therefore required, implement this scheme effectively.

13.37 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

The roads in my constituency are in a very bad condition. The Central Government have not provided adequate financial assistance to the State Government to improve the condition of roads. Madhya Pradesh is a backward State. It is, therefore, requested that the Government should take steps to improve the conditions of roads, forests and railway in the State. Relief works in drought hit areas have been appreciated. I extend my thanks to the Hon. Prime Minister for this and congratulate the hon. Minister for presenting a good Budget.

[*English*]

SHRI P.R. KUMARAMANGALAM (Salem): Mr. Deputy Speaker, Sir, I rise to welcome—not only welcome—the General Budget which has been placed by the hon. Finance Minister in this House because the

word "welcome" would be insignificant and insufficient for the revolution that the hon. Prime Minister and the Finance have brought about in this General Budget.

This Budget has quite rightly projected the priorities of today. It has realised that the burning question is unemployment and unless we solve the problem of unemployment we cannot really tackle with full force, the poverty that is slowly eating into the vitals of our nation. It is also most appropriate that it has been named after Panditji, as it was Panditji who dreamt that India would be truly free only when we have total economic freedom and not just political freedom. It is with this objective of wiping every tear from the eyes of every child, every young man, every citizen that this programme has been brought forward. I also do wish to appreciate and congratulate the hon. Finance Minister, the hon. Prime Minister and the Cabinet for having, after many years, adopted in literal-ity the guidelines that have been given by the All India Congress Committee to this party in Government Normally. we are told that it is not possible for this reason and that reason. But this time we have been told that it is possible for the following reasons. Even though it has been very difficult budget, as one can say, to bring about where we have the resource crunch in full and the balance of payment problem in no lesser amount, still without sacrificing anything and in fact improving the allocation for the Anti-Poverty Programmes and the employment programmes, the hon. Finance Minister, the Cabinet and the Prime Minister very rightly identified that today the situation is where the haves have to sacrifice a bit for the have-nots. The time has come when those who have been fortunate enough to have two square meals a day, they should sacrifice a bit. In fact many of those who are members of the Union which I represent, must realise that even their children have a future only if they can tighten their belts a bit and sacrifice a bit.

Sir, there has been some reaction undoubtedly for the 8 per cent tax that we have put for providing employment to the unemployed. But even though it is hard, it is something which I welcome from the point of view that it is ultimately for the future of the youth of this nation. At the same time, I also welcome the relief, though small. One expected much more in terms of the lower income groups who are being taxed who just managed to get into the income-tax bracket because of the wage revision. Of course, it does amount to giving in one hand and taking in another. But as long as it is for the poor, we are agreeable. Where we had difference was when we found that the higher income-tax payee, the Wealth-tax payee, the rich were getting-off and the poor were really not getting anything which we saw few years ago. That was most unfortunate. Though it has had a good fall-out in terms of actual increase in industrial production but it gave the rich a chance to become richer and the poor did not have that much of a chance at that time...*(Interruptions)* I would end my speech in a few3 minutes. I can see the hon. Minister for Parliamentary Affairs as hinting at your goodself that time is limited. I am sure the hon. Finance Minister would forgive me if I eat into his time a little bit.

Sir, while praising the Budget, there are a few small nitty-gritty things which I think are relevant to bring to the notice of the hon. Minister. The first is we have in the arena of transport put excise duty on cars rightly at a flat rate of 35 per cent because it is a luxury item undoubtedly and even if the middle-class people go in for it, it is no longer one which a poor man in a village can dream of. But when it comes to two-wheelers rightly up to mopeds, no increase in duty has been proposed. But why there is differential scale after 50 cc to and up to 350 cc? One may even understand up to 99 cc because many mopeds come within that region. But above 99 cc, we have the Yamaha 100 cc motor-

[Sh. P.R. Kumaramangalam]

cycles, technically it is 100 cc but it is a fast, flashy mobike as is called by the youngsters. It is really meant for the rich, the cost of which comes to Rs. 17000/- or something like that in the open market. Does not have to give it a concessional duty of 25 per cent? It is my plea that over 100 cc, all motorcycles be put a duty of 30 per cent. We do not want to give up revenue which we are getting. But let us get a little more additional revenue. Those who buy scooters which cost Rs. 15000/- can afford to pay Rs 1000 or 2000 more. They know what they are going in for. They are in the upper-middle class... (*Interruptions*). Sir, I am finishing Just now.

The last point which I would like to mention is that while you are dealing with wealth tax, you are speaking about market value, appropriately so—maybe sometimes. But then, the law of capital gains tax is not justified. You put capital gains tax. We, all of us, in the law, put capital gains tax on the basis of acquisition value and then if we charge wealth tax on the basis of market value, justification for capital gains tax will be wiped out.

I would like to make two proposals. One, to make evasion of tax definitely not as beneficial as it can become now. Wealth tax is not exemptable under income tax.

A man does not earn to pay a wealth tax—in fact, in certain cases, it could be possible that if his income is Rs. 100 he is ending up paying tax of Rs. 150 because of the wealth tax in addition to the income tax. Obviously he is cheating. He cannot pay Rs. 150. Why should we, in law, permit such a situation? We should allow wealth tax to be deductible as an expenditure just like we allow income tax, to a certain extent. As expenditure, when one is calculating income, at least that would be realistic. If not, at least let us keep the same parameters as

we used to for capital gains and wealth tax. There is no harm in it. I am personally not against wealth tax. (*Interruptions*)

I am finishing. I personally believe that wealth tax is required because we have in our Directive Principles of State Policy, very categorically laid down that economic concentration of wealth should not be permitted. That being so, there is nothing fundamentally wrong. I am only talking about the implementation and the nitty gritty.

I would like to end by only saying that one only hopes that the Jawahar Rozgar Yojna does not remain on paper and become an instrument for income of certain bureaucrats at the lower level. We should build up a situation where this programme can actually be implemented and one can see the result. I would request the Finance Minister and specially the Prime Minister to look into this personally to see that its implementation is done. I congratulate them once again.

THE MINISTER OF FINANCE (SHRI S. B. CHAVAN): Mr. Deputy-Speaker, Sir, at the outset, I must express my gratitude to all the hon. Members who have participated in the discussion on both sides of the House—at least for a day they were present and that is why they deserve my gratitude.

SHRI K.S. RAO (Machilipatnam): And the people who are sitting now.

SHRI S.B. CHAVAN: Of course, those who are sitting here, they deserve all the more gratitude because of the fact that they have made very valuable suggestions. Hon. Members will be able to appreciate the fact that a large number of suggestions that they have made either concern the State Governments or the administrative Ministries. And I do not think it will be possible for me to react to most of the suggestions which, in fact, do not come within the purview of the Finance

Ministry. If there are certain suggestions which, in fact deserve to be replied, at a later date, when the Finance Bill is discussed, might be, I will be able to gather the information and supply to the hon. Members.

Sir, at this point, I should also refer to some of the Budget proposals and the kind of concessions which were asked by some hon. Members. That also, at the outset, I must say, will require the closest scrutiny. Before I make any announcement I do not want to make an announcement and thereby come before the House by saying that though I have made the announcement, I could not implement the same because of these reasons. I don't want to do that and that is why when I reply to the Finance Bill, at that stage it may be possible for me to consider all the suggestions which the Hon. Members have made and thereafter we will be able to take a final view about the whole thing.

This being the last year of the 7th Five Year Plan, I will be able to give some information about both the financial and the physical targets which we have been able to achieve. Unfortunately, the Hon. Members—some of them—who had raised this issue—about assurances given last year and what has been the follow-up action taken by the Government in the matter—are not here. I have got the whole list of assurances given and the follow-up action taken merely for the sake of record. If they want I can pass on these papers to those who are taking notes. Otherwise, I think I will be unnecessarily taking the time of the House because I know that being a Friday, most of the Hon. Members are interested in running out to their constituencies and that is why you find that there is a very thin attendance today.

So far as the Central Government is concerned, I can say without any fear of contradiction that the financial provision that we had made at the commencement of the

7th Five Year Plan and the achievement which we are able to get at the end of the 7th Plan are; the 7th Plan provision is of the order of Rs. 95,534 crores and the actual achievement is going to be of the order of Rs. 121,830 crores. That means, we are going to exceed the Plan provision in nominal terms by about Rs. 36,000 crores. Even if we have to make a provision for the inflation, I can say that 115% minimum and might be in certain areas 120% in real terms we have been able to spend during the course of the 7th Five Year Plan. I think this will be the first Plan where in real terms we are exceeding more than 100% in real terms. In the 6th Plan with great effort we could achieve 90% in real terms; but this will be the first Five Year Plan where we are going to exceed in real terms more than 115% and it is a matter of great achievement according to me.

So far as the physical achievements are concerned, I will be able to give the figures to the Hon. Members. They are aware of the fact that we have been making definite provisions for different schemes. For the first time might be, though we had actually expected an increase in the agricultural production and the total agricultural production was to reach between 178 to 183 million tonnes that was the figure which was envisaged—later on it was revised and I can say that by the end of 1988-89 we feel confident that we will be able to achieve about 170 million tonnes or slightly more. That gives one year more. If the rain Gods are merciful next year also, I am sure that we will be able to achieve the agricultural production target that we have fixed for ourselves.

In the critical infrastructural areas, about the target of 22245 MW of additional capacity in the power sector that we had decided for the 7th Plan as a whole, I can say without any fear of contradiction that we will be able to achieve about 22000 MW by the end of the 7th Five Year Plan. This is a very vital factor so far as both agriculture and

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industrial sectors are concerned because production will ultimately depend upon the availability of electricity. Fortunately, we have also been able to increase our plant load factor. The plant load factor which was about 50.1% has now touched 56% and with a little more effort it should be possible for all the electricity boards to achieve 60% plant load factor. I have seen some power stations where they have been able to achieve the plant load factor of the order of 95% but I cannot be oblivious of the fact that there are areas where plant load factor is only 34%.

SHRI R.L. BHATIA: Where is it 95%?

SHRI S.B. CHAVAN: In Andhra Pradesh, Maharashtra and also Karnataka. There are certain areas where plant load factor has been achieved of that order. It cannot be an average. But in certain areas they have been asking for new power stations whereas in the already existing power stations their plant load factor is only 34% which is not a desirable situation. Wheresoever it is obtaining it will be better that they concentrate on this rather than putting on new power stations. (*Interruptions*) The very States are asking for new stations where the plant load factor happens to be low.

The Railways freight loadings are expected to reach 340 million tonnes in 1989-90. I am quite sure about the performance of the Railways, especially the Railways this time has done wonderfully well. I must congratulate my colleague Mr. Scindia who, in fact, has done his level best to see that the Railways freight loadings get increased to the maximum extent and I would not be surprised if he is able to exceed this figure of 340 million tonnes. That is my estimate.

Now coming to critical industrial projects which are going to be completed during the Seventh Plan—the critical industrial proj-

ects which would be commissioned before the end of the Seventh Plan—they are: HBJ pipeline; NALCO aluminium complex; 1st stage of Vizag steel plant and the fertiliser plants at Guna, Aonla and Jagdishpur. These are the few projects which are going to be completed by the end of the Seventh Plan. So in terms of infra-structure and in terms of the important projects which are also serving as infrastructure for agricultural production if they are completed well in time, I am sure, this will give a boost to our agricultural production in a big way.

So this is also another area where, in fact, we deserve to congratulate all those who are concerned. They have done their best to see that they achieve not only the financial targets but they also achieve the physical targets.

Now I would like to mention some of the general issues raised by hon. Members here. The main point on which, in fact, a large number of Members spoke is always about the disparities in development in different parts of the country. Hon. Members are aware of the fact that there are three types of categories of States where the Central assistance is given in different manner. There are special category States where the assistance is given in the shape of 90% grant and 10% loan. These States being very backward they are given special dispensation and I will request all the hon. Members who are from those areas to concentrate and see that they are able to take the maximum advantage of the benefits which are given by the Central Government. Unfortunately, in these very States I find a tendency that non-Plan expenditure is on the increase. I will tell them after all it is your own money. Don't consider that it is given by Central Government; so, no matter, on what we spend. This special dispensation has been given for matters of development so that in a specified period, you are on par with the rest of the country and you don't have that feeling in

your mind that being backward, we cannot possibly have the same kind of development as other areas are having. That kind of feeling should not be in your mind. That's why special category States have been given special dispensation. Ninety per cent grant is given to you and hardly 10 per cent loan is given and that too we have been able to give with all kinds of concessions. There is also the North-Eastern Regional Council which is in addition to what is being provided by the Central Government. There are certain shortcomings and some shortfalls. I would like to mention any of those. But, at the same time, I would request the hon. Members, who come from those respective areas, to see that they take maximum advantage and see that every pie reaches the targetted group. If we fail in that, I don't think that there will be any justification for merely asking for something more.

AN. HON. MEMBER: I would like to ask something relating to these issues.

SHRI S. B. CHAVAN: If you have any point, you can raise it after I finish my speech. Then, I will try to explain what the position is.

The second category of States is of those States where the per capita income happens to be below the national average. Those are the areas where modified Gadgil formula is made applicable. Depending upon the backwardness, special assistance is being provided to those areas so that they are also able to reach the level of the national average at least. If they were to exceed, certainly, we would be very happy. But those are the areas where our expectation is that they should be able to reach the national average at the earliest. The third is the other category where rest of the States are being given normal Gadgil formula assistance. So, these are the three kinds of States.

Now, the point arises that in the States

themselves there is a feeling. People say that this part of Uttar Pradesh is very much backward. In some part of Maharashtra, people say: "We are very much backward." In Orissa, some hon. Members say... (*Interruptions*) You are seeing Orissa as a whole. But in the State itself, there are some developed areas and some under-developed areas. That is a kind of feeling that some people have. I don't think that the Central Government can possibly take the responsibility of giving any additional assistance for removal of disparities in the State itself. It is the responsibility of the State Governments themselves that they should look into the matter and consciously take the decision that from the total amount, which has been made available, so much they will try to earmark for development of a comparatively backward area of the same State and do not ask any additional amount from the Central Government.

Besides this, we have been giving special assistance for area approach programmes. There are certain tribal areas for which the Central Government gives full subsidy. Almost hundred per cent grant is being given for the development of the tribal areas. There are also desert areas—DPAP areas. There are various proportions in which the grant and the loan amount are being given to these States so that they are able to concentrate on those areas and these people do not have a feeling of being neglected.

I will request all the hon. Members that we should try to concentrate and see that there are very few occasions when you are required to ask the Central Government for giving special kind of assistance for different kinds of schemes. There is always a competition amongst my colleagues also in the Central Ministries. We have the central schemes which are located in different areas. As one of the hon. Members also said, if you are to compare devolution of the resources under the Constitution.... and

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compare them with what comes to the Centre and what goes to the States, I have made a very careful study of the entire thing—I can say that the fear expressed by some of the States that they are being neglected, their powers of taxation are taken away by the Central Government, the entire power of taxation is being concentrated in the Central Government and they are deprived of their legitimate revenue is not borne out by facts. Right from 1951 onwards, with the devolution, if I have to give you the figure, I can say that minimum 51 per cent becomes available to the State Governments and hardly 49 per cent is the share of the Central Government. I am prepared to discuss this issue with any of the Members of the Opposition. Whether my figures are true and correct, certainly we can discuss and try to convince each other. But why to spread this kind of a canard that the Central Government is trying to neglect certain areas deliberately, Central Government is unnecessarily appropriating to itself the laws of taxation, all revenues are being concentrated in the Central Government? This is not borne out by facts. And that is why, if you have any doubt about this aspect of the question, certainly we can discuss. If there is any mistake, I will not make it a prestige issue, I will definitely discuss with them. If there is any correction, certainly we will make the correction but an unrealistic sort of attitude should not be adopted by some of the States who seem to be spreading this sort of a feeling, which according to me, is not a desirable kind of a thing.

So far as this years Budget is concerned, I can say that in my speech, part A, the very first sentence makes absolutely clear as to what is the philosophy behind the whole approach of this Budget. The philosophy has been that of growth, modernisation, self-reliance, social justice and generation of employment. These are the five issues that

we have kept before our mind and we saw to it that it should result in growth, but growth not at the cost of modernisation. Specially in certain areas, we have to compete with international community also. We are aware of the fact that people are very friendly to India but at them same time, I do not think that you can expect that they should show you mercy or special consideration for being friendly and accept your sub-standard goods. Your goods should also merit considerations and that is why it becomes absolutely necessary that these goods should be updated technically. The new technologies have to be imported, if even certain concessions have to be; given—in spite of the fact that we have constraint of resoures and foreign exchange resources are very scare. But at the same time, if you want to succeed in the world, and make your goods competitive, you have to update the technology and import the same. A number of items are being imported in order to see that our goods are of a particular standard. Every effort will have to be made to see that we increase our exports. We have been giving all kinds of concessions to non-resident Indians for opening accounts, investing in portfolio investments, giving them more concessions in certain matters. Ultimately these are very temporary sort of palliatives that we can offer. The real solution of the problem will be to see as to how to increase our exports. Every effort will have to be made to see that we export traditional items and non-traditional items to traditional countries and non-traditional countries to the maximum extent possible. There is good will all over. Fortunately, our Prime Minister has been going all round and he is being consulted. Every one has to be very proud that our young Prime Minister is being consulted by the entire community of newly freed nations. I must say that every week you will find that some dignitaries of a high order are in Delhi for consultation. This is the kind of goodwill that our Prime Minister has been able to generate. We should take maximum

advantage of the same and create a feeling among them that it is not only the developing countries, but the under-developed countries also have to come together. Certainly, we mean that our presence should be felt by all the developed countries. If that position has to be obtained, we will have to make a vigorous attempt to see that we are able to export not only to developing countries, but even to the developed countries. There is a tremendous scope for increasing our exports in this direction.

If the hon. Members are interested, I will give you all the concessions which, in fact, we have announced. So far as the concession part is concerned, for export purposes the fiscal and monetary measures which we have adopted are that exports profits are totally exempted from income tax under Section 80 H and C; benefit of five-year tax holiday available to units in the free trade zone has also been extended to hundred per cent export-oriented units; coverage of CCS and duty drawbacks has been increased with simplification in procedure and larger quantitative support; extended coverage of MODVAT to help in reducing the cost and prices which would make exports more competitive; interest concessions on term loan to export oriented units have been extended where the concession is dependent on the classification of use as hundred per cent, or as export-oriented units having exports more than 25 per cent of their total sales; interest concessions on pre-shipment and post-shipment credits have been further increased from March 1989. EXIM Bank has been supporting supplier's credit and providing buyer's credit to facilitate exports. Interest rates on these credits are highly concessional. Blanket exchange permit schemes have been broad-based and further liberalised exports are allowed barring a few products to utilize as ten per cent of the foreign exchange earnings for export promotion activities. For exporters of computer software the eligibility of blanket permit up to 30

per cent of the net foreign exchange earned. Then, the international price reimbursement scheme has also been made applicable; pre-bid clearance for deferred payments where the RBI has directed EXIM Bank to grant up to Rs. 50 crores for export of engineering goods on deferred payment basis. Then, liberal grant of agency commission, productivity fund for assisting export throust units and liberalization of licensing and other institutional measures which the Government has undertaken is a totally comprehensive scheme that has been prepared for the benefit of those who are engaged in the area of export.

I do not think we can possibly afford the kind of concessions that we are giving, but I think this is the right time to give these concessions, because they would ultimately result in greater exports, which, in fact, will be the real solution to our problems.

The next point which I would like to deal is how to raise there sources required for the 8th Plan, for next year also. The Budget is, in fact, giving some kind of an indication as to how the resources have to be raised for the next Fove Year Plan. There also, if the hon. Members are interested, they may look to part B of my speech were I have stated as to what are the objectives that we have kept in view. These are promoting productive employment, protecting the consumption standards of the poor, discouraging non-essential luxury consumption, particularly when it is import intensive, providing some relief to middle income tax payers, maintaining the tempo of industrial moderanization, and growth, containing the Budget deficit for 1989-90 etc. These are the main objectives that we have kept before us while finalizing the 1989-90 Budget.

First of all, I would like to deal with the problem of deficit for the year 1989-90. Hon. Members are aware of the fact that in the year 1988-89 revenue deficit was Rs. 11030

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crores and in 1989 -90 it is going to be Rs. 7012 crores. The overall deficit which was Rs. 7940 crores has been reduced to Rs. 7337 crores. This is a conscious and deliberate attempt made by this Government to see that our overall deficit gets reduced so that we are able to save some money for being invested for developmental purposes. This effort will have to be intensified. At least I am not still quite satisfied that we have succeeded in saving the non-essential expenditure. That exercise will continue and I am sure that by the end of 1989-90 it should be possible for us to come before this House and say that with the intensive effort that we have made the schemes which are not at all that relevant—a number of schemes which were started 30 years back are still continuing and I don't think what kind of work they have been doing have been done away with. All the administrative Ministries are requested and all my colleagues in the Central Government are requested to kindly apply their minds and see that non-essential items, especially on the non-plan side should be done away with and we should be able to show a definite saving.

A point was made by the Hon. Member, Shri Madhav Reddi. But unfortunately he is not here. The point was about the transfer of Rs. 2300 crores from the OCC Account to the revenue side. This point was clarified by my colleague yesterday. The Hon. Member saw some kind of jugglery in this kind of transfer. I am sorry to say that he has not been able to totally appreciate it and that is why he used that kind of word. If hon. Members will go through the Budget, "The Budget at Glance" and the explanatory memorandum given, it clearly indicates as to how Rs. 2300 crores on the overall side, both on the credit and debit side have been shown. So, there is no secrecy about it; there is no jugglery about it and there is no effort to mislead the House and stealthily trying to

take some money from one account and put into another or showing some artificial kind of decrease in the revenue deficit. I don't think that that is borne out by facts and that is why that point has been very effectively explained by my Hon. colleague, Shri Gadhvi, yesterday. It leaves hardly any scope for any kind of misunderstanding. I am sure that the Hon. Members who are sitting opposite too are convinced on the issue that there is hardly anything to say against this kind of a transfer. Enough money is available in the OCC Account; almost Rs. 8700 crores are available and we have just taken Rs. 2300 crores. The rest of the money has also been kept there with a view that sometimes in the future if there is a difference between the retention price and the market price, then this amount should easily become available to us. At least for the next 10 years, I don't visualise that such a kind of situation is going to arise. Almost every year we are adding Rs. 1100 crores to the same account. I don't think we can possibly afford this kind of luxury and just keep that money there. Not utilising the money for the purpose of development would not be a correct approach and that is why it was correct to have transferred that much amount. There is hardly any justification for even keeping the rest of money but I don't think we can possibly immediately transfer the entire money. So, we have made a beginning. Year before last also it was done; this year also it has been done. So, there is no jugglery of words in order to suppress some facts from this House.

Certainly, I can assure the hon. member that I will be the last person to do that. I have never tried to mislead the House. If I have certain information, I have never kept it hidden unless of course, public interest requires that it should not be revealed. That is a different matter. But these are matters which are open to every body. You can come and see things for yourselves and convince yourselves.

The Opposition are unhappy over the fact that we have been able to reduce the deficit. This is a great achievement under the leadership of Shri Rajiv Gandhi. Our Prime Minister has been able to achieve this kind of a reduction in the deficit and show to the entire world that instead of the crunch in resources, our revenue deficit has been reduced. This is going to be our definite direction. Our purpose is that we propose to reduce our deficit to a manageable extent. But to expect that it is going to reach zero-deficit level is also another extreme. I do not think any developing country can possibly think of reaching a zero-deficit level. Zero-deficit is almost an impossibility. I do not think there is any harm in having a deficit if it is going to be utilised properly. But unfortunately, if deficit is utilised for revenue purposes, then it becomes very harmful. That is why we have to be very careful and prudent. We must see that we utilise this deficit for a good purpose, say for completion of projects which otherwise would have remained incomplete. This is the point on which every one of us will have to concentrate.

Shri Bipin Pal Das referred to the reduction in the allocation for Defence. He has said that in Defence, provision for Navy should not have been reduced. Every one of us should appreciate the fact that our Prime Minister has gone out of the way for this purpose. He went to China, Pakistan and Shri Lanka. Now, this is the new signal which we are trying to give. We say that we sincerely believe in resolving our issues by negotiations. We are not interested in confrontation. Confrontation is neither in the interest of India nor in the interest of our neighbouring countries. So, the best solution to the problem is negotiation. We have been teaching to the entire world that it is not by conflict, but by negotiations that we should be able to resolve our issues. So, the same approach has been adopted here. That is the reason why, we have deliberately

reduced the provision on Defence expenditure. I am sure, my colleague in the Defence Ministry will be able to see that moneys are available for essential projects. By pruning the expenditure on non-essential items, he may be able to provide the necessary funds for on-going schemes. I can assure the hon. members and the defence Forces through this House that God forbid if an eventuality were to arise where more provision is required, they can rest assured that the Government will not be lacking in its defence preparedness. Defence preparedness will be the topmost priority item on our agenda. It is not that we propose to neglect the Defence Forces. We are certainly interested in defence preparedness. Nobody can take us for a ride. Everybody should be aware of the fact that we are a strong nation. If there were any threat, we can defend our country's freedom. We will never take any offensive action. At the same time it is our moral responsibility to defend ourselves. Nobody can have the courage to come and attack India. If such a situation were to arise, and if more funds are required, we are certainly prepared to give more. Under these circumstances, I do not find any reason to have some kind of suspicion.

PROF. N.G. RANGA (Guntur): More attention should be paid to Navy.

SHRI S. B. CHAVAN: Not only Navy, but all the three Defence Forces will get the kind of assistance that they require, and more also when they need it.

I have said something important on which I would like to lay stress and that is the merger of two existing schemes and supplementing the same with Nehru Rojgar Yojana. The point which all the hon. Members have actually raised was that the schemes are very good but the way the schemes are being implemented is much to be desired. How we can possibly improve the situation without coming into conflict with

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the State Governments is a main point which we will have to keep in our mind. In order to find a solution to the minor issues, let us not create a major issue. So, the point will be, we have to see that every pie reaches the targeted person and no middleman succeeds in taking away the money even if it comes to anyone who may be belonging to either parties in the Opposition or even our own party. Some times there are people who try to take advantage of the poverty of the people. The most important aspect which I must inform the House is that we should approach this problem of poverty alleviation not be just distributing money that we possibly can give. Can you do this? If you have to do it, I think you will be killing the self-respect of the person, his innovative capacity. He, with his power of initiative wants to work. You should have full faith in the person that if he is given work, he will work for the creation of natural assets in our society. So, rather than giving the person a dole, he should be given some work. Let him do the work without compromising his self-respect. If we try to pay him, I think the dignity of the labour will also be maintained and we will be serving the very good cause that we have in mind. I can say that without any fear of contradiction. I am extremely happy that in the Seventh Plan as a whole the million mandays that we have contemplated in 24.50 or so and I am quite confident that by the end of the Seventh Plan, this employment generation is going to exceed the target that we have fixed for ourselves. This is the most important achievement of the Seventh Five Year Plan. This will lay a very firm foundation for the Eighth Plan to come. My only request will be that in order to make these schemes very effective—both as a joint sector as well as to find a subsidy—it has been provided by the Government. There are a large number of people who are trying to take advantage of the poverty of the persons, their total helplessness in the matter. First of all, those

people who are in the organisation should concentrate on this and see that every pie reaches them and I can assure every Member, through this House, who is interested to see that we succeed in giving the benefits of this scheme to the poor man that they will get the full support of the Government of India. They should not have any doubt about it. If any of the State Governments were to misuse this, then of course, instead of telling me in a very generalised manner, if certain things are brought to my notice that these are the few instances—you need not give more than 5-6 instances—and if I am convinced that the State Governments are distorting the purpose of the scheme and they are utilising the scheme for some other purpose, then of course they will be the worst sufferers and the entire money will have to be recovered from the State Governments concerned. I do not think that we can possibly afford this kind of a luxury. But at the same time some kind of a supervision of the Members would be in the interest of the country at the State level and at the district level the involvement of the public representatives is very essential. That is why I would request all the State Governments—I am specially writing to all the Chief Ministers, whether they belong to our party or others—to kindly see that these Committees are being set up at the district level and also at the State level. And the monitoring cell will have to be created. This monitoring cell will go from here to different States, in order to find out as to how the money has been utilized by different State Governments; and they will directly submit their reports to the administrative Ministries concerned. If these two things are attended to, I think we can to some extent eliminate the undesirable kind of activity which is still going on in certain areas.

My colleague, Shri Faleiro is also going round, meeting with the bankers and having joint meetings with them, and trying to find out as to how some kind of an undesirable

activity being indulged in by some people in the banks, is also being eliminated. That is the only approach at this stage. We are still thinking of some other mechanism; but unless the whole thing is finalized, it will not be proper on my part to say anything. But we are aware of the fact that such a problem exists; and we should see that we are able to put an end to this kind of an activity by some people.

Now the next point: the hon. Member Shri Reddi had also made a reference by saying: 'On the one side you are planning that there is going to be a 5% rate of growth; and on the other, we find that on a long-term trend basis, it comes to 3.5%'. I have checked up these figures. Even on a long-term basis, the trend is more than 3.5%; and definitely for the last ten years, we can say with full confidence that it is near about 5%. So I do not think that what Mr. Reddi has said is borne out by facts. Might be, he might have read the figures for the previous years. The trend then was 3.5%; there is no doubt about it. But thereafter, for the last five years, we find that definitely it has gone up to more than 3.5%, as was being mentioned by him.

So, this gives a feeling of satisfaction, viz. that we have been able to cross this limit; and that we will be near 5%, is a very good augury for the 8th Plan as a whole.

He also tried to ridicule the concept of memorandum of understanding which is being reached between the public sector undertakings and the Government. Actually, he should be happy about it, because these undertakings, in fact, could not contribute anything for the Central Revenues for developmental purposes. Now, there is a clear indication that from Rs. 57 crores, we have now almost reached Rs. 650 crores. Might be, some more contribution is quite justified; but at the same time, you cannot possibly say that there is no definite indication that such a kind of contribution is expected from the public sector undertakings. When we say

that they should have the commanding heights of the economy, it is also their responsibility—they have to contribute for the general well-being of the people at large. That is why the memorandum of understanding is a very important instrument which is being used for this purpose; and that is being monitored by a team of officers wherein the officers of the Finance Ministry are also involved; and we try to see that it is being observed, observed, it is not merely a kind of paper which they are handed over, without a sense of responsibility. If they fail in it, they will have to bear the consequences. It is a fact which is known to them. And that is why I think it is a very desirable kind of thing that we have done. It is not only in the oil sector; but the non-oil sector also has been showing some kind of an improvement. There is no doubt that more improvement is required, and that that improvement will have to be achieved, and if it is a totally lost case, where you find that in spite of the efforts that we have made they are not able to come up to our standards, then, of course, as a last resort, we will have to take action against them.

I am aware of the fact—one hon. lady Member made a reference to West Bengal; and she brought to our notice that when the factory is closed, retrenchment compensation is given to the workers; or, when there is a reduction in the strength of the workers, some of them are proposed to be given a kind of what they call the Golden Handshake.

Thereafter, whatever money becomes available, that is also subject to income tax. I can assure the House that, for this humanitarian work, if this kind of income tax is leviable, certainly we will see that we amend the Act so that we do not cut anything from the workers' retrenchment compensation that they will get.

An apprehension was also expressed

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by some of the hon. members about the debt trap—internal debt and the external debt, specially the external debt. Everybody seems to be quite apprehensive that we may not go the way the other developing countries have gone. Now they are in a terrific position and they are totally exploited by all the developed countries. I can assure the hon. members that we are conscious of the fact; we are very vigilant about it; and prudently we are trying to take money for our projects, but, at the same time, see that we do not fall into the trap which they may lay for us; that is a kind of conscious feeling that we have to keep in mind. I can say that the total debt at the beginning of the current financial year, medium and long-term debt, disbursed and outstanding on Government's account, non-Government's account, IMF and external commercial borrowings, amount to Rs. 55,000 crores. Of this, nearly 70 per cent was owed to official multilateral or bilateral creditors on Government and non-Government's account reflecting past assistance. (2) Less than 10 per cent was owed to IMM. (3) Under a quarter was accounted for by external commercial borrowings. While the external debt figure may appear large, it is important to compare some key ratios relating to India versus a group of 17 highly indebted middle income countries identified by the World Bank. The total debt to GNP in case of India in 1987-88 happened to be 17 per cent while in the case of highly indebted countries, it is 60.8 per cent. There is no comparison.

[Translation]

SHRI VIR SEN (Khurja): It is not a matter of satisfaction if we are more indebted as compared to other countries.

SHRI S. B. CHAVAN: It is a different thing whether it is a matter of satisfaction or not, but I want to tell that we are not falling in any trap.

[English]

Another point is about the debt service. As percentage of GNP, it is 1.8 while in the case of HIC in 1986 it was about 4.9. The interest on debt divided by current receipts plus (export plus invisible) comes to 9.5 per cent; and it is 18.7 per cent in their case. Interest divided by GNP comes to 0.7 per cent while in their case it is 3.2 per cent. The percentage of concessional debt in total public and publicly guaranteed debt comes to 68 and it is 5.6 per cent in their case. For 1986-87 in which comparable World Bank data is readily available, average interest rate on new commitments for India from all creditors was 5.1 per cent while in the case of HIC countries it was 7.9 per cent.

SHRI R. L. BHATIA (Amritsar): Where private people have collaboration with foreign countries, will it take care of all this?

SHRI S. B. CHAVAN: The entire debt. External debt has been properly accounted for in this. I will definitely say that there is no room for having a this kind of feeling that we are going to fall into a debt trap though we have to be conscious about the same; I cannot rule out that possibility in order to attract loan from other countries; it might be possible that we might be tempted to seek that kind of loan. If it is not properly utilised, certainly we can fall a prey to that kind of a situation.

So, we are quite conscious of it. We are aware of that fact and we are vigilant about it so that we do not go to that position.

The next point will be about the savings rate, unfortunately though we started our Sixth Plan in a big way on the basis of almost 24 per cent of the savings, the saving rate has come down, and that is why we will find that there are three or four new instruments of savings which have been specially announced, and a special interest has been given to all those who invest in savings. It is

for this purpose that these instruments have to be properly utilised by the State Governments and all the machinery which in fact is involved in it. Here also some people have been asking me as to why is it that "you are confining the scheme of savings to the extent of Government employees only, why not extend it to the employees of the public sector?". They are also in a way Government employees. Whether we can extend a scheme to that area is a point on which certainly we will be very sympathetic and if it is possible we will try to extend the scheme to the public sector employees also so that they will be able to save to a great extent and get the interest and at the same time help the nation in the matter of development. These are the two objectives that we have in view and I am quite sure that what has been done in the case of the Government employees, if it is extended to these people also, I am sure they will also be able to take full advantage of the same. The details have to be worked out. I cannot possibly say at this stage as to what is the nature of the scheme, what are the details. These are the things on which we have to apply our minds and work out all the details.

There is only one point about which I would like to clarify the position and I have done. An erroneous impression was created that we made across the board five per cent increase on all items and imposed a duty of five per cent on all of them. Contrary to the general impression, the five per cent increase in the central excise duty is not on all commodities. It is only on a few items which carried specific rates of duty.

It was noticed that while the prices of such commodities have risen over the years, in many cases, the specific rate has not been altered to keep pace with the price increases. Hence a modest indexation of the rates on these commodities was attempted by way of increasing the pre-budget specific rates by five per cent. So, this is the only

clarification because this was totally misunderstood by a large number of people, wrong impressions were being created as if it was across the board that a five per cent increase has been attempted by the Government. While doing so, care was taken to leave out items of mass consumption such as sugar, tea, coffee, vegetable oils, banaspati, cotton yarn and fabrics, and electric bulbs. The revenue yield expected from the five per cent increase is about Rs. 220 crores in a year. It would mainly come from aerated water, cement, tyres, paper, paper-boards, man-made paper, yarn and fabrics. So, that was a point which I thought was not properly understood and, in fact, there was some kind of a misunderstanding in different sections that it is across the board that we have made an increase of that order.

There is only one more point and I have done, and that is about certain clarifications which in fact are very necessary, specially in the case of Agriculture. For Agriculture as a whole we have given additional Rs. 4,000 crores and reduced the rate from 14 per cent to 12 per cent. So, that is the thing which we have attempted and I am quite sure that a large number of people will be able to take advantage of the same. Those who are entitled to being termed as small and marginal farmers, in their case, all the banks have been given a direction that they should not recover more than what is the principal. That is what we call *Damdapat*. The interest should not exceed the principal amount. That is, it should not be more than one hundred per cent, that is the directive the Reserve Bank has given in the case of small and marginal farmers.

Now there is only one clarification, about amendment provisions relating to the agricultural income, which I am trying to clarify:

" Prior to 1st April, 1970, capital gains arising from transfer of agricultural

[Sh. S.B. Chavan]

land was not subjected to tax, as agricultural land was excluded from the definition of 'capital asset' in section 2 (14) of the Income-tax Act. By virtue of amendment of sub-clause (iii) of clause (14) of section 2 with effect from 1st April, 1970, agricultural land situated in any area comprised within the jurisdiction of a Municipality or Cantonment Board (having a population of not less than ten thousand) or in any area outside the limits of any Municipality or Cantonment Board (having a population of not less than ten thousand) upto a maximum distance of 8 Kms. from such limits as notified by the Central Government and included within the definition of 'capital asset' and hence, any gain arising from the transfer of such agricultural land was brought within the purview of capital gains taxation. Certain courts have, however, held that profits from the sale of agricultural land constitute 'agricultural income' and therefore, it is exempt from tax under section 10 of the Income-tax Act. Some Courts have held that such income is taxable. The settlement of the judicial controversy by a decision of the Supreme Court may take a long time. Till then, uncertainty in law would not be desirable. Therefore, as a measure of rationalisation, it is proposed to clarify by way of insertion of an Explanation that capital gains arising from the transfer of the aforesaid agricultural land will not constitute 'revenue' within the meaning of section 2 (1A) of the Income-tax Act."

This is a very important decision that we have taken and now they will be totally excluded from the definition of 'income'. Agriculturist as such is going to benefit from the land; which is supposed to be a very

valuable land, and that is why he will be entitled for the full benefit of the income that he gets from the sale of such agricultural lands.

In the case of poultry, we have made an exception. There we have given some concessions. A point was raised by some hon. Members as to why not give the kind of concession in the case of dairy. I can assure the hon. Members that if they go through the definition of 'agriculture', they will understand that 'agriculture' also includes 'dairy'. That is why, since agriculture is exempted, dairy automatically gets exempted. That is why, both the sections, poultry and dairy, get exempted. This is another feature which the hon. Members should be able to understand. (Interruptions)

SHRI A. CHARLES (Trivandrum):
What about fisheries?

SHRI S. B. CHAVAN: Fisheries—I have full sympathy for your cause. But unless I have all the details, it will not be proper on my part to make any announcement here. Before the Finance Bill is finalised certainly I will get that matter examined, provided they are not trawler holders.

If they are not trawler holders—in the case of ordinary fishermen, certainly we are prepared to go out of the way to help them out, but the details will have to be worked out by us.

Again Sir, I would like to assure the House that there are certain schemes which have been deliberately framed with a view to generate fresh employment. One of them is, Nehru Yojana. The merger of the two schemes is another. The third thing is, a number of schemes are now coming under the banner of KVIC. Most of the hon. Members will be aware of the fact that it is an employment generator to a considerable extent. If every village were to have some

units of KVIC, then I am sure the problem of unemployment will be solved in that area and no new schemes will be called for in that particular area. But unfortunately, we have certain preferences. Now, there are some people, who, infact, are in great demand. But we want white collared jobs. There are young people who are interested in getting white collared jobs. They are not interested in doing the kind of field work. They are prepared to pay you Rs. 100 per day. But you rather prefer to have a white collared job and just while away your time and not accept it because we have a very peculiar notion that doing this kind of manual work is below the dignity of a person. That attitude has to change. and you will find that ample opportunity in the villages and urban areas where lot of employment is there, is available. So KVIC is another area where lot of employment is going to be generated.

The thrid area will be housing activity to which we have given a boost. LIC is having a housing scheme. We have the Housing Finance Corporation. Housing Bank that we have established, is going to advance the money to small sections of the people. And all the other banks we have specially asked to advance the loan for housing purposes. Housing also has got lot of potential for employment.

So these three or four schemes that we have especially put into this Budget, will generate lot of employment. I am sure, with the kind of cooperation that I expect from all the hon. Members we will be able to create an atmosphere wherein the small man, the poor man, those who are in the rural areas, those who live in huts and urban areas, they should get a feeling that they are belonging to the society and the society is there to look after them. That is the kind of approach that we have to adopt in this matter. I am sure that with the cooperation of all the hon. Members we will succeed in creating that kind of atmosphere.

I now commend this Budget for the acceptance of this House.

SHRI BRAJAMOHAN MOHANTY (Puri): One thing about the regional disparity. The hon. Minister has specified the measures they have taken including the modification of the Gadgil Formula, soft plan approach, area approach. In spite of that, may I know from the hon. Minister whether towards the end of the Seventh Plan there will be any perceptible change in the regional disparity? If not, I would like to know what new strategy is being adopted by the Finance Minister because Rastrapatiji has promised in his Address that in the Eighth Five Year Plan vigorous efforts will be made to eliminate regional disparity?

Dam dupat will not be there so far as marginal and small farmers are concerned. I am happy to know that from the hon. Minister. But may I know whether a small investor, a person who has purchased a ricksaw, will not be charged the compound interest and the *dam dupat* will be available for him.

PROF. N.G. RANGA (Guntur): I wish to congratulate the hon. Finance Minister and his colleagues for the masterly way in which they have explained the various provisions of the Budget and especially that point for which they are responsible now and about which there has been so much controversy and debate i.e. why they have tried to take advantage of all those reserves for revenue purposes. They have given a very satisfactory answer. My hon. friend has said why we should allow that to go on gathering dust while the Government is obliged to borrow and then also increase inflation because of deficit budget and so on. I congratulate them on the courage that they have displayed in making this innovation.

Secondly, the Maharashtra Government made itself responsible for the first time

[Prof. N.G. Ranga]

In India in assuring employment for one adult in every family. I do not know whether at that time my hon. friend was the head of that Government or not. I congratulate the Maharashtra Government. But then, the Government of India wants to extend it to the whole of India. We would like the Government of India to see that a report is published about the working of that scheme in Maharashtra for their own guidance and also for the guidance of the State Governments and of the Members.

Thirdly, my hon. friend rightly became eloquent about the possibility of generating and encouraging generation of more and more employment in the rural areas. I am sure, he is aware of the fact that the handloom weavers are having a very bad time and quite a number of weavers had to resort to suicide also. Many of them have died because of prolonged process of undernourishment and unemployment and all the rest. I would like my hon. friend to take time by the forelock and devise some ways and means by which he can possibly help those people—the handloom weaving industry as a whole. Lakhs of them who are employed in this industry, have been loyal to their low habitation. So, give special facilities to them to construct their own houses through the new schemes.

DR. KRUPASINDHU BHOI (Sambalpur): Hon. Deputy Speaker, Sir, definitely I would congratulate the Minister, but the Minister has congratulated Madhavrao Scindia Ji. But I think we, the Members of Parliament are not congratulating him because last year he could get 38 per cent Plan assistance but this year it has come down to 32 per cent. I am talking about assistance in terms of money. If last year he had got 38 per cent for his Ministry, this year he should tell the Finance Minister to at least maintain that level. For example, I am telling about the

Samba'pur-Talchar
line...(Interruptions)

railway

MR. DEPUTY SPEAKER: No, individual things I cannot allow. Time is short and I have to finish...

(Interruptions)

MR. DEPUTY SPEAKER: I have to conclude it. I cannot reopen the whole debate.

DR. KRUPASINDHU BHOI: Please bear with me, Sir. Rs. one hundred crores worth of diamonds and gems are being smuggled from that area ...(Interruptions)

MR. DEPUTY SPEAKER: You can speak on the next item. He cannot reply to all these things....

(Interruptions)

DR. KRUPASINDHU BHOI: I am helping the Minister to have internal mobilisation of resources. Rs. one hundred crores he can get. Secondly, ...(Interruptions)

MR. DEPUTY SPEAKER: No secondly. I cannot allow you if you go on like that...

(Interruptions)

DR. KRUPASINDHU BHOI: About Rs. 150 crores he is spending on nuclear plant for the explosion of population because there was a thermo-nuclear accident...(Interruptions)

MR. DEPUTY SPEAKER: I cannot allow these things. These are not clarifications that you are seeking.

SHRI HAFIZ MOHD. SIDDIQ (Moradabad): I would like to know from the hon. Minister whether the Haj-pilgrims will also be covered under the proposal of tax sought to

be levied on the tourists intending to visit foreign countries?

[English]

SHRI VIR SEN (Khurja): Sir, I would like to know from the Minister whether he would be willing to apply the same rule as he applies to the farmers, in the case of small-scale industries and sick industries, that is, not to realise the total interest more than the principal.

SHRI S. B. CHAVAN: Sir, hon. Member Shri Mohanty made two points. One was about the kind of scheme which is now made applicable in the case of small and marginal land holders. A similar kind of scheme is going to be extended in the case of rickshaw-pullers. I do not have readymade information available with me, but there is a scheme available which tries to help the weaker sections of the society. Differential rate of interest is being charged in the case of all weaker sections but I am not quite sure whether it also covers the rickshaw-pullers. This is a point about which I will have to ascertain the facts and then I will be able to pass on the information to the hon. Member.

15.00 hrs.

Sir, I am quite sympathetic to the cause of the weavers. I am aware of the fact that there are a large number of weavers who are in fact in a very bad plight. I am also aware of the fact that there are certain sections who are trying to exploit the poverty condition of these poor weavers. All the money which was made available for being granted as a kind of subsidy by the Government, has been misutilised by some interested party. Certainly I will be interested to find out this fact. I do not have any ready-made scheme available with me. But I will try to get the information from the Textile Ministry. But certainly that is the section which in fact deserves help and this point is well take. But

I can't promise what action will be taken in this matter immediately and that depends on the nature of the scheme and the total financial implications which it will have.

Now, the last point which the hon. Member has made is that he has objection to my congratulating my colleague, the Railway Minister. It is because of the fact that there is some particular line for which I have congratulated him. The fact that the freight carried is almost more than double during the course of the plan is itself a matter of great pride. That is the reason why I have congratulated him. It is in the interest of the country as a whole and the freight movement has increased at a definite rate so that more amount is available and that amount he can utilise for all the railway line that he might be having in view. It is in the national interest and that is why I have deliberately congratulated him for very good work that he has done in this matter (*Interruptions*)

SHRI BRAJAMOHAN MOHANTY: My question was regarding sick industries.

SHRI S. B. CHAVAN: In the case of sick industries also, we have a mechanism of I.B.R.I. which is available and we are looking into the matter. They have submitted a proposal to us and it depends on the merits of individual scheme. As a class, I can't possibly say that everybody is going to be given the concessional rate of interest. But in order to revive the sick unit, if it is a viable unit and without the assistance from the Central Government if the unit cannot be revived, certainly we have taken the responsibility to give assistance to such sick units. It is a matter of policy about which we have taken a decision. If it is a sick unit, whether it is viable or not, just try to give assistance is a matter which I can't possibly do it.

MR. DEPUTY-SPEAKER: I shall now put the Demands for Grants on Account

1	2	3	
11.	Postal Services	204,79,00,000	8,03,00,000
12.	Telecommunication Services	529,53,00,000	364,58,00,000
<i>Ministry of Defence</i>			
13.	Ministry of Defence	121,67,00,000	29,33,00,000
14.	Defence Pensions	224,93,00,000	—
15.	Defence Services-Army	1128,59,00,000	—
16.	Defence Service-Navy	130,75,00,000	—
17.	Defence Services-Air Force	312,26,00,000	—
18.	Defence Ordnance Factories	23,35,00,000	—
19.	Capital Outlay on Defence Services	—	649,08,00,000
<i>Ministry of Energy</i>			
20.	Department of Coal	24,75,00,000	250,83,00,000
21.	Department of Power	60,31,00,000	332,87,00,000
22.	Department of Non-Conventional Energy Sources	18,74,00,000	55,00,000
<i>Ministry of Environment and Forests</i>			
23.	Ministry of Environment and Forests	35,11,00,000	51,00,000
<i>Ministry of External Affairs</i>			
24.	Ministry of External Affairs	82,89,00,000	10,73,00,000
<i>Ministry of Finance</i>			
25.	Department of Economic Affairs	66,66,00,000	24,86,00,000
26.	Currency, Coinage and Stamps	49,17,00,000	30,86,00,000
27.	Payments to Financial Institutions	49,34,00,000	811,03,00,000
28.	Pensions	88,74,00,000	—

1	2	3	
30.	Transfers to State Governments	625,94,00,000	17,50,00,000
31.	Loans to Government Servants, etc.	—	30,17,00,000
33.	Department of Expenditure	134,30,00,000	42,00,000
34.	Audit	37,48,00,000	—
35.	Department of Revenue	29,30,00,000	51,00,000
36.	Direct Taxes	32,16,00,000	20,00,00,000
37.	Indirect Taxes	51,43,00,000	21,23,00,000
<i>Ministry of Food and Civil Supplies</i>			
38.	Department of Food	395,84,00,000	29,43,00,000
39.	Department of Civil Supplies	4,99,00,000	64,00,000
<i>Ministry of Food Processing Industries</i>			
40.	Ministry of Food Processing Industries	2,67,00,000	1,68,00,000
<i>Ministry of Health and Family Welfare</i>			
41.	Department of Health	71,59,00,000	27,87,00,000
42.	Department of Family Welfare	122,81,00,000	26,00,000
<i>Ministry of Home Affairs</i>			
43.	Ministry of Home Affairs	31,07,00,000	1,33,00,000
44.	Cabinet	3,50,00,000	—
45.	Police	206,82,00,000	24,28,00,000
46.	Other Expenditure of the Ministry of Home Affairs	42,56,00,000	24,04,00,000
47.	Transfers to Union Territory Governments	10,37,00,000	5,51,00,000

1	2	3	
<i>Ministry of Human Resource Development</i>			
48.	Department of Education	253,68,00,000	13,00,000
49.	Department of Youth Affairs and Sports	15,92,00,000	32,00,000
50.	Art and Culture	18,79,00,000	3,42,00,000
51.	Department of Women and Child Development	49,51,00,000	33,00,000
<i>Ministry of Industry</i>			
52.	Department of Industrial Development	57,50,00,000	45,34,00,000
53.	Department of Company Affairs	1,33,00,000	1,00,000
54.	Department of Chemicals and Petrochemicals	2,83,00,000	14,01,00,000
53	Department of Public Enterprises	6,04,00,000	69,90,00,000
<i>Ministry of Information and Broadcasting</i>			
56.	Ministry of Information & Broadcasting	12,71,00,000	45,00,000
57.	Broadcasting Services	85,37,00,000	50,39,00,000
<i>Ministry of Labour</i>			
58.	Ministry of Labour	50,15,00,000	21,00,000
<i>Ministry of Law and Justice</i>			
59.	Law and Justice	30,99,00,000	—
<i>Ministry of Parliamentary Affairs</i>			
60.	Ministry of Parliamentary Affairs	17,00,000	—
<i>Ministry of Personnel, Public Grievances and Pensions</i>			
61.	Ministry of Personnel, Public Grievances and Pensions	6,87,00,000	54,00,000

1	2	3	
<i>Ministry of Petroleum and Natural Gas</i>			
62.	Ministry of Petroleum and Natural Gas	18,56,00,000	27,53,00,00
<i>Ministry of Planning</i>			
63.	Planning	6,80,00,000	2,08,00,000
64.	Department of Statistics	6,22,00,000	—
<i>Ministry of Programme Implementation</i>			
65.	Ministry of Programme Implementation	14,00,000	—
<i>Ministry of Science and Technology</i>			
66.	Department of Science and Technology	38,30,00,000	5,26,00,000
67.	Department of Scientific and Industrial Research	37,64,00,000	88,00,000
68.	Department of Biotechnology	8,44,00,000	75,00,000
<i>Ministry of Steel and Mines</i>			
69.	Department of Steel	10,11,00,000	107,79,00,000
70.	Department of Mines	26,22,00,000	10,54,00,000
<i>Ministry of Surface Transport</i>			
71.	Surface Transport	4,96,00,000	24,40,00,000
72.	Roads	53,69,00,000	173,64,00,000
73.	Ports, Lighthouses and Shipping	18,71,00,000	76,55,00,000
<i>Ministry of Textiles</i>			
74.	Ministry of Textiles	94,54,00,000	51,88,00,000
<i>Ministry of Urban Development</i>			
75.	Urban Development and Housing	16,25,00,000	19,78,00,000

1	2	3	
76.	Public Works	29,61,00,000	21,27,00,000
77.	Stationery and Printing	13,01,00,000	72,00,000
<i>Ministry of Water Resources</i>			
78.	Ministry of Water Resources	54,51,00,000	3,44,00,000
<i>Ministry of Welfare</i>			
79.	Ministry of Welfare	50,33,00,000	60,00,000
<i>Department of Atomic Energy</i>			
80.	Atomic Energy	63,11,00,000	96,34,00,000
81.	Nuclear Power Schemes	70,70,00,000	40,00,00,000
<i>Department of Electronics</i>			
82.	Department of Electronics	12,76,00,000	5,39,00,000
<i>Department of Ocean Development</i>			
83.	Department of Ocean Development	4,82,00,000	48,00,000
<i>Department of Space</i>			
84.	Department of Space	44,18,00,000	43,93,00,000
<i>Parliament, Secretariats of of the President, Vice- President and Union Public Service Commission</i>			
85.	Lok Sabha	2,93,00,000	—
86.	Rajya Sabha	1,16,00,000	—
88.	Secretariat of the Vice-President	4,00,000	—
<i>Ministry of Home Affairs-Union Territories (Without Legislature)</i>			
90.	Delhi	138,89,00,000	72,73,00,000
91.	Andaman and Nicobar Islands	20,55,00,000	13,24,00,000

1	2	3
92.	Dadra and Nagar Haveli	4,22,00,000 1,08,00,000
93.	Lakshadweep	4,84,00,000 2,49,00,000
94.	Chandigarh	23,67,00,000 6,44,00,000
95.	Daman and Diu	2,43,00,000 1,70,00,000

15.03 hrs.

APPROPRIATION (VOTE ON ACCOUNT)
BILL*, 1989

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): I beg to move for leave to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90".

The motion was adopted.

**

SHRI B. K. GADHVI: I introduce the Bill.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): I beg to move**:

" That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90, be take into consideration."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1989-90 be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: Let us now take up clause-by-clause consideration of the Bill.

The question is:

* Published in Gazettee of India Extraordinary Part II, Section 2, dated 17-3-1989.

** Introduced/moved with the recommendation of the President.

"That clause 2, to 4 and the Schedule stand part of the Bill."

The motion was adopted.

Clauses 2 to 4 and the Schedule were added to the Bill.

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, the Enacting Formula and the Title stand part of the Bill."

The motion was adopted

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI B.K. GADHVI: Sir, I beg to move:

"That the Bill be passed."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

15.06 hrs

RESOLUTION RE: APPROVAL OF RECOMMENDATIONS CONTAINED IN THE THIRTEENTH REPORT OF RAILWAY CONVENTION COMMITTEE.

DEMANDS FOR GRANTS (RAILWAYS)
1989-90

AND

SUPPLEMENTARY DEMANDS FOR
GRANTS (RAILWAYS) 1988-89

[English]

MR. DEPUTY-SPEAKER: The House will now take up the Resolution regarding approval of the recommendations of the

Railway Convention Committee, 1985, and discussion and voting on Demands for Grants (Railways) for 1989-90 and Supplementary Demands for Grants (Railways) for 1988-89 for which two hours have been allotted.

Hon. Members present in the House, whose cut motions to the Demands for Grants have been circulated, may, if they desire to move their cut motions, send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move. Those cut motions only will be treated as moved.

A list showing the serial numbers of cut motions treated as moved will be put up on the Notice Board shortly. In case any Member finds any discrepancy in the list he may kindly bring it to the notice of the Officer at the Table without delay.

Now, Shri Madhavrao Scindia may move.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAY (SHRI MADHAVRAO SCINDIA): Sir, I beg to move the following resolution:

"That this House approves the recommendations made in paragraphs 9 to 12 contained in the Thirteenth Report of Railway Convention Committee, 1985, appointed to review the rate of dividend payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway finance and General finance, which was presented to Parliament of 22-2-1989."

Sir, by a resolution adopted in the Lok Sabha on 29.3.1985 and concurred in the Rajya Sabha on 28.3.1985, the Railway Convention Committee, 1985 was constituted on the 21st May, 1985. The Committee was appointed "to review the rate of dividend which is at present payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the

[Sh. Madhav Rao Scindia]

Railway Finance vis-a-vis the General Finance and make recommendations thereon," for the Seventh Plan period (1985-90).

The Ministry of Railways submitted fourth interim memorandum requesting the Committee to permit continuance of the financial arrangements between the Railways and the General Finance for the year 1989-90 as recommended by the Railway Convention Committee, 1980, and as adopted for the year 1988-89 pending their final recommendation for the Seventh Five Year Plan for which Memoranda to the Committee have also been submitted. The Railway Convention Committee, 1985, have since considered the interim memorandum and have agreed to the proposals made therein by the Ministry of Railways, subject to retrospective adjustments after the final recommendations of the Committee are available in due course.

With these words, I commend the resolution for the consideration of this House.

MR. DEPUTY-SPEAKER: Motions moved:

"That this House approves the recommendations made in paragraphs 9 to 12 contained in the Thirteenth Report

of Railway Convention Committee, 1985, appointed to review the rate of dividend payable by the Railway Undertaking to General Revenues as well as other ancillary matters in connection with the Railway finance and General finance, which was presented to Parliament on 22-2-1989."

"That the respective sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President of India out of the Consolidated Fund of India, to defray the charges that will come in the course of Payment during the year ending the 31st Day of March, 1990, in respect of the heads of demands entered in the second column thereof against Demand Nos. 1 to 16."

"That the respective supplementary sums not exceeding the amounts shown in the third column of the Order the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending the 31st day of March, 1989, in respect of the heads of Demands entered in the second column thereof-Demand Nos. 4,9,10,12,13, and 16."

Demands for Grants (Railways) for 1989-90 submitted to the Vote of Lok Sabha

<i>Sl. No.</i>	<i>Name of Demands</i>	<i>Amount of Demand for Grant submitted to the Vote of the House</i>
1	2	3
		<i>Rs.</i>
1.	Railway Board	9,20,14,000
2.	Miscellaneous Expenditure (General)	65,32,07,000
3.	General Superintendence and Services on Railway.	431,93,78,000

1	2	3
4.	Repairs and Maintenance of Permanent way and works	902,20,81,000
5.	Repairs and Maintenance of Motive Power	702,15,47,000
6.	Repairs and Maintenance of Carriages and Wagons	940,83,94,000
7.	Repairs and Maintenance of Plant and Equipment	482,14,05,000
8.	Operating Expenses-Rolling Stock and Equipment	766,38,45,000
9.	Operating Expenses-Traffic	1147,17,71,000
10.	Operating Expenses-Fuel	1483,28,98,000
11.	Staff Welfare and Amenities	309,05,93,000
12.	Miscellaneous Working Expenses	472,95,76,000
13.	Provident Fund, Pension and other Retirement Benefits	706,35,32,000
14.	Appropriation to Funds	26,21,00,00,000
15.	Dividend to General Revenues, Repayment of loans taken from General Revenues and Amortization of Duer-Capitalization.	856,39,62,000
16.	<i>Assets-Acquisition, Construction and Replacement</i>	
	Revenue	50,01,74,000
	<i>Other Expenditure Capital</i>	5058,65,55,000
	Railway Funds	1886,07,33,000

Supplementary Demands for Grants (Railways) for 1988-89 submitted to the Vote of Lok Sabha

<i>No. of Demand</i>	<i>Name of Demand</i>	<i>Amount of Demands for Grants Submitted to the Vote of the House</i>
1	2	3
		Rs.
4.	Repairs and Maintenance of Permanent Way and Works	8,52,92,000
9.	Operating Expense-Traffic	19,00,18,000

1	2	3
10.	Operating Expense-Fuel	30,82,36,000
12.	Miscellaneous Working Expenses	5,78,77,000
13.	Provident Fund. Pension and other Retirement Benefits	80,34,29,000
16.	<i>Assets Acquisition, Construction and Replacement</i>	
	Other Expenditure Capital	1,00,000
	Railway Funds	30,64,18,00

MR. DEPUTY SPEAKER: Prof Nirmala Kumari Shaktawat to speak

[Translation]

PROF. NIRMALA KUMARI SHAKTAWAT (Chittorgarh): Mr. Deputy Speaker, Sir, I rise to support the Demands for grants for the Ministry of Railways.

Railways is the biggest Public Undertaking in the country and it has been functioning efficiently. Sir, the Railway Budget presented in the House is a balanced one and this goes to prove that the Budget is a well thought exercise and has been prepared intelligently and in a responsible manner. Sir, I welcome the proposal of constructing new railway-lines and thank the Minister of Railways from the core of my heart for extending assistance to complete quickly the construction of broad-gauge line from Kota to Chittorgarh. It is a matter of joy, for us, we had not even dreamt of the completion of this railway-line so early i.e. till 31st March. It is the result of consistent efforts of the hon. Minister and the efficiency of this department that the construction work of Kota-Chittorgarh broad-gauge line has been completed. We have been aspiring for this railway line since long. This railway line is a

link to many historical places with which name of Meera is closely associated. So I would urge upon the Government to name one train on this route as Meera Express. I have been demanding this thing since 1980 when I was elected as a Member of Lok Sabha. You are requested to pay adequate attention to this.

So far as railway facilities are concerned, Rajasthan is a extremely backward state. It would not be exaggerating to say that in development works Rajasthan share has been nominal, even the capital of the state, Jaipur, has not been linked with broad gauge line. The hon. Minister is urged upon to provide a broad gauge link to Jaipur by connecting the broad gauge line from Sawai Madhopur to Jaipur.

It has also been our long standing demand to complete the construction work of the railway line from Delhi-Ahmedabad via Jaipur. No provision has been made to conduct a survey for this purpose even in the present Budget. The hon. Minister should pay attention at least to this area which includes Jaipur, Ajmer and many other cities.

We cannot deny that the hon. Minister

has paid attention to many problems related to our State. The train known as Chhetak Express is very important for the tourists. It provides a link to a number of tourist places like the pink city Jaipur, city of holy shrines-Ajmer, the place of power and devotion-Chittorgarh and the city of lakes Udaipur. The Government have only provided a diesel-engine for the train. No other improvements have been made in it. Most of the tourists within the country and outside the country travel by this train. I would, therefore, request the hon. Minister to attach at least A. C. sleeper, if not first class AC to this train.

In this connection, I would like to submit further that I have made a number of requests to you to change the time schedule of this train, because it is an important train which has been named after Chetak, the famous horse of Rana Pratap whose name is written in the golden letters in the history. As such the speed of this train should be as fast as that of Chetak so as to justify its name. Some people ridicule this train by terming it "Khachar Express". This belittles its name and fame. That is why I request you to increase its speed and change its timing. This train starts at 6 O' clock in the evening from Udaipur and reaches Delhi at 2.30 P.M. the next day. The time schedule of this train is required to be so adjusted that this train reaches Delhi at 10 or 11 O' clock in the morning at the earliest. This will be highly convenient to the people. As per the present schedule the train reaches Delhi at 2.30 P.M. As such nobody will be able to attend to any work at Delhi the same day. He has to stay in Delhi for the next day also. In this way, he will require at least three day's time. If the train reaches Delhi at convenient time, people having work at Delhi can save time at least for one day. As such the timing of this train may be changed.

The Pink City Express which used to run 3 days in a week earlier now runs 6 days in a week. I express my thanks to you for this.

But due to either some track defect or some other defects, people travelling in this train gather a thick layer of dust on their bodies. I would like to request you to provide A.C. coaches or some other device so as to provide relief to the passengers from this dust menace.

I would like to make yet another submission that Ramganj Mandi, a place in district Kota comes under my constituency. There is a big stone mandi at this place and stones by the name of Kota stones of Rajasthan are transported to all over the country from this place. No fast running train stops at this place. I submitted a memoranda in this connection to higher authorities a number of times. The Frontier Mail or the Awadh Express passing through this place may please be provided a stoppage at this place so that the people of the area may be benefited.

There is a need to lay new railway lines in Rajasthan. Especially, Dungarpur and Banswara areas in Rajasthan which are Adivasi dominated areas, are still lacking railway facilities. I, therefore, want that if not now, a survey may please be conducted in the Eighth Five Year Plan with a view to extending railway facilities to this area. In this way, the people of the area will be benefited. Secondly, a railway line already exists from Jaipur to Bari Sadri. I request you to conduct a survey to extend this line upto Chhooti Sadri Via Pratapgarh, Banswara and Dohad so as to lay a railway track in this area which is also an Adivasi area. It will open the doors of development for these people. I would like to request you to pay attention to it.

There are a number of unmanned railway level crossings. This causes a lot of difficulties for the villagers. The gates open at 7 A.M. or 8 A. M. Sometimes it so happens that patients cannot reach hospitals due to closure of gates. The people of my constituency face this problem. I, therefore, request

[Prof. Nirmala Kumari Shaktawat]

you to post at least one chowkidar at each of the crossings.

As regards passenger amenities, I would like to submit that besides the express trains drinking water should be provided to passengers in containers etc. in other passenger trains also so that the passengers may get water to drink. Earlier there used to be separate compartments for ladies. But now a days this facility has been withdrawn in the trains. As a result, the female passengers face a lot of difficulties while travelling by trains. As such the practice of providing separate compartments for ladies should be re-introduced.

Sometimes, the passengers find it very difficult to carry their luggage. I would like to make a suggestion in this regard that just as trolley facilities are available at the airports and some of the railway stations such as Madras, this facility should also be extended to major stations like Delhi so that the passengers may not feel any difficulty.

I would also like to submit that a large number of passengers need newspapers and magazines to read in the trains. But they cannot afford to purchase magazines which are very costly. In order to solve this problem magazines should be made available with the conductors attached to the compartments so that passengers may borrow the same on payment of nominal charges.

I support the Demands of Grants presented by you. I would also like to submit that there must be special allocation for a big state like Rajasthan.

TEXT TO CUT MOTIONS

[English]

SHRI G.M. BANATWALA : I beg to

move:

" That the demand under the Head Railway Board be reduced to Re. 1."

/Failure to make the train service between Mangalore and Bombay daily (Southern Railway). / (159)

"That the demand under the head Railway Board be reduced to Rs. 1."

/Failure to double the line between Mangalore and Shoranur (Southern Railway). / (160)

" That the demand under the head Railway Board be reduced to Re. 1. "

/Failure to provide adequate quota for transport of betel leaves, a highly perishable commodity, by fast trains to the poor agriculturists of the backward areas of Tirur, Calicut and Shoranur (Southern Railway) leading to great loss of this perishable commodity. / (161)

" That the demand under the head Railway Board be reduced to Re. 1."

/Failure to provide adequate passenger train facilities for the Malabar area under Southern Railway. (162)

" That the demand under the head Assets-acquisition, Construction and Replacement be reduced by Rs. 100."

/Need for early completion of Trichur-Guruvayur railway line (Southern Railway). / (163)

" That the demand under the head Assets-Acquisition, Construction and Replacement be reduced by Rs. 100."

/Need to give priority to early comple-

tion of West-Coast Railway line connecting Mangalore and Bombay. (164)

" That the demand under the Head Assets-Acquisition, Construction and Replacement be reduced by Rs. 100."

/Need for improvement of railway stations between Kuttipuram and Ferok (both inclusive) in Palghat Division of Southern Railway be providing adequate roof-covering, second platforms, foot over-bridges and separate sheds for booking fish-baskets. (165)

" That the demand under the Head Assets-Acquisition, Construction and Replacement be reduced by Rs. 100."

/Need to provide foot over-bridge connecting the two platforms at Tirur railway station, Palghat Division (Southern Railway) / (166)

" That the demand under the Head Assets-Acquisition, Construction and Replacement be reduced by Rs. 100."

/Need for providing adequate roof-covering on the second platform of Tirur railway station, Palghat Division (Southern Railway). / (167)

Mr. Deputy Speaker, Sir, I will not go into the details of the Railway Budget but I shall take this opportunity to plead for adequate improvement of train facilities in the Malabar area of Kerala.

As it is, in the matter of train facilities, Kerala is very much neglected and within Kerala, Malabar suffers the most. We have been repeatedly making representations to the hon. Minister, the railway authorities and others but, hardly anything is achieved through these repeated representations.

Sir, in this House, for the last several

years I have been pleading for the Guruvayur-Kuttipuram railway line. After persistent pleading for the Guruvayur-Kuttipuram railway line in the Palghat Division of Southern Railway, the then Railway Minister Shri Kamlapathi Tripathi was good enough to announce that the same would be taken up. But since then the budgetary allocations that are made for the completion of this particular railway line are very inadequate. It is not at all possible to conceive of the completion of this railway line, in any near future if such inadequate allocations continue. I must, plead that adequate allocation of funds should be made for the purpose of this railway line so that the Guruvayur-Kuttipuram railway line is completed as early as possible.

Sir, subject to correction, I think that the hon. Minister of State for Railway Shri Madhavrao Scindia had promised that the Trichur-Guruvayur new line would be completed by May 1991. That promise was given, I believe, as on 30th August 1988. Now we have been pleading again and again with this Government to at least fulfil its own promise, to see that the promises are fulfilled and work on this railway line is expedited. We are now being told that all this depends upon the availability of funds. For several years, we have been pleading for this railway line. There was a survey and everything was done and then the Railway line was sanctioned. A date was promised for the completion of the railway line. We now find that the entire project seems to be a vision in the distant future. I must, therefore, very emphatically plead for adequate allocation of funds and speedy work in order to complete this project within the time that has been promised to us viz. May 1991. In fact I rise to speak today in order to plead that this line should be completed even before 1991. I hope that necessary attention will be given to this pleading.

Sir, I must say that Malabar is very

[Sh. G.M. Banatwala]

unfortunate in not getting the due attention of the Government. Very small small things that we ask for are also not being considered. When we approach the General Manager of Southern Railway also, the replies are stereo-type and technical types of replies are given. Nothing comes out. We approached the hon. Railway Minister also. We find ourselves pleading in vain. From Tirur, we get betel-leaves. Tirur comes under the Palghat Division of Southern Railways. Calicut, Tirur and Shoranur are backward areas. The main business is betel-leaves. There are several baskets of this commodity. You know betel-leaves i.e. *pans* are perishable commodity. The basket cannot lie there on the platform for so many days and as a result of this there is loss. The requirement of betel-leaves traders and agriculturists in the backward areas of Tirur, Shoranur and Calicut is 10 tonnes per day. But then hardly four tonnes quota has been allotted with the result daily six tonnes shortage is there in the carrying capacity for betel-leaves. Further, the betel-leaves get spoiled and also the betel-leaves are exported. By the betel-leaves getting spoiled, not only we loss foreign exchange but then the agriculturists, poor agriculturists of these backwards areas also lose. A few days back, I approached the hon. Minister pleading "for God's sake, do something so that these baskets do not get destroyed on the railway stations. " When I went back, I found that even the present quota- while I was pleading for increasing the quota- is also not being made available to them. What is this position? The poor agriculturists in this very backward area, who are producing *pans* which is exported to our neighbouring countries, are made to so suffer. I pleas with the Government to see that necessary increase in quota at Madras is made- quota for carrying the *pans* from Calicut, Tirur and Shoranur people. I hope that this cry, this agony

which is there today, does not remain a cry in wilderness.

Let us go to Tirur. After lot of pleadings, we got the second platform there. But then the second platform is very low. I do not know how it happened. But it is not of a standard size. It is very low. Even when I go there, I require two people to help me to climb into the train. Then there are old people, there are ladies. And it is such a miserable plight that even one platform of a proper size cannot be made for this Malabar people. Even the surface for that platform is not properly made. Such is the situation. (*Interruptions*)

MR. DEPUTY SPEAKER: Please wind up.

SHRI G.M BANATWALLA: I have just started. Please bear with me. I have moved nine cut motions. This is something very important. There is no roof-covering for the second platform. We have there in Kerala, in that part, very heavy monsoon and that monsoon is approaching. It is almost breaking. No over-bridge is put connecting one platform to other platform. You have to jump on the railway tracks and cross the railway tracks to reach the platform. I am also generally helped by two or three people to jump down and then jump up at the other end. This is the position not only with respect to Tirur railway station, but it is the position with all the railway stations which are there between Feroke and Kuttipuram. Please see that proper passenger facilities are given at these stations.

Then the fish baskets are there. The fish baskets are also lying there in all the platforms and the whole area gets dirty. Can't you have a separate shed for booking of these fish baskets? A separate small shed for the purpose is not of much of a cost. It is

not a heavy Budget that I am asking you for. These are small things.

Then very condemned coaches are given to us. Recently, I was travelling in the 49, Cannanore-Ernakulam Express in the First Class. I found all seats broken, handles loose in our own hands, perhaps to throw at the railway authorities. Then I just got up to go to the toilet. God helped me because before I reached the toilet, I found the water from the tank bursting down and coming right into compartment. People told me: "Mr. Member of Parliament, this is a daily thing." These are now not merely things from the people. It is a matter of personal experience. How long are we going to suffer like this? Let me tell you, people are getting very much discontented. Please read the writing on the wall. There is a limit to the patience. I have moved nine cut motions here in this respect. There no sufficient train facilities, passenger facilities at Shoranur-Palghat Section for our people. No sufficient and adequate quotas are there. I therefore have risen with only one point today. All these years I get up and make a big speech on the Railway Budget; and then the Constituency is lost. So I thought that today let me not speak of anything else but speak of the necessities the people want.

About train facilities, from Mangalore to Bombay we are promised by the Hon. Minister. When did he promise? We were promised by the Hon. Minister that there will be, if not daily, at least 5 days a week the train service. Long ago that promise was made. In February 1988 that promise was repeated; but instead of 5 days, we are having hardly 3 days. We are asking for a daily service but even your own promise is not fulfilled.

MR. DEPUTY SPEAKER: It is now time for taking up the Private Member's Business.

SHRI G. M. BANATWALLA: I will con-

tinue my speech next time, Sir.

MR. DEPUTY SPEAKER: Can you finish within two-three minutes? Otherwise you will have to wait for a long time.

SHRI G. M. BANATWALLA: I will conclude. We have also been saying that this train service between Mangalore and Bombay....

MR. DEPUTY SPEAKER: Madam Parliamentary Affairs Minister wants to say something.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRIMATI SHEILA DIKSHIT): I just give a proposal and then the Hon. Member may continue his speech. We have Private Members' Business at 3.30 p.m. today. I would propose that we could continue with this discussion and pass the Railway Supplementary Demands for Grants hopefully by 4.15 p.m. or earlier so that the Members could use this opportunity. We can postpone the Private Members' Business to 4.15 p.m.

MR. DEPUTY SPEAKER: We can adjust this 45 minutes and extend the sitting of the House upto 6.45 p.m. If Members feel like this, we can do this.

The proposal is, upto 4.15 we continue with the Railway Demands and finish it. After 4.15 p.m. we take up the Private Members' Business and extend the sitting of the House by 45 minutes and it will go upto 6.45 p.m. I think the House will accept this.

SHRIMATI SHEILA DIKSHIT: The sense of the House may please be taken to extend the sitting of the House till 6.45 p.m.

MR. DEPUTY SPEAKER: We have to give 2½ hours for the Private Members'

[Mr. Deputy Speaker]

Business. We can adjourn early, that is immaterial. But 2 1/2 hours will be given for Private Members' Business after 4.15 p.m. If Members want to finish earlier, I have no objection. According to our convention the 45 minutes given to this discussion will be adjusted after 6 O' clock and the sitting of the House will be extended upto 6.45 p.m. I think, the House will agree to this.

SOME HON. MEMBERS: Yes Sir.

MR. DEPUTY SPEAKER: Mr. Banatwalla to continue.

SHRIG. M. BANATWALLA: Mr. Deputy Speaker Sir, I was pleading with the Government for increasing and providing adequate passenger train facilities for the Malabar area under the Southern railways. I was also requesting the Government that the train service between Mangalore and Bombay be made a daily service. It is at present thrice a week whereas the Hon. Minister nearly a year ago had repeated his promise that it would be made 5 days a week.

There is only one line between Shoranur and Mangalore. This is a very old pleading of ours for doubling of the line between Mangalore and Shoranur stations of Southern Railway. In this section, viz., Mangalore-Shoranur, works have to be undertaken for the purpose of increasing the traffic carrying capacity. This is an absolute practical necessity and I need hardly dwell upon the great increase in the traffic density in this area which requires to be reflected in the provision of adequate facilities.

Sir, priority has also to be given to the completion of the West Coast railway line connecting Mangalore and Bombay. In this particular Section there are certain level crossings and there is need to have properly manned railway crossings. There is also

need for proper over-bridges. Whenever we approach the necessary authorities of the government in the matter we are told that the panchayats must come forward in order to foot the cost of all these constructions. You see this is a very backward area. The panchayats or the local bodies there are very poor. They are not in a position to foot the necessary cost for the over-bridges and for having manned railway crossings and so on. But then because of the poverty of the area and because of the fact that the area is backward it should be seen that it does not languish in its backwardness. Therefore, I must say there must be proper flexibility in our rules and Government must come forward. We are told to go to the State Government. What can you expect from the State Government there! You hardly expect anything when there are leftists in power over there- the so-called leftists. The area is neglected by them but then the area should not be neglected by the Central Government and the Railway Board.

Sir, I am very serious about all the nine cut motions that I have moved. I will conclude by once again emphatically pleading for proper improvement of passenger facilities, for proper improvement of all stations between Feroke and Kuttippuram in the Palghat division of the Southern railway. The situation is such that it demands several works to be undertaken and, I hope, Government will see to it that adequate attention is paid to the need for adequate train facilities in the Malabar area of Kerala. As I have said there is lot of resentment among the people. Lot of agitation is going on and there is limit to patience. Year in and year out we have been making representation and we hardly get anything. Even on the basis of population Kerala should get Rs. 174 crores but instead of Rs. 174 crores being provided in the budget hardly Rs. 19 crores and odd have been provided to Kerala. That is the neglect of Kerala. I hope Kerala and especially Feroke-Kuttippuram section of Malabar division

will receive due attention at the hands of the Railway Board and the Government.

SHRI MAHABIR PRASAD YADAV (Madhepura): Mr. Deputy Speaker, Sir, I have already made certain suggestions and in addition to those I want to make certain further suggestions with regard to the railway timings in the Samastipur Division.

While members from Bihar have supported the Railway budget in totality and have asked for certain new lines and certain changes in the timings of the trains but on account of financial constraints the hon. Minister of State for Railways has declined to give us any help in that regard because of his limitations and constraint of funds. At least we the Members of Parliament from that region want certain changes in the timings of the railway time-table in the best interests of the general public. Take, for example, Magadh Express 191 UP and 192 DN. Members of that region requested the Railway Ministry in the zonal meeting that the timing of the Magadh Express be changed. It starts at 19.30 hours from Patna and reaches Delhi the next day at 12.00 hours. All Members unanimously brought it to the notice of the Railway Ministry and Railway Administration has not taken any notice thereof. In that way the passengers including the Members of Parliament have to undergo various hardships on that account.

There are two trains, the Janaki and Kosi Express. These two trains are joined together at Saharsa and bifurcated at Sakri Junction. One goes to Jainagar and the other goes to Nirmali. We have pleaded for hauling these two tracks by diesel engines from Saharsa to Sakri. But nothing has been done in that regard. I specially draw the attention of the Deputy Minister of Railways, Mr. Prasad to take into consideration the hardships of the passengers. We reach Patna, the distance of 992 kms. in 16 hours and the distance of 216 kms. are covered by

12 hours. You can very well imagine the difficulty, the hardship and harassment of the passengers.

I would like to point out that the railway bridges between Mansi and Saharsa are about hundred years old. There is one railway bridge near Dhamara Ghat railway station. Express trains, for example, 15 UP and 16 DN, Gauhati-Banaras Express, 41 UP and 42 DN do not halt at Dhamara Ghat. But the trains have to stop at the railway bridge for about 15 minutes. I have to draw the attention of the Railway Minister in this regard that this wooden bridge be replaced by a pucca bridge all the bridges constructed during the British regime have reached the expiry limit. So, the speed of the trains is not normal in that regard. Therefore, I would like that all the old bridges should be reconstructed and wooden bridges be removed at the earliest.

Trains, namely, 417 UP and 418 DN were introduced by the North-Eastern Railway at my initiative and instance in between Banmankhi and Saharsa. The timing of the train is such that only the driver of the engine and the guard have to run the train without passengers. I have already requested the Railway Minister that these two trains be cancelled and the coaches thereof be attached with Janaki Express which is a very important train and largest number of passengers travel by this train. The passengers are put to a lot of difficulties and hardship and that cannot be imagined and described.

With these words, I support the Railway demands.

SHRI ABDUL RASHID KABULI (Srinagar): Mr. Deputy-Speaker, Sir, I rise to support the Demands for Railways.

Without the development of railways, there cannot be a real progress, in the States. We in the valley of Kashmir are

[Sh. Abdul Rashid Kabuli]

suffering a lot because of lack of transportation. The only highway between Srinagar and Jammu is not sufficient and dependable and many a time it is blocked and the transportation is disrupted. There was a scheme to connect Delhi with Srinagar by a railway line, but that has not been implemented and without proper rail links, development of the Kashmir is not possible. I recall that I raised this issue about four years when Shri Ghani Khan Chaudhury was the Railway Minister. I had said this was a challenge before the Government of India and they must connect Delhi with Srinagar. He replied "I accept your challenge; in due course of time, we are going to connect Delhi and Srinagar whatever be the cost and whatever be the hurdles in this way." But nothing has happened so far. xyz

The real development of this far flung area is not possible and its backwardness cannot be removed without a proper transport system. Only the modern mode of transportation, that is, railways can help us. Therefore, I urge upon the Government of India to honour the commitment made to the people of Kashmir in this respect.

Within the valley, there are a number of tourist spots and tourists come to see them from foreign countries as also from within India. When they come to the valley, they suffer because of lack of proper transportation. It would not have been difficult for the Government of India to construct meter-gauge line connecting Kazikgund with Baramulla and round about, so that the tourists can go easily to various tourist places of the valley. That also has been raised a number of times, but nothing has been done.

Also, the Government had taken upon itself the task of constructing railway line from Jammu to Udhampur, but I feel ashamed that though we have been promis-

ing to the people as per the commitment made by the Government of India, that this would be implemented, but nothing has been done for the last several years. Even that track of 40-50 kms has not been completed. I request that the Government of India should carefully study the difficulties of the people and this railway line between Jammu and Udhampur must be constructed within the shortest possible time.

Then, we have two trains running between Delhi and Jammu; one is Jammu Mail and the other is Jhelum Express. The Jammu Mail runs in time. The other train comes from Pune. Very often the tourists suffer because we do not have sufficient trains playing between Delhi and Jammu and Jammu and Delhi. During summer there is a lot of rush from Delhi towards Kashmir and most of domestic tourists who depend on this mode of transport suffer for lack of adequate number of trains.

Lastly, the increase in the passenger fares has also affected tourism. I was recently in Srinagar and many persons belonging to various tourist organizations came to meet me. Their complaint was that many tourist groups have cancelled their trips from Bombay to Jammu because of the increase in fare per bogie which were registered before and have now shown manifold increase in the fare. This has been at the cost of tourism. Special consideration should be shown to the development of the tourism in the interest of the State. This complaint of the people working in the tourist sector should be removed and special interest shown in order to develop tourism in Kashmir.

[Translation]

SHRI SHANKARLAL (Pali): Mr. Deputy Speaker, Sir, the hon. Minister for Railways has himself admitted that the average kilometrage of railway lines for Rajasthan is below

the national average. While the national average is 18.81 kilometrage per 1000 kms, in Rajasthan it is 16.41 kilometrage per 1000 kms. Despite this, Delhi-Ahmedabad rout has not been converted into broad gauge. I will not be possible to develop Rajasthan unless this line is converted into broadgauge. There was a proposal to link Bilara with Bad by rail covering a distance of 33 kilometres for which survey was already conducted in 1983. If need be, you may conduct survey for the second time, if you so desire but I fail to understand what are the difficulties in taking up this work. I would like to request the hon. Minister of Railways to have the construction of broad gauge line from Bilara to Bad taken by the Railways after undertaking survey of the line and complete the construction work.

Sendra is a very important railway station on the Western Railways. There has been stoppage of Delhi Ahmedabad Express at that station for the last 20 years but this stoppage was withdrawn recently on the plea that hardly any passenger alight here. But the thing is that the railways do not issue tickets for that station. Tickets are issued for Beawar station. Tickets for Sendra are not issued. Not to speak of a new work, even the stoppage which was there for the last 20 years have been cancelled. Though it is a very important place and the army jawans in large numbers live in this area, yet the stoppage at this place has been cancelled. I would like to submit you that the Ahmedabad Mail should be provided a stoppage at Sendra.

Thirdly, I would like to submit that the 505-506 Ashram Express has been provided halt at Falna station from 16th February this year, but tickets for this station are not issued. Shri Ashok Gehlot and I myself tried to have tickets for Falna, we were issued tickets for Abu Road, but tickets for Falna were not issued. In the course of time you may cancel the stoppage at Falna on the

plea that the station is economically not viable. I would like to submit that you should issue standing instructions to issue tickets for Falna.

I would like to make yet another submission that Pali is an industrial town and also a district headquarters, but no direct coach is available for Jaipur and Delhi from this place. People desirous of coming to Delhi will have to go to Jodhpur, a distance of 75 kms to catch train for Delhi. I would, therefore, like to submit that a direct coach for Jaipur-Delhi should be attached to the train at Pali station.

As far as the question of construction of overbridges are concerned, I would like to bring it to your notice that Pali is an industrial town and in the absence of an over-bridge the traffic remains blocked for most of the time. The State Government is also prepared to provide funds for the construction of bridges so as to avoid traffic blockade. Another over bridge needs to be constructed at falna, because Ranakpur is a tourist place of world fame. Tourists travelling by roads are held up for hours together at the level crossing when a train passes on that line. An over bridge should, therefore, be constructed there. Similarly, a bridge should also be constructed at Marwar junction.

Besides, beautification of Pali and Marwar railway stations should be done. Though the Jodhpur-Ahmedabad Superfast trains stops here, tickets for this train are not issued at this station. Marwar junction is a very big junction. As such tickets should be issued from there.

There are some more minor complaints against the railways, but the railway officers are misleading you. You will have to think about it. There is a Delhi -Mehsana train in which mostly common man travel. This trains remains overcrowded. People occupy seats in the every nook and corner of the bogies, even then you do not provide addi-

[Sh. Shankarlal]

tional coaches to this train. You only care for the passengers travelling in air-conditioned and first class coaches. But feel difficulties in providing additional coaches for the people additional coaches for this train. One more train bearing No. 41 up and 42 dn runs from Ahmedabad to Abu. People wait for hours to board this train. I request you to extend this train running between Ahmedabad and Abu upto Ajmer.

My list of demands which I intended to make to the hon. Minister has not yet exhausted but in view of time constraints, I would like to conclude I will be thankful to the hon. Minister if the Department of Railways fulfil my small demands referred to above. I also express my thanks to you for providing me time to speak.

SHRI JUJHAR SINGH (Jhalawar): Mr. Deputy Speaker, Sir, it was very necessary for me to speak on this subject. I would like to draw the attention of the hon. Minister to some points in brief.

My Parliamentary constituency touches the borders of 5 districts in Madhya Pradesh starting from Morena to Sheopuri, Guna, Shahjahanpur and Mandasaur covering an area of 300 kms. which border Madhya Pradesh and the Parliamentary constituency of hon. Deputy Minister of Railways. Development taking place in the adjoining areas in Uttar Pradesh has a direct bearing on my constituency. Instead of taking more time, I would like to confine myself to only those very points which are very essential from railway point of view. First of all, I would like to submit that Kota is an industrial town. There has been a long standing demand to introduce a direct train from Kota to Delhi. A large number of passengers board trains at this place. You have also got it examined and after the examination the Railway Board received recommendations that it is very

essential to provide a train from Kota to Delhi.

I had also written a letter to the hon. Minister about a train and I have received reply to my letter. He has replied that the traffic load on the track between Mathura and Delhi is very heavy. As such no extra train can be introduced on this track. It was only an excuse. Recently you have introduced a new train from Ujjain via Guna. This train will also run on the same track via Mathura which otherwise have been stated to be very congested. I would, therefore, like to request you that for a place like Kota which has enough traffic to justify introduction of a new train and for which a recommendation has already been made a new train for Delhi should be given. I demand that a train may be provided from Kota to Delhi.

My second submission is that a new train has been introduced between Ujjain and Hardwar without touching Delhi. I want that Kota should be linked to this route. If it is not possible to provide an extra passenger train on this line, this train should be diverted via Guna and also cover Baran, Kota and Delhi. Thereafter let it go to Hardwar, There is more demand for this train as compared to the new line which has been sanctioned. Therefore, I want to request that some arrangements should be made to reduce overcrowding on this route to some extent.

It is also a fact that much of the traffic consists of passengers who travel without reservations. I feel that not even 25 per cent of passengers travel with advanced reservations. This includes second class, first class and air-conditioned classes. You have provided a lot of facilities in the matter of railway reservations. You have taken a number of steps for the long-distance passengers. However, you have not done much for the passengers who travel without reservation and sometimes people have to travel suddenly without advance reservations and at

that time they face extreme difficulties. I had proposed earlier in the party meeting also that arrangements should be made to provide a seat to a person who has not been able to get reservation.

16.00 hrs.

[English]

Even if he has to pay something extra he should be prepared to pay extra but at least he should travel comfortably. I think you will consider this proposal also that there should be some sort of arrangement made for some passengers who are not able to get reservation in advance but who come at the eleventh hour and it is very necessary for them to travel.

[Translation]

Besides, I want to submit one more point. There is one direct train between Indore and Bombay and between Indore and Delhi. There are other trains as well. 6 bogies are attached to Dehradun Express from Indore, Nagda which come upto Kota. I may submit that 6 bogies are attached for Delhi and 6 for Bombay. Instead of attaching 12 bogies, a new Indore Delhi train via Kota may be introduced on every alternative day. This will not be an additional burden on the railways and our requirements will also be met.

With this I conclude.

SHRI C.P. THAKUR (Patna): Mr. Deputy Speaker, Sir, from the economic point of view Bihar is the most backward State. In view of this, it is absolutely essential to increase railway facilities there and the hon. Members from that State also want the same. There are certain long standing demands. One of them is the proposal for constructing a railway bridge on river Ganga in Patna which will connect North and South

Bihar. The construction of this bridge is essential for the development of two parts of Bihar. Hence, I implore you to consider it and get the railway bridge constructed at the earliest.

There are certain things which can be done without incurring any expenditure. There are no direct fast or superfast trains between Bombay which is the commercial capital of the country and Patna which is capital of Bihar. Many fast trains are there upto Varanasi for example, Mahanagari Express which terminates at Varanasi but does not come upto Patna. Either a fast train should be provided upto Patna or that train should be extended upto Patna. There is a train between Madras and Patna but it is being demanded that it should run twice a week. The Magadh Express reaches Delhi after 12.00 noon, and as a result thereof the whole day is wasted. Therefore, the timings of this train should be so adjusted that it arrives in Delhi by 2 hours early and also reaches Patna at a suitable time. This will enable the passengers to utilise the entire day in Delhi or in Patna.

The population of Patna has increased enormously and along with it, there is a substantial floating population from adjoining areas as well. Hence, it is essential to introduce a passenger train between Arrah and Mukamma. The Railway Ministry should provide an extra train on this route. There is population explosion in Patna and the concentration is on the Southern side of the Railway line. In the absence of a railway crossing at Mankaghat, the people have to take the subway which gets blocked during the rainy season. Therefore, a railway crossing should be provided there. The same should be provided at Ranipur, Khirki and Begumpur as well.

I want to submit one more point. The Fatva-Islampur railway line which has been closed to traffic should be reopened to en-

[Sh. C.P. Thakur]

able the movement of the people of this areas. Similarly, the Arrah-Satna route should also be re-opened.

With these words, I thank you for providing me an opportunity to speak.

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr. Deputy Speaker, Sir, I have lots of complaints against the Railway Ministry. I had submitted earlier also that the Railway Ministry is not implementing the recommendations of the Railway Committee for the constitution of a separate Railway Zone for Rajasthan. The Railway Ministry has undergone so much of expansion that no work is carried out in a systematic manner. It has expanded so much that it is not possible to take decisions for the whole country which while in Delhi. The Railway Board which is a vast organisation should be divided into different zones and zonal offices should look after the needs of rail traffic of different zones. This will remove much of the grievances of the people. People are complaining that new railway lines are not laid in their areas. Railway Ministry accords sanction to lay new railway lines in some areas and completely neglect others. This enhances regional imbalance and gives rise to resentment. But little attention is being paid to it.

There are 6 members in the Railway Board and Rs. 10 crores are spent on them every year. All the hon. Members of Parliament are discontented because it is unable to solve the problems and therefore, its division into different zones is essential so that there can be a uniform development of railways in all regions and new railway lines can be laid everywhere.

10 years have passed since I entered the Parliament. I have been constantly demanding for three railway lines, namely, Todha-Raisingh to Nathdwara, Kota to

Devgarh and Lapibea to Beawar. Survey has been completed in respect of all these three lines Todha-Raisingh-Nathdwara line is not being constructed on the plea that it is uneconomic and unviable. There is a railway line between Jaipur and Todha Raisingh and from Ahmedabad to Nathdwara. I cannot understand the basis on which this line is being declared as uneconomic and unviable. This is the kind of functioning of the Railway Board. Railway lines were constructed in our area during the days of the Princely Rule. There was a railway line from Udaipur to Chittorgarh and train services were available on this route. Even now we have to look towards 'Raja'. Apart from a few areas, new railway lines are not being laid anywhere else. Therefore I want to request the Government that it is essential to bring changes in this policy. Until this is done the prevailing discontent will not be removed.

The hon. Deputy Minister should pay special attention to this point. Railway expansion is taking place in your constituency but other areas are being neglected. I requested you to make arrangements for increasing the reservation quota in 'Bhilwara' and 'Garibnawaz' but you replied that there is no possibility because coaches are not available. If you are not willing to extend any facilities then you should strangulate us so that we may not be able to putforth our demands.

In this way, there is major discontentment with the Railway Ministry and I want to draw the attention of the hon. Deputy Minister towards it. Atleast you are not 'Raja'. You are ordinary worker like us. You should make efforts to pay attention to the points which I have made which will contribute in the streamlining of the Railway Ministry.

You should divide the Department of Railways, Zonewise, so that new railway lines are laid in all areas and entire railway system is streamlined.

I have great hope that attention will be paid in this direction.

*SHRI R. JEEVARATHINAM (Arakkonam): Hon'ble Deputy Speaker, Sir, I would like to say a few words in support of the Supplementary Demands for Grants (Railways) presented by our Hon. Railway Minister.

A shuttle service from Arakkonam to Katpadi should be introduced. It should leave Arakkonam at 5.30 p.m. and reach Katpadi at 6.45 p.m. Passengers from Kovai Express and Brindavan Express alighting at Katpadi must be able to board this shuttle train. The shuttle should start from Katpadi at 7.45 p.m. and reach Arakkonam at 9 p.m. The introduction of the shuttle service would help to promote the industrial development of the area.

Presently the Railways are laying three broadgauge lines from Madras to Tiruvallur. These lines should be extended upto Arakkonam. In this could be done, then trains coming from Bombay and other Northern cities may be able to reach Madras without delay.

The construction work of the Railway overbridge at Arakkonam Junction should commence immediately. Likewise the Pondicherry Bangalore rail link announced by the Railway Minister in his speech must also be started without delay.

The train Nos. 39 and 40 running from Bangalore to Madras and vice versa presently do not stop at Sholingar. Sholingar is a growing industrial area. There is vast potential for industrial development in this town. I, therefore urge upon the Minister to issue orders for stopping of the train at Sholingar. A survey must be conducted of all meter-

gauge lines in Tamil Nadu. These lines should be phase by phase converted into broadgauge lines. The Karur-Dindignal broadgauge conversion project must be started quickly. The public have demanded that higher allocations should be made for this project. I had also in my speech on the main budget pointed out the paltry allocation for the project. I request the Hon. Minister to increase the allocation for this project. Lastly I would request the Hon. Minister to enhance the amount of loan being provided to railmen for construction of houses. The Railway Minister must see that housing facilities are provided to railway men in the location desired by the railway men. With these words, I conclude.

[English]

SHRICHINTAMANI JENA (Balasore): I am grateful to you for giving me an opportunity to speak on the Railway Budget. I support the Railway Budget presented by the hon. Railway Minister. The policy of the Government is to give priority for the development of backward areas and backward States. Madhya Pradesh and Orissa are backward in question of railway lines and railway facilities are not provided there. In this connection, I would urge upon the Railway Minister to give a top priority in providing more and more railway facilities and more and more railway lines for the States of Orissa and Madhya Pradesh, which are backward, as far as national average is concerned. In this connection, I would request that the Rupsa-Bangiri-Poshi narrow-gauge railway line, which has gone through the entire tribal area-it was constructed about 100 years ago-may be converted into a broad-gauge railway line to connect Bombay line near Garumahisani. By doing this, a distance of 150 kms will be curtailed with the result our national wealth is

* Translation of the speech originally delivered in Tamil.

[Sh. Chintamani Jena]

saved by way of wear and tear of the railway components will be saved as also the timings will be saved to a large extent.

Some trains from Orissa areas were withdrawn in the month of November 1988. I would request that those trains like Puri-Howrah-Passenger, Puri-Assansol-Passenger and Madras-Howra-Ganta-Express should be revived.

Besides, the Link Express and the Sambhalpur passenger should be revived. In this connection, I would like to mention that recently from the month of November the Railways have changed the timings of No. 915 and 916, 175 and 176 Neelanchal Express. We would very much appreciate if the earlier timings of these trains are revived.

I am very grateful to the hon. Minister that he has sanctioned a passenger halt at Parikul between Balasore and Haldipada railway stations. This station needs to be constructed in right earnest.

I would also like to mention in this connection that passenger halts were sanctioned about 30 or 40 years ago by the Railways at Rajghat as well as Nuagem Mayurbhanj road. But unfortunately, they could not be converted into flag stations so far. I request that these passenger halts may be converted into flag stations.

I also request that the commission porters and commission bearers should be made permanent in their services. Besides, transshipment labour who are now in a very miserable condition may be made at least casual labourers, if not made permanent.

MR. DEPUTY-SPEAKER: I think we can extend the time by 10 to 15 minutes to finish this item.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRIMATI SHEILA DIKSHIT): We may extend the time by 15 to 20 minutes and complete this item.

MR. DEPUTY-SPEAKER: I think, the House agrees. The Minister.

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Mr. Deputy-Speaker, through you I would like to thank the hon. Members who have participated in this short debate on Railway finances. I have, just a few days ago, dwelt at very great length on the various aspects of railway working and I have tried to elaborate the directions in which special efforts are being made on the basis of priorities fixed. I would not like to go over all that ground again. Many individual members have made suggestions pertaining to their areas and their constituencies. We will certainly look into all their suggestions and efforts will be made to try and satisfy them wherever it is possible.

Hon. members in this very short debate did make a mention of road overbridges. With the high growth of vehicular traffic in many areas in this country we are trying to sanction road overbridges wherever the need arises, on a fairly generous and liberal basis. But I have to remind hon. members that it is necessary for the State Governments to initiate the proposals in first instance and also to include them in their State budgets so that we could reciprocate, we could further deliberate and arrive at firm decisions. But as I said, it is necessary for the State Governments to first move these proposals. I would like to assure hon. Members that wherever traffic requirements demand and on the basis of the proposal initiated by the State Government we will try and sanction as many road overbridges as is possible within our budgetary limitations.

Some hon. Members made a mention of certain railway lines. Jammu-Udhampur line was also mentioned. We have greatly increased the allocations for Jammu-Udhampur line to almost Rs. 13 crores. It is a very difficult section. It is a very difficult area and has many mountains. It requires a lot of tunnels. I think engineers of the Indian Railways are doing a very satisfactory job in that very difficult section from the engineering point of view. Beyond Udhampur upto Qazigund and Srinagar, a bi-model study has been undertaken, which will determine the cost benefit that will accrue between a railway line and a major road. Only after that study is completed, the Planning Commission can come to some firm decision, which will then of course be communicated to us after discussion. Sir, I am not in a position to talk about extension of the line beyond Udhampur. Our first priority is to complete the line upto Udhampur and give the State of Jammu a new railway line.

Sir, I am grateful to Mrs. Shaktawat who was kind enough to appreciate the efforts of the Railway staff and Railway Officers in the speedy construction of Kota to Chittorgarh line, which is nearing completion. Of course, in the last two years we have been giving substantial allocations and I hope that very soon within a few months, we will open the section to traffic and later on we can consider the movement of passengers also on this section. I am grateful to her because there are many instances where inspite of increased allocations, some hon. Members conveniently forget where the allocation has been increased and only tend to enlighten the House where the allocation is still minimal because of resource constraint. One such reference I remember, was made in the general discussion on Railway Budget, a few days ago by a hon. Member from Karnataka, who talked about the neglect of Karnataka. It is not the case. I have said time and again that the Railway Minister is an operational Ministry and it has to be looked

at from an all India angle. Our basic objective is to transport the largest number of passengers over long distances the middle and lower income groups especially and provide for bulk transport of freight. If we do not keep this all India objective and perspective in mind, it can lead to very severe bottlenecks, affecting the public distribution system, affecting the economic growth and affecting a lot of infrastructural activities, which depend on the movement of freight on the Indian Railways. This will always have to be uppermost in our mind and subject to that particular priority, certain weightage will then also be given to opening up of backward areas, and opening up of far flung areas. Our Prime Minister had asked us to lay great stress on the development of the north east area of our country. That is why, Railways have fulfilled their commitment of completing four new railway lines projects within the Seventh Plan for the North East area of this country. I would just like to request the hon. Members to look at it from an all India angle. Our effort is to see that within our priorities, we pay attention to backward areas, tribal areas and hilly areas. For instance, in Karnataka, Bangalore-Mysore conversion has been given as much as Rs. 17 crores. Our total budget for conversion is about Rs. 84 crores. So, Rs. 17 crores would probably be somewhere around 20 to 25 per cent of the total budget for conversion, of the country, which has been given to one railway line project in Karnataka. The hon. Member from the opposition bench very conveniently did not mention about this. He did not make a mention of the fact that a few years ago because of the efforts of the Congress Government and because of the efforts of Shri Jaffar Sharief, as major a plant as Wheel and Axle plant was located in Bangalore. We this year, have decided to undertake a major expansion from 70,000 wheels to 85,000 wheels at a cost of Rs. 32 crores. This also was conveniently forgotten. My request to the hon. Members from the ruling party actually is to try, while criticising us for our shortfalls or

[Sh. Madhav Rao Scindia]

where we have fallen below their expectations, sometimes may be due to our own fault and sometimes because of limitation of resources, to pick up these positive aspects and highlight them. For instance, in Orissa we have given 36 per cent of the total Budget for new lines for this country. An amount of Rs. 90 crores out of Rs. 250 crores has gone to Orissa. Within our limitations we do the best possible for areas which are still backward and unconnected.

I would like to thank Shrimati Nirmala Kumari Shaktawat for expressing appreciation of the efforts of the railway staff and railway officers. On the other hand, there were some other hon. Members from Rajasthan who were highly critical. I appreciate their suggestions also because, I am sure, it is done in a very constructive manner. But I would like just to remind hon. Members from Rajasthan again without bringing in the State aspect, that allocation for Mathura-Alwar railway line has been greatly increased. Mr. Natwar Singh has been pursuing this very vigorously. Kota-Chitorgarh line will now further go on to Neemuch. We will try and expeditiously finish this line right upto Neemuch. Apart from that, the final location survey for a broad-gauge link from Swai Madhopur to Jaipur, Phulera Road, Jodhpur and Bikaner is being undertaken. And later on consideration is being given to the second stage beyond Jodhpur to Barmer and Jaisalmer. And as the hon. Members know, in Railway's parlance final location survey means pretty near finality though it is not hundred per cent; otherwise, final location surveys are very seldom undertaken. So all these things are there.

Another thing I would like to clarify is that a number of hon. Members talked about the West Coast line. Mr. Oscar Fernandes and Mr. Janardhana Poojary have been taking special interest in this. We have this

year managed to include Mangalore-Udupi line in our Budget. There has been some talk from the opposition benches that the amount given was very very minimal. If you look at any railway line, the first year of entry into the budget papers, the amount is always minimal because all the formalities like acquisition of land and other procedures have to be done first. It is very difficult to absorb more than that in the first year. There is no point in allotting something which is not going to be used. But I would like to assure the hon. Members that Mangalore and West Coast line is something which we consider very important. When these initial procedures are finalised and when the acquisition of land has been completed, certainly we will try our best to give much better and adequate allocation within the budget to this line.

I would like to thank the hon. Members for the various suggestions that they have made. Mr. Chintamani Jená also made very valuable suggestions. I am happy to tell him that in accordance with his wishes, in May we will be restoring the Neelanchal train to its original timings. As far as the Link Express is concerned, that will also be done in the month of May. Apart from that, there are a number of other things which we are also doing for Orissa. I would like to assure him that whatever suggestions he puts or other hon. Members from Orissa put, are certainly paid full attention and it will be our effort to continue to rise upto the expectations of the hon. Members and the people of India and the railway users.

MR. DEPUTY SPEAKER: I shall now put the resolution regarding approval of recommendations made in the Thirteenth Report of the Railway Convention Committee, 1985, move by Shri Madhavrao Scindia to the vote of the House. The question is:

" That this House approves the recommendations made in paragraphs 9 to 12 contained in the Thirteenth Report of

Railway Convention Committee, 1985, appointed to review the rate of dividend payable by the Railway undertaking to General Revenues as well as other ancillary matters in connection with the Railway finance and General finance, which was presented to Parliament on 22.2.1989."

The motion was adopted.

MR. DEPUTY SPEAKER: Shri G. M. Banatwalla has moved his cut motions to the Demands for Grants (Railways) for 1989-90. Since he is not here, I shall put all his cut motions to the vote of the House together.

Cut Nos 159 to 167 motions were put and negatived.

MR. DEPUTY SPEAKER: I shall now put the Demands for Grants (Railways) for 1989-90 to vote. The question is:

"That the respective sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President of India out of the Consolidated Fund of India, to defray the charges that will come in the course of payment during the year ending the 31st day of March, 1990, in respect of the heads of demands entered in the second column thereof against Demand Nos. 1 to 16."

The motion was adopted

MR. DEPUTY SPEAKER: I shall now put the Supplementary Demands for Grants (Railways) for 1988-89 to vote. The question is:

"That the respective supplementary sums not exceeding the amounts

shown in the third column of the Order Paper be granted to the President of India out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending the 31st day of March, 1989, in respect of the heads of Demands entered in the second column thereof—

Demand Nos. 4,9,10,12,13, and 16."

The motion was adopted

16.32 hrs.

APPROPRIATION (RAILWAYS) BILL,
1989*

[English]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Sir, I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1989-90 for purposes of Railways.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1989-90 for the purposes of Railways."

The motion was adopted

SHRI MADHAVRAO SCINDIA: Sir, I introduce** the Bill.

MR. DEPUTY SPEAKER: The Minister may now move that the Bill be taken into consideration.

SHRI MADHAVRAO SCINDIA: Sir, I beg to move**:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1989-90 for the purposes of Railways, be taken into consideration."

MR. DEPUTY SPEAKER: The question is:

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1989-90 for the purposes of Railways, be taken into consideration."

The motion was adopted

MR. DEPUTY SPEAKER: The House will now take up clause by clause consideration of the Bill. The question is:

"That clauses 2 and 3 and Schedule stand part of the Bill"

The motion was adopted.

Clauses 2 and 3 and Schedule were added to the Bill.

MR. DEPUTY SPEAKER: The question is:

"That Clause 1, Enacting Formula and Title stand part of the Bill."

The motion was adopted.

Clause 1, Enacting Formula and Title were added to the Bill

SHRI MADHAVRAO SCINDIA: Sir, I beg to move:

"That the Bill be passed."

MR. DEPUTY SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

16.34 hrs.

APPROPRIATION (RAILWAYS) NO. 2
BILLS, 1989*

[English]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): Sir, I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1988-89 for the purposes of Railways.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to authorise payment and appropriation

*Published in Gazette of India Extraordinary. Part II, Section 2, dated the 17.3.89.

**Introduced/moved with the recommendation of the President.

of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1988-89 for the purposes of Railways."

The motion was adopted

SHRI MADHAVRAO SCINDIA: I introduce** the Bill.

MR. DEPUTY SPEAKER: The Minister may now move that the Bill be taken into consideration.

SHRI MADHAVRAO SCINDIA: Sir, I beg to move**:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1988-89 for the purposes of Railways, be taken into consideration."

MR. DEPUTY SPEAKER. The question is:

" That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1988-89 for the purposes of Railways, be taken into consideration."

The motion was adopted

MR. DEPUTY SPEAKER: The House will now take up clause by clause consideration of the Bill.

MR. DEPUTY SPEAKER: The question is:

"That Clauses 2 and 3 and Schedule stand part of the Bill"

The motion was adopted

Clauses 2 and 3 and Schedule were added to the Bill

MR. DEPUTY SPEAKER: The question is:

" That Clause 1, Enacting Formula and Title stand part of the Bill."

The motion was adopted

Clause 1 enacting Formula and Title were added to the Bill

SHRI MADHAVRAO SCINDIA: I beg to move:

" That the Bill be passed".

MR. DEPUTY SPEAKER: The question is:

"That the Bill be passed".

The motion was adopted

16.36 hrs.

COMMITTEE ON PRIVATE MEMBERS

BILLS AND RESOLUTIONS

Sixty-first Report

SHRI RAM AWADH PRASAD (Basti): I beg to move:

**Introduced/moved with the recommendation of the President.

[Sh. Ram Awadh Prasad]

" That this House do agree with the Sixty-first Report of the Committee on Private Member's Bills and Resolutions presented to the House on the 15th March, 1989 "

[English]

MR. DEPUTY SPEAKER: The question is:

" That this House do agree with the Sixty-first Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 15th March, 1989."

The motion was adopted

16.37 hrs

RESOLUTION RE:

GUIDELINES FOR APPOINTMENT AND TRANSFER OF GOVERNORS—*Contd.*

[English]

MR. DEPUTY-SPEAKER: We now take up further discussion on the following Resolution moved by Shri S. Jaipal Reddy on the 3rd March, 1989:—

" This House recommends to the Government to lay down clear guidelines for appointment and transfer of Governors."

Shri V. S. Rao, is to continue his speech. He is not here. Shri Girdhari Lal Vyas.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhitwara) : Mr. Deputy Speaker, Sir, I do not find any substance in the resolution moved by Shri Jaipal Reddy, which says that this house recommends to-

[English]

"the Government to lay down clear guidelines for appointment and transfer of Governors."

[Translation]

The Governors are appointed according to the procedure laid down in our constitution. The duties, they are supposed to perform have also been specified therein.

Everybody is well aware of the fact that Governors are appointed by the Hon. President. Governors perform the duties assigned to them irrespective of any consideration for the party in power in the State, whether it is Congress or an opposition party. So the Government of India is not called upon to lay down guidelines for appointment or transfer of Governors. So the resolution is wholly pointless. Neither any Government in the past has laid down such guidelines, nor it can be done. Governors are appointed by the Hon. President in order to ensure proper functioning of Governments in the states. They extend every possible assistance to the Governments in the State whenever they desire such assistance. I mean to say that they help in enforcement of rule of law. Even where the opposition is in power, they perform their duties earnestly and assist in the Governance of the State. Besides, they act in accordance with the policies enunciated by the State Government and in no way cause hinderance. However, it is also the

duty of the Governor to check and restrain the State Government in acting against the Constitution. Opposition parties are in power in 7-8 states and there is nothing wrong in that, as they are there in accordance with the provisions of the constitution. But at times they act arbitrarily and the Governor tries to restrain them, which is not liked by the opposition. Surprisingly enough a resolution was passed in the Assembly of Kerala seeking removal of the Governor for not acting in furtherance of the policies adopted by the State Government. Thus they are trying to establish such unhealthy precedents. Opposition parties in the various states—such as Telugu Desham in Andhra Pradesh some other parties in Karnataka and other states—are in power. If a governor shows his reluctance to approve a wrong policy, they feel offended and launch a campaign for his removal, which can not be condoned. It is a wrong practice. Governor is the constitutional head of the state and it is his duty in this capacity to oversee that the State Government functions within the framework of the constitution and if it goes astray, in the first instance it is his duty to give him proper guidance. But if it persists, it is also definitely his responsibility to report to the Hon. President that the State Government is not functioning in accordance with the constitution and recommend suitable action against it, such as its dismissal, imposition of President's rule, etc. Although he can not interfere in the day to day working of the Government, it is the foremost duty of the governor to intervene in the case of constitutional crisis and try to restore order. The resolution moved by Shri Jaipal Reddy is a corollary to their resentment over the recent appointment of Governors. Governors of a state has been shifted to West Bengal. The Government complained that they were not consulted and the Governor was appointed without their approval. But there is no provision in our constitution requiring prior approval of a State Government for the appointment or transfer of a Governor from one

state to another. The present resolution is aimed at disturbing the present arrangement, which has been working smoothly and satisfactorily. The opposition wants to sabotage this arrangement and they are trying to create disorder in the smooth functioning of Government. Recently, a new political party has been formed which is an amalgam of a number of political parties and groups such as Janata Party, Lok Dal(A), Lok Das (B), JanMorcha, etc. It is yet to be granted recognition by you. This is an omnibus party comprising of people who frequently change parties and their sole objective is to sabotage the efforts of the congress to build a strong nation, to remove poverty and unemployment and to take the nation rapidly forward on the path of development and progress under the leadership of Shri Rajiv Gandhi. There is a definite design and plan behind such moves. Their only motive is to destabilise the present system and weaken the leadership of Shri Rajiv Gandhi. Only two days back the opposition created Pandemonium in the House and obstructed the proceedings over the laying of report of Thakkar Commission. They are aiming at creating similar disorder in the country. So much that resolutions were passed in the Legislative Assemblies of the States, where they enjoy majority, pressing for presentation of the Thakkar Commissions Report. They attempted to disrupt the proceedings in the State Legislative Assemblies, where they occupy opposition benches. The factual position is that a resolution had been passed by us in this very House that the report would not be presented in the House and it would not be made public. Still they are creating trouble. This resolution has also been moved in the House with a similar motive to obstruct the orderly discharge of their functions by the Governors, President, Government of India and the State Governments. Thus this resolution is totally meaningless in these circumstances. The power to transfer or appoint a Governor is vested in the President and nobody can interfere in it. The

[Sh. Girdharilal Vyas]

resolution moved by the hon. Member seeks laying down of guidelines for appointment of Governors. But the Hon. President does not appoint every Tom, Dick or Harry as Governor. Only persons of some standing with a distinguished record of service and wide administrative experience are appointed Governors. Our Ministry of Home Affairs makes positive recommendations as regards the suitable persons, who may be considered for appointment as Governors, and under whose watchful eyes the Government of a state can function smoothly. Only persons capable of administering the affairs of the State and guide the State Government are entrusted this responsibility. They have to report to the Central Government if there is any attempt to thwart the constitutional process so that the Central Government may take appropriate action in consultation with him. This is not a new provision. The Governors appointed by the Queen during the British rule had to discharge much more onerous responsibilities than those at present. Now the Governor is just a constitutional head. In case of breakdown of constitutional machinery or where Government is not run in accordance with the provisions of the constitution or where there is serious public distress the Governor has an unquestionable power to give his advice to the President and appropriate action is taken thereafter. But these people want the persons of their choice to be appointed Governors by the President so that they may indulge in right or wrong acts without being questioned. The Government of the country cannot work effectively if the Governors blindly support them. Appropriate provisions have been made in the Constitution to ensure proper functioning of Government.

The Resolution brought forward by hon. Shri Jaipal Reddy is unwarranted and deserves to be rejected. This Resolution is meaningless and runs counter to the provi-

sions of our Constitution. The founders of the Constitution, which included eminent scholars, freedom fighters, great leaders of the country and leaders of every party framed this Constitution after careful and indepth deliberations for two-three years. The suggestion made in the Resolution is against the constitution, meaningless and as such the resolution should be negated.

DR. G.S. RAJHANS (Jhanjharpur): Mr. Deputy Speaker, Sir, a situation is developing in the country, which is more or less similar to the one that prevailed around 1974-75. It may be recalled that in those days attempts were made to bring anarchy in the country. Railway strike and 'bandhs' were organised in several places and attempts were made mislead the people. The same thing is being repeated today in some form or the other. You will find that the opposition is not united and everyday we see reports of infighting amongst them. There is agreement amongst them on one point only i.e. to defame and tarnish the image of the Congress and of course, attempts are being made in that direction. A hue and cry is being raised that the appointment and transfer of Governors are being made in an arbitrary manner. This allegation is baseless. If we go by their wishes there will be chaos in the country. If things are done in an orderly manner they term it as arbitrariness. Does this imply that chaos in the country is an acceptable proposition? May I know the lacunae in the appointment and transfer of Governors? The debate of the Constituent Assembly may be read. The Institution of Governor has been functioning on the right lines so far and there is no scope for any modification in it. They want guidelines to be laid down for appointment and transfer of Governors. Next they may seek guidelines to be laid down even for the formation of the Council of Ministers by the Prime Minister. Later M.L.A's will raise such a demand. The Constitution clearly says 'the Governor as an individual acts at the pleasure of the

President'. There is no doubt that the term 'pleasure of the President' implies the pleasure of the Central Government. All persons appointed as Governors till now were persons of high integrity. Governors were appointed by the opposition also, when it was in power but we never challenged their credential. In fact, we received them with open arms. The office of Governor demands maturity. Appointees to this office have ranged from eminent professors, reputed lawyers, politicians, bureaucrats to retired judges. People from all walks of life have held and are holding the office of Governor. Governors of West Bengal, Kerala and Karnataka have been subjected to serious controversies. When Shri Nurul Hasan was Governor of West Bengal, allegations were levelled against him almost daily making it difficult for him to perform his duties uninterrupted. Now when he is no longer Governor of West Bengal, the Opposition is saying that he was the right man for the job and he should not have been shifted. Where is the logic in their approach?

A resolution was passed in the State Assembly against Shrimati Ram Dulari Sinha. There is a limit to unlawful and unconstitutional act also. Never has this country witnessed a resolution being passed against the Governor in the State Assembly. People in other countries might be wondering as to how desperate the Opposition in this country has become that it took resort to such unlawful steps. The Sarkaria Commission has said that the office of Governor is an august one. Nowhere in the Constitution or in the debates of the Constituent Assembly it has been mentioned that appointment of Governors should be made in consultation with the State Governments. This should never happen whether the Congress (I) is in power or the Opposition. Governors should not be appointed in consultation with the State Governments. A Governor is the representative of the Centre. In the moments of crisis, which spring up suddenly without any force

warning only a man of integrity and endowed with wisdom can take right decision. A Chief Minister, on losing the majority always says that he enjoys support of the majority of M.L.As. If he feels that he can prove his majority on the floor of the House, which will take 2-3 weeks of be summoned, he shall not agree to parading before the Governor the M.L.As. supporting him. He will utilise the intervening time to try to win over M.L.As, indulge in horse trading and M.L.As willing to defect will be offered a sum of Rs. 50,000 to Rs. 2 lakh each. Even if he knows that he cannot prove his majority in the House, he will resist his removal and try to seek more time. The recent events in Tamil Nadu and Nagaland have amply proved that but for the timely action by the governor there would have been chaos in the country. It is another matter that the Congress (I) lost the elections in Tamil Nadu. One party wins and the other loses in a democracy. People were satisfied with the step taken by the Governor of Nagaland in dissolving the State Assembly. The position of the Governor may seem innocuous but it assumes tremendous importance in the moments of crisis. The Governor keeps the President noted with the activities of the State Government. For instance, if funds allocated by the Centre to the States are diverted to further the interests of the party in power in the State, is the Governor not duty-bound to report the fact to the Centre and ask it either to stop release of funds or order an enquiry by intelligence agencies to find out where the funds were being spent? This is happening in many states. It is often said that the Centre interferes a lot. The Governor acts as a check on the happenings in a State as he keeps an eye on the events taking place in the state. Kumari Kumudben Joshi, Shri Venkatasubbaiah or Shrimati Ram Dulari Sinha did not do anything against public interest. Yet, these days newspapers are publishing highly critical editorials on the issue. Editorials in one particular newspaper are aimed at inciting the people. Today in an editorial, one

[Dr. G.S. Rajhans]

newspaper has said that there is too much interference in the appointment of Governors. This is shadow chasing.

17.00 hrs.

National interest is uppermost. If the administration in a State is not being run properly, the poor and the common man are not getting benefits or the law and order machinery is ineffective, and the State Government fails in its duties, it becomes the duty of the Governor to report the facts. Should he remain a silent spectator in such a situation? If the Governor reports the true facts to the Centre about the situation prevailing in the State, the Opposition asks for his removal.

The Governor has a special role to play. He is the Chancellor of every University in the State. He takes independent decisions in regard to all the Universities and is an independent authority to oversee their affairs. Several State Governments are not even aware of the statutory provision that Vice-Chancellor of a University in a State are appointed at the sole discretion of the Governor. Many State Governments want persons committed to them to be appointed as Vice-Chancellors of Universities. They would rather prefer a politician enconced in the Vice-Chancellor's seat although he may remain unconcerned with the maladies plaguing the Universities. He must toe their party's line. The Governor, as Chancellor of a University, has to see that its affairs are run properly.

I feel that this Resolution is meaningless. The Constitution provides for smooth functioning of the Government and the Governor. There are no two opinions that the Institution of the Governor is functioning on right lines in the country. Therefore, no

changes need to be made in the present arrangement. Thanks.

[English]

SHRI N. TOMBI SINGH (Inner Manipur): Mr. Deputy-Speaker, Sir, I am totally opposed to the Resolution moved by Shri Jaipal Reddy. The institution of Governors, according to our Constitution and the experience that we have gathered during the run of Constitution for about forty years, has provided the utility, importance and dignity of the Governors. We do not see any possibility of a State calling for new guidelines, new instructions.

The Governor is an individual and selected from different fields, as my predecessor has just mentioned. From time to time, in any given context, it is bound to have, some where or the other, at different situations, some clash. Even when we had all the Governors under the Congress Party, there were occasions when there were clashes—publicised or unpublicised. We know things because those of us who have been in public life—either in the Centre or in the State—know how this difficult institution has been utilised. The presence of the Governor in the State capital is of tremendous importance. We have many States. Some are very small States. At one time, we had in the North-East, one Governor looking after five States. Jokingly we used to call him Governor General just because he was looking after five states. We had to speak to the Prime Minister and other leaders that each State should have a Governor because the very presence of the Governor in person in the State capital has much impact on the working of the State. Whether he is only a Constitutional head or a titular head or not is a separate matter and that is an accepted fact. But the presence of the Governor personally in the State capital in the Raj Bhawan has tremendous impact.

17.05 hrs.

[SHRI SOMNATH RATH *In the chair*]

On this basis those of us in the North-east moved the then Prime Minister Shrimati Indira Gandhi that each bigger State at least should have a Governor. If we didn't feel the need of the presence of the Governor why did we move? The Governor does play a very important role.

As of today in the north east we have four States which do not have separate Governors. Arunachal Pradesh has its Governor, Mizoram has its Governor and Assam has its Governor. Assam has got tugged up with Meghalaya, Nagaland, Manipur and Tripura. From the point of view of the importance of the Governor being present in the State capital of each State, big or small, it is very important. Sikkim, inspite of its size has a Governor; Goa has a Governor; Himachal Pradesh has a Governor—so good for them. If we can appoint three more Governors in Tripura, Nagaland and Meghalaya, then I think we shall be having a good control of the Centre through the Governors.

Speaking from experience, when in the State of Manipur the politics was more or less dominated by regional parties, the clash was for a favour from the Governor among the parties which wanted to be in power. Because at that time the pull or the strength was more or less equal. So, they had to depend on the judgement of the Governor. At some time there was a lot of controversy. This controversy was not of the pattern of the controversy that we see today in Andhra Pradesh or Kerala or in other States ruled by the Opposition.

The controversy raised in Andhra Pradesh and Kerala is very unfortunate. Because the very speech Jaipal Reddyji made in the introduction of the Resolution

showed that he wanted to make use of this resolution for widening the controversy and to make a case out of this hollowness. He wanted to make full use of this Resolution and discuss matters relating to Kerala, Andhra Pradesh and the character and conduct of its Governors. Perhaps that was too prominent to be concealed.

We do not like to waste our time on such controversies. We however can address ourselves to certain aspects. Whatever be the Government at the Centre, whoever may be ruling this country, because this country has got so many States and Union Territories, it is bound to be at some time as it is today, that the Centre has some Party and the different States have got different Parties ruling. In such a situation which is quite possible it is bound to have certain controversies. But those controversies should not be of this kind. Because in Kerala and Andhra Pradesh they have politicised some differences between the Government and the Governor. Yes, differences certainly take place; but why should we politicise them and take them down to low levels and showing them in a bad taste? This kind controversy should be wiped out and we should not drag the institution of the Governor to this kind of controversy.

We can, however, caution the Home Ministry and in that way the Central Government at the Centre that they should be very very careful in selecting the Governors. We know persons of distinction from Army, bureaucrats, jurists, administrators and men of distinction from other fields have been selected as Governors but while selecting persons as Governors we should be rather very careful because if we send somebody who does not have any thinking of his own and waits for 'yes' or 'no' from somewhere else then the whole institution of the Governor and the structure of the Constitution is put to some disadvantage and ill repute. So for all situations we can caution the Central

[Sh. N. Tombi Singh]

Government about selecting persons as Governors.

Lastly taking advantage of this Bill I would like to emphasise that those of us in the North-East feel that we are suffering from this Governor General's concept being continued there. We should have a Governor for each State—big or small—then qualitative—wise and stability—wise there will be lot of improvement in the administration in those smaller States. I think the hon. Minister of State for Home Affairs and through him the Prime Minister will give serious thought to this and see that States in the North-East are provided with separate Governors.

With these observations I thank the Chair for having given me the opportunity to speak and I oppose the Bill.

[*Translation*]

*DR. PHULRENU GUHA (Contai): Mr. Chairman Sir, we are discussing the resolution of Shri Jaipal Reddy regarding laying down of guidelines for appointment and transfer of Governors. Sir, our constituent Assembly held prolonged and in-depth deliberations about running the Government of our country and as a result of that they have given a flawless constitution to this country. The Government of this country is being run based on that impesable constitution. I do not think there is any need whatsoever to discuss about the Governors. I do not want to say anything about what Shri Jaipal Reddy said in his speech while initiating discussion on his solution. That is a matter of his personal opinion. I will like to say a few things on this resolution only. But I cannot help saying that in his speech Shri. Reddy abused some Governors. He ridiculed their antecedents. Sir, I want to say that a Gover-

nor is not an individual only. He is an institution and it will be wrong to consider him as an individual. He should be considered as an institution.

A Governor will surely function in full cooperation with the State Government. But if a State Government does something which cannot be accepted by the Governor or if the Governor feels that any action of the State Government is wholly unconstitutional, then he can surely express his opinion on that or he can discuss the matter with the State Government. If nothing comes out of that, then surely he has the right to send his report to the Central Government or to the President of India because he is functioning as an Institution there. Mr. Chairman Sir, I want to remind one thing. The Hon. Member who has brought forth this resolution before this House, his party also ran the Government of this country, through for a short duration. At that time they too appointed Governors in many States. But they did not think about these things at that time. Why did they not talk about setting guidelines for appointment of Governors during their own rule?

Sir, I regret to say that many of our colleagues forget what they did or are doing when they are in power. They believe that whatever they do is only good and what others do is always bad. But this mentality does not work in a democracy. If they do not give up this line of thinking then the problems of the country will only increase. For running the country one will have to carry people of different beliefs and opinion with oneself and will have to work strictly within the provisions of the Constitution. Our country believes in democracy and is being run on the basis of democratic principles and elections are also being held on the democratic principles and methods. The Government at the Centre and in various States are running on the

* Translation of the speech originally delivered in Bengali.

democratic system. But it will not do if we accept one part of the democratic system and refuse to accept another part, as it suits our convenience. This sort of attitude and mentality is very unfortunate. Mr. Chairman, Sir, I do not wish to take much time of the House. I will conclude by saying that I do not support this resolution and wholly oppose it.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh): Mr. Chairman Sir, I rise to oppose the Resolution tabled by the hon. Member, Shri Jaipal Reddy. I do not see any wisdom in placing this Resolution before the House, particularly when the Centre-State relationship is going to be discussed in the House. You know that the Sarkaria Commission has also dealt with this subject. Sarkaria Commission Report will also come before the House for discussion. There should not be any haste in bringing about a specific resolution on this. While moving the Resolution, the hon. Member has gone outside the purview, outside the scope and brought in so many extraneous matters. You know that the Governor is an institution, a dignified institution in our country. When this particular subject was debated in the Constituent Assembly, there were several views expressed. One school of thought was or one view was that the Governor should be elected. Of course, the Constituent Assembly, in its wisdom, opposed that and they have provided for nomination of the Governor by the President; that means by the Government of India. The President cannot do anything, or does not do it exclusively or of his own; he is aided and assisted by the Council of Ministers; he acts on the advice of the Council of Ministers. Whatever the Council of Ministers suggests, the Home Ministry suggest, such people are appointed as Governors by the President. Of course, the Governors act as the representatives of the President of India in their respective States.

Also, the debates of the Constituent Assembly reveal that the Governor's role was originally expected to be limited, but the framers insisted that they must have extensive legal powers. I think, they were far-sighted and they were correct that these should not be just limited. They enjoy extensive legal powers. The Governor is the Constitutional head of the State.

MR CHAIRMAN: The time allotted for this item is over. It is the pleasure of the House that we extend the time for this item?

MANY HON. MEMBERS: Yes, Sir. By one hour.

MR. CHAIRMAN: All right; the time for this item is extended by one hour.

SHRI SRIBALLAV PANIGRAHI: Sir, in the name of the Governor, the administration of the State runs. Although, technically that is the position, virtually or practically the administration of the State is run by the Council of Ministers, headed by the Chief Minister.

So, Sir, it is quite natural that at every point of time, on all occasions, on all issues the Chief Minister and the Governor will not have the same view or the same approach. We cannot expect it. They are at variance sometimes. As rightly referred to by the previous speaker, even in all the states where there is Congress Government and Governors are nominated by the Congress Government even they are not unanimous on every point with the Chief Minister. There are many such instances. Today, if a Governor cannot persuade himself or herself to agree with his or her Chief Minister, we just cannot find fault with that Governor or with that Chief Minister. This is the system which

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we have. They have to reconcile. They will have to work within their limitations. There are certain prescribed parameters. So, one need not be so upset on this point, as it is happening in Andhra Pradesh today. Unfortunately, the Opposition Members are absent; otherwise I would have asked the Telugu Desam Members as to who is a more political dictator than the Chief Minister...*

MR. CHAIRMAN: Name would not go on record; say, the Chief Minister.

SHRI SRIBALLAV PANIGRAHI: All right, Sir. Then which Governor, who has a sense of prestige and dignity, will hundred per cent say 'yes' to whatever is suggested to him by the Chief Minister? Suppose he asks for certain files with regard to the appointment of Lokpal. Files are not sent. Later on, some controversy arose and it was found that although it was said that the files were sent, actually they were not sent and it was a mistake. These sort of things happen. The Governor has every right to ask for files and to advise the Government and caution the Government. Ours is the largest democracy in the world. There are different political parties and even in the political parties there are groups.

Today, what is happening in Andhra Pradesh? There are several groups in the ruling party. They themselves find fault with each other. Anybody who has a grievance can walk into the Raj Bhavan and place his grievance before the Governor. Governor is just like an umpire. We have to see what sort of action he or she takes. But today what is happening is that if anybody feels against something, he can go to Raj Bhavan and find fault with the Governor.

The mover of the resolution wanted to

have some guideline to govern the appointment of the Governor. As I understand, they say that political people should not be appointed as Governors. What crime have the political people committed that they are regarded as untouchables so far as the appointment to the post of Governor is concerned, I would like to know. I fail to understand this. This is the largest democracy of the world.

Sir, do you know what is happening in the U.S.A.? When there is a change in the President in the White House, even the Secretaries change. The newly appointed President brings his own Secretary. Here in the largest democracy an Administrator can be appointed as Governor; an Army General or a Journalist can be appointed as Governors. I am not opposed if they become Governors. So also sportsmen with distinction and people with great learning and wisdom can become Governors, but not politicians. We cannot think of democracy without politicians. How can they not become Governors? What about our Rashtrapathiji? Is he not a politician? what about our Vice-President and Speaker who are also our presiding officers? Are they not political people? But when they occupy the Chair, they are never found wanting and they discharge their duties in a non-partisan and impartial manner. Our Vice-President himself is the Chairman of Rajya Sabha. This is the beauty of our democracy. We will be undermining the greatness of our democracy if we were to say that no political people should be sent to the Raj Bhavan as Governor.

I do agree that there might have been some lapses somewhere. That does not mean that we should jump to such conclusions. These people who are now talking about this issue had their own people as Governors when they were in power during

1977 to 1980. Did they not appoint their own party activists as Governors? I can mention all their names. of course, I am not against their appointment. If they are patriots and well qualified, they can be appointed as Governors. Our present Vice-President himself was a Governor. Can anyone find fault with him? How can we say that except politicians, everybody else should be considered. This is really wonderful! I am totally opposed to this sort of a concept. At the same time, I do say that the people chosen for this high office should be of the right type. Government has to be very selective and very careful. Some years before, one Governor did commit some blunder in the State of Andhra Pradesh. That is why, I say that we must be careful about selecting the persons. As a matter of fact, but for his lapses, the ruling party in that State would have been out of power. I do not want to mention his name. I feel that they must be grateful to him because his lapses helped them to be in power. When they were just on the way out, his lapses helped them.

SHRI HARISH RAWAT: Now that man is very much in their company.

SHRI SRIBALLAV PANIGRAHI: Very opportunistic indeed. Now I am surprised to hear that these people want to abolish the office of the Governor. I wonder how such ideas get into their mind. It is just like chopping the head off, to cure headache. If there are some problems, we must try to find a solution. Why should we demand the abolition of the office of Governor at all? The Governor has a very important role to perform. His office is particularly relevant in a federal set up of India's dimension. We can rightly call India a mini-world, when we take into consideration its population, its size, its varied traditions and culture and its diversity. And there is unity in its diversity. To strengthen and preserve its unity amidst the diversity, we must have a strong Centre.

Without a strong Centre we cannot maintain or strengthen the unity and integrity of the country and also we cannot take the country forward along the path of progress and prosperity. We have to have a strong Centre and in the Federal set up the Centre should have some control over the States. Sometimes regionalism is on the increase in some parts of the country and it is linked with emotion. Emotion cannot be separated from regionalism. Sometimes the emotion do not work. The State Administration does not work on a national basis. Does it not require a close watch from the Centre? Who will do that? Unless there is a competent Governor, it is not possible. There are some Chief Ministers who want their Governors to be their puppets. When they find that they do not fall in line with them or they oppose them, they come with different stories and thereby denigrate and undermine the importance of the office of Governor. This is something which cannot be encouraged.

You see the situation in Punjab. Can anybody say that today the Governor there is not doing any work? People say that the office of the Governor is just a pensioner's office or an office to relax. You see the seriousness with which the present incumbent of the Raj Bhavan in Chandigarh, i.e. the Punjab Governor is tackling the problem. He needs appreciation from all quarters. Can anybody find fault with him? Can we get a better Governor than Shri Siddhartha Shankar Ray in Punjab, today?

Everybody knows about Tamil Nadu when it was put under the Governor's rule. Shri P.C. Alexander did much of cleaning work there in Tamil Nadu. He made a lot of efforts to bring back the State administration on the rails. The State administration was derailed. Everybody knows that. Similarly, you see the work done by the Governor of Jammu and Kashmir, Shri Jagmohan. It was quite admirable. If some body here and there

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has done something which is not liked by the State Chief Minister, we should not jump into a conclusion that we should abolish or do away with the office of Governor and put some restrictions. The Governor's office is a dignified one. Why should you go in for a guideline? They are respectable people. They have long experience in public life and they know what is their role. One day the Opposition people may come and say that there should be some attendance register for the Governors and he should put his signature everyday and that similarly wherever he goes, he should prepare his TA and DA Bills also. Anyway are we going to undermine or minimise the importance of the office of Governor? We are going to discuss the Centre-State relationship also. Our Prime Minister particularly believes in consultations or meeting the Opposition Leaders before appointing a Governor. From Pandit Jawaharlal Nehru's time this practice is there. He was consulting them on every occasion. But this was taken to be a weakness. Even in the meetings of the National Development Council, some Chief Ministers were behaving in a peculiar way, and raising fantastic things. Where are we leading to? Naturally, the Chief Ministers should be within their limits.

This is a very sensitive subject. Government of India are not taking it lightly. While choosing people, they should be very careful. At the same time, we have to maintain the federal character of our system. We have to keep the unity and integrity of the country in its totality in mind while we talk about these things. Just from a partisan point of view we should not come forward to speak.

We are running a democracy. Ours is the largest democracy in the world. In a democracy, it is politics which matters and politicians. Politicians are not untouchables. I can name so many people; I have named

some. Take Mr. Uma Shankar Dikshit: he was also a Governor. Nobody could find fault with him. There are so many distinguished people who have had a clear record of public service. How can we bring in people from other walks of life, and thereby do injustice to the senior political personalities? We can take advantage of the maturity of the latter, who have a long standing in public life, by giving them assignments as Governors from time to time.

With these words, I thank you for giving me this opportunity to speak. There are only partisan considerations behind the resolution moved by the hon. Member, Mr. Jaipal Reddy. Hence I oppose this Resolution.

[*Translation*]

SHRI HARISH RAWAT (Almora): Mr. Chairman, Sir, it has been clearly mentioned in the resolution moved by Mr. Jaipal Reddy:—

[*English*]

"This House recommends to Government to lay down clear guidelines for appointment and transfer of Governors."

[*Translation*]

It has been discussed for several times as to on what grounds the appointment of Governors will be made and under what circumstances they can be transferred from one State to another. The position in this regard is very clear in the Constitution. In the past the Sarkaria Commission also considered this issue and have made their recommendations in this regard. It was quite evident from the speech of Mr. Jaipal Reddy that he was not interested in the point as to what should be guidelines and what improvements were required to be made in this regard but actually he has tried to give the

whole issue a political colour. Not only this he has also tried to level direct or indirect allegations against certain Governors. I think it is a wrong practice and a wrong beginning, what else can be more tragic than the fact that instead of giving regard to the institution of Governor, we are trying to use the platform of this House to distort the image of Governors. Whosoever occupies the seat of Governor has his own distinguished position within the entire system. It cannot be and should not be devalued because amidst a political crisis in a State, it was Governors who had always taken some steps to resolve that political crisis which brought political stability in that State and it has been in the interest of the States. This has been not only in the interest of the present political system but it has also strengthened democracy. Therefore it is not proper to cast aspersions against the institution of Governors in this Sovereign House. We may be displeased with the working of certain persons and we may not be liking them but under the present system of Government it is neither proper nor desirable at all to raise doubts regarding the role of Governors and raise the issue time and again in the House. It is not indicative of political maturity. Today hon. Member Mr. Jaipal Reddy is not present in the House. He wasted the precious time of the House by raising a lot of hue and cry for political reasons for which he was ultimately expelled from the House by the hon. Deputy Speaker. It was good if he would have been here. I wanted to ask him certain questions because Mr. Jaipal Reddy did not make mention in his speech of the rules which had been violated by the Central Government while making appointments to the post of Governors and thus he has not been able to prove that the Government have not adhered to the provisions of the constitution as laid down by its framers. He did not cite even a single example of it. Had he done so, we would have appreciated it and told our Government that in such and such case, they had not

observed the provisions of the Constitution. In case a person who does not have the essential qualifications laid down for the post of Governor is appointed to it definitely the entire country would like to know the name of such person but if Mr. Jaipal Reddy and his other party men do not like a person simply because he was previously associated with a particular political party then, I definitely feel pity on them and their wisdom. Only the people belonging to some political party can be appointed to such a dignified office in a democratic country like India. Without politics how could we have fought for freedom. That is why after independence we chose the democratic system of Government for our country. Therefore, in my view, only the persons with political affiliations will opt for this post and the party in power at the centre has full rights to appoint a suitable person of their choice and deemed fit for the post to function on the guidelines as laid down by our constitution framers. But the Governor appointed by the Central Government particularly in those States where opposition parties are in power, is not liked by them and they start finding faults in his working. Still there are some States where the Chief Ministers of opposition parties have been of very serious nature and composed personality and they have been working smoothly with them but such is not the position in all the States. Some Chief Ministers in certain States want to use the office of Governor to serve their political ends and when the Governor refuses to submit and act to their wishes and wants to give his suggestions then these are rejected by them. It is not irrelevant if a Governor wants to give his suggestions to his Government because he would say something as per the constitutional provisions. I think that there are some States where opposition parties are in power, they want the Governor to work according to their wishes and when the Governor refuses to act accordingly, various allegations are levelled against him and through press interviews, newspapers and

[Sh. Harish Rawat]

other political strategies in legislatures and other political platforms, attempts are made to defame the office of Governor. I think that this attempt should be condemned unanimously by the House and our colleagues in the opposition should also think in this regard. I feel that there are such Chief Ministers who can go to any extent to prevail upon him to advise him even on petty things. The present Chief Minister of Andhra Pradesh has a pure political outlook for every thing and has a discord for Congress Party with its culture because in past he was never associated with the freedom struggle and nation building but concerned only with his film carrier having a glamour world around it through which he has managed to rise to his present heights. I feel that the present Governor of Andhra Pradesh is not of his liking because she belongs to a family and the generation that has fought for the freedom of their country. The present governor of Andhra Pradesh takes interest in the work of social welfare and child welfare but the State Chief Minister views it as a politically motivated action. In my view this is quite improper and unjustifiable. He should learn to control his sentiments and have due regards for the office of Governor.

The Chief Minister of Kerala is far ahead in this regard. Relations between the Governor of that State and the State Government should be cordial but it is very unfortunate that some members of ruling party in Kerala try to bring a censure motion against the Governor in the legislature and the State Chief Minister and other leaders of the State encourage them for such things. This practice will take us to a very deplorable state. Therefore, the Congress Party as well as all other political parties should discuss all these things with a cool mind.

In my view, the resolution moved by Shri Jaipal Reddy does not seek to effect any

improvements in the system but it has been moved to blackmail the Governors to pressurise them not to function to his discretion and within the bounds of the Constitution. Here it was mentioned that the Chief Minister is not consulted about the appointment of Governor in his State and the Sarkaria Commission has also recommended that the State Chief Minister should be consulted in this regard. I do not say that the State Chief Minister should not be consulted in this matter but this is not sure as to what extent it will work under the present system where two different parties have their Government at the Centre and the State level. How far they will agree in case the Central Government or the Ministry of Home Affairs wants to consult the State Chief Minister in the matter of appointment of Governor in that State and whether they will obstruct it. If even after a consultation with them, a person of their choice is not appointed, attempts will be made by them to vitiate the political atmosphere. I think that Sarkaria Commission has made these remarks going beyond their jurisdiction. The Commission might have intended to stress it to project the image of the Government with a bonafide intention. Hence it is not required to accept to implement it as it will serve no purpose.

In the resolution, it has been stated that some amendments should be made in directive principles in respect of Governors. Sir, the Administrative Reforms Commission had discussed the issue of Centre-State relations and a meeting of State Chief Ministers and Governors was also held. Consequently, it was concluded that there was no need to make any amendment in the present guidelines as these guidelines are complete and self-contained.

Hon. Mr. Chairman, Sir, I think that the resolution moved by hon. Member, Mr. Jaipal Reddy is politically motivated and by taking undue advantage of this House and other circumstances, he has tried to cast

aspersions against the office of Governor.

I think that this resolution is not only having discrepancies but also the spirit underlying it is not praiseworthy and humanistic. Therefore, I strongly oppose this resolution.

[English]

SHRI RAM SINGH YADAV (Alwar): I rise to oppose the Resolution moved by Shri Jaipal Reddy.

The Resolution itself is politically motivated and is against the principles of the Constitution. The very wording of the Resolution does not conform to the spirit, the intention of the Constitution and the powers of appointment as provided in the Constitution. There is no ambiguity as far as the appointment of the Governor is concerned. As regards his transfer, nothing has been mentioned in the Constitution. But it has been specifically laid down that the Governor shall hold office during the pleasure of the President. Therefore, the question of transfer, as has been mentioned in the Resolution, does not arise.

The appointment of Governor has specifically been provided in Article 155 of the Constitution. It is very clear from this Article that the appointment of the Governor shall be made by the President. Now I do not know what type of guidelines the Mover of the Resolution wants for the appointment of the Governor. There is no ambiguity in Article 155 of the Constitution. Therefore, the Resolution itself is against the spirit and provisions of the Constitution and the hon. Mover seems to have some political motivation and nothing else.

18.00 hrs.

Now I come to the second Point, that is, about the question of transfer of Governors.

Nowhere it has been provided that there is a contemplation of the transfer of Governors. The words used in article 158 (1) are:

"The Governor shall not be a member of either House of parliament or of a House of the Legislature of any State...and if a member of either House of Parliament or of a House of the Legislature of any State be appointed Governor, he shall be deemed to have vacated his seat in that House on the date on which he enters upon his office as Governor."

Regarding his term of office, it has been laid down in article 156 that:

- (1) The Governor shall hold office during the pleasure of the President.
- (2) The Governor may, by writing under his hand addressed to the President resign his office.
- (3) Subject to the foregoing provisions of this article, a Governor shall hold office for a term of five years from the date on which he enters upon his office.

Provided that a Governor shall, notwithstanding the expiration of his term, continue to hold office until his successor enters upon his office."

'The transfer of Governor' are not the words which have been contemplated in the Constitution and, therefore, there is no question of transfer under the Constitution.

The mover of the Resolution wants to treat the Governors in the capacity of Government servants. As a matter of fact, he is against the office of the Governor itself. The attitude of the Opposition has been to denigrate the office of the Governor. When Mr.

[Sh. Ram Singh Yadav]

Dharam Vira was the Governor of West Bengal, at that time also it was the Opposition which wanted to denigrate the office of the Governor. They wanted forcefully, against the ethics, against the Constitution, that the Ministers or the Chief Minister who were working previously under that Governor, must be condemned by the same Governor who was heading the State at that time. So, I can say that so far as the Opposition is concerned, they are against the office of the Governor. They want to ridicule them, they want to denigrate the office of the Governor. Not only this, time and again they have taken the plea that the Governors act as a puppet of the Centre or play in the hands of the Central Government. In this respect, I may submit that the matter has been decided by the courts of law time and again and it has been held that whatever discretionary power has been given to the Governor by the Constitution, that is absolute discretion and that cannot be fettered by any act of individual or by any advice of any authority. In this connection, I may refer to one case of West Bengal. It is a case which was decided in the year 1968 and this is M.P. Sharma V. P. S. Ghose. In this particular case, the Governor convened a session of Assembly, but before it could hold a meeting, the Speaker gave an interim ruling that as the House had been illegally prorogued, he would adjourn it *sine die*. The court has given certain findings and one of the findings is: "Under article 163(2), the Governor was constituted the sole judge whether any power was required by the Constitution to be exercised in his discretion, and the courts were precluded from deciding that question." Now the sole authority is with the Governor. It is the discretion which has been given to the Governor to see how the authority given to him under the Constitution, is to be exercised. The Opposition wants that in States which are run or which are ruled by the Opposition, the Governor should act according to the advice of

their governments or according to their liking. That would be against the principle which has been enunciated or envisaged in the Constitution itself.

Office of the Governor is a very important office. It is important in the sense that article 63 provides that:

" There shall be a Council of Ministers with the Chief Minister at the head to aid and advise the Governor in the exercise of his functions, except in so far as he is by or under this Constitution required to exercise his functions or any of them in his discretion."

Now, the words "in his discretion" have been specifically provided in the article 163 of the Constitution. The Opposition Members of the House are much perturbed over this and they want the word "discretion" which has been given to the Governor should be taken away and the powers of the Governor and the functioning of the Governor should be according to the whims or according to the directions of the particular Government where the Governor is heading that particular Government. Now, there have been time and again discussions and arguments and decisions on this that what the powers of the Governor are and how the Governor can exercise these powers. In this respect, I can say that there are crucial times when the Office of the Governor is very important, very material and he has to decide as to which of the party has got majority in the House and who has got the right to form the Government. In that crucial time sometimes the Opposition is much disturbed. It had happened in the case of Rajasthan in the year 1967 and in other States also they have challenged at that time the authority of the Governor whether a particular party has got the majority or not, to form the Government or not. The party which was allowed in Ra-

jasthan, also in the year 1967, to form the Government came out saying that they have got the majority and the majority was proved on the floor of the House. Not only that, Sir. The argument from the side of the Opposition is that more and more powers should be given to the Ministry and not to the Governor and they want that the State should be given more powers and the Chief Ministers should be made more powerful in comparison to the Government of India vis-a-vis the Governor. I may submit that even in the Sarkaria Commission Report it has been recommended that the Centre must be strong and if the Centre is strong, then the State will be automatically strong. As a matter of fact, this argument and then the Constitutional argument from the side of the Opposition that the States should be given more powers, powers which have been given by the Constitution, cannot be accepted. They are the powers which are to be exercised very cautiously, which are being exercised very cautiously and if there is an occasion when those powers are not being exercised cautiously, then it is the Office of the Governor which checks it and controls it and it can regulate it. Therefore, the office of the Governor is very much relevant and in view of the provisions of the Constitution which are very clear as regards the appointment of the Governor, as regards the functioning of the Governor and as regards the discretionary powers of the Governor, I humbly submit that this Resolution has got no force. It is against the spirit of the Constitution and it is against the subtle principle of the Constitutional Law and therefore I strongly oppose this Resolution and this Resolution may be opposed by all sections of the House because it has no relevance in view of the present existing provisions of the Constitution.

[Translation]

SHRI DAL CHANDER JAIN (Damoh):
Mr. Chairman, Sir, I oppose the Resolution moved by the hon. Member of Opposition,

Shri Jaipal Reddy, which relates to clear-cut guidelines for appointment and transfer of the Governors. There are definite reasons for opposing it. Ours is a big country in which there are different cultures, languages and ways of leading life. The President appoints the Governors in the States keeping in view all these things. It has been stated in the report of Administrative Reforms Commission that there should be a strong centre. The executive power of the country is vested in the President. The Governors are appointed by him. It will not be proper to adopt any such Resolution in the country. The Central Government appoints the Governor keeping in view the prevailing circumstances, languages and culture of the State and its adjacent regions. The executive power of the state is vested in the Governor and at times, he has to face difficult situations created by different political parties. Where the opposition party is in power, it is quite possible that sometimes their interests may be overlooked but one should not bother about these insignificant things. There is provision in the Constitution that there is no need to consider the issue of appointment and duties of the Governor. Our opposition has the right to move resolutions. They have to do some political work for the purposes of propaganda. Had he been present today and listened to the views of our friends expressed by them today, he would have agreed that the resolution moved by him is nothing but wastage of time of the House. I, therefore, oppose this resolution and existing provisions in the constitution about the Governor are quite sufficient.

SHRI RAM NAGINA MISHRA (Salem-pur) : Mr Chairman, Sir, I thank you for the time given to me to speak on this Resolution, which has been moved by an hon. Member of the opposition. Although many of our friends have examined it from legal point of view, I would like to say a simple thing. Shri Jaipal Reddy is a very sharp man and makes much noise. He might recall that once his party was also in power and they were in absolute majority. It would have been proper, had he moved this Resolution at that

[Sh. Ram Nagina Mishra]

time. But he had not moved it at that time. Even though in majority, the opposition leaders did not think at that time that in a vast country like India where this provision has been in existence for the last 40 years and which is a constitutional method of appointing Governors is improper. Sir, this issue has been discussed here in the morning also. India is a country, which has a population of 80 crores and even after 41 years, democracy is not only alive but has been strengthened. In this matter no other country can stand a comparison. No other country has been able to maintain democracy like India, even if they are big in area or population. Those who fought for the freedom of the country framed the constitution after due deliberations. So the resolution for changing the provisions of this constitution regarding the appointment of the Governor by the President, is not acceptable in any way.

Sir, it has been observed during the last 40 years that many times opposition also remained in power in many states, but such thing has never happened. When Dr. Lohia was alive, he formed a Samyukata Dal and it came into power in many states against the congress, but even Dr. Lohia did not move any such resolution. But Shri Jaipal Reddy has moved such a resolution. Is this a joke? For instance, suppose this is Federal Government. In many states, the opposition parties are in power today. In a Federal Government some powers are enjoyed by the States and some are enjoyed by the centre and they defend the whole country. At many places, the opposition parties are in power. If such thing happens as desired by Shri Jaipal Reddy then no Government can function. The Governor is an impartial person and he is representative of the President. He is there to do justice and implement the provisions incorporated in the constitution to keep the country united. Our old traditions are very good. Until now, no one spoke against the provision in the constitution regarding the appointment of the Governor. But today such a person has moved the resolution who has never fol-

lowed any principle in his life and has always been indulging in unlawful activities and now he is teaching us constitution. Sir, just now, we have seen that how the hon. Members of Opposition indulged in hooliganism, even though they are all learned men. It is imperative for every one to obey the hon. Speaker, but they do not obey him. A person can be excused, if he commits ordinary mistake. But these hon. Members of opposition think themselves as intellectuals and always ignore the ruling of the hon. Speaker. They cannot be forgiven, as they indulged in hooliganism in this House to days ago. If the resolution moved in respect of appointment of Governor, is accepted, then we have to say good-bye to the democracy. Therefore I oppose the resolution moved by Shri Jaipal Reddy and would like to request the House that there should be no amendment in the provision of the constitution regarding the appointment of Governor, which has been made by our Constitution framers for the stability of democracy and unity of the country. If amendments are made, then democracy will disappear from this country. You are aware of the situation in those States, where opposition parties are in power. In west Bengal, the democracy is being subverted Congress party is in opposition there and in Legislative Assembly, Congress M.L.A. are attacked. During elections, booths are captured, same is the condition in Andhra Pradesh. What is happening in Telugu Desam Party. One Member of Legislative Assembly undertook fast there...*(Interruptions)*....They indulge in hooliganism. The leader and the Chief Minister there, does not believe his own Ministers. The Budget which was to be presented there, leaked out before its presentation. How can he run the country, when he is dreaming of becoming the Prime Minister. In the first instance such persons should themselves resign. God knows as to why he asked for the resignations of his Ministers. Now-a-days such people issue sermons.

It is known to everyone that our party was in power all over the country and it is still in power. There is no instance when any such thing had happened, which might have

hurt anyone. They came to power through violence and by dodging the people. They do not know how to keep the Budget secret. We are fully aware of the condition of Shri Jaipal Reddy's party. You can look towards Karnataka. The ex-Chief Minister Shri Hedge tapped the phone calls of his own Ministers to know their secrets. When this thing came to light, he had to leave. Today such a people are giving us advice.

[English]

MR. CHAIRMAN : The time allotted for discussion of this item is over. Is it the pleasure of the House to extend the time of the discussion by one more hour?

SEVERAL HON. MEMBERS : Yes.

MR. CHAIRMAN : The time for the discussion of this item by the House is extended by one hour. Shri Ram Nagina Mishra can continue his speech.

[Translation]

SHRI RAM NAGINA MISHRA: Sir, I was just giving you some examples. Unfortunately, once our opposition formed its Government at the Centre. During this period they fought among themselves and levelled allegations against each other, one Member called another to be the agent of so and so leader. They even alleged their leader to be the agent of Russia. Their Government could not survive for more than three years. During that period various wrong statements were made. One of its faction gave in writing to the President that they were in majority whereas the other faction also claimed to be in majority. When the President went into the details, he came to know that none of them was in majority. There is no example in the world's history when the Prime Minister of any country quit office without even facing a no confidence motion. It was an unique example. Not only this, there is no example in the history that a Prime Minister has not occupied the Prime Ministers' chair in the Lok Sabha for even one day. Today Jaipal Reddy's party is going

to teach us. Our opposition leaders are not able to govern the country and protect our democracy. In the Resolution brought by Shri Jaipal Reddy it is stated that our constitution, which was framed by our great leaders, should be amended. In this regard I would like to say that there is no lacuna in our constitution. There is no other example in the history when the members of opposition parties were so suspended from the House. It was all due to their behaviour. Today if such people bring a resolution to amend the constitution, how the House will agree to that. Our great leaders shed their blood and lakhs of people laid their lives for the independence of this country and then they laid the foundation of democracy. Today the democracy is flourishing in our country and it is an example that a country having a population of 80 crores is based on democracy. Therefore, I would request the House that this resolution is baseless and should be unanimously rejected. Had the Members of Opposition parties presented in the House, I would have asked them to oppose their own resolution because it is not a resolution. It is a matter of principle. It is heard that Shri Reddy is the follower of Dr. Ram Manohar Lohia and Shri Jai Prakash Narayan. The great leaders like Shri Jai Prakash Narayan and Dr. Ram Manohar Lohia had never brought any resolution to amend the constitution, so what these people are upto and whom do they follow.

Today, in the absence of opposition I am not getting any encouragement to make my speech. Has the opposition been present in the House, I would have expressed my views more vigorously and would have forced them to tell as to what is wrong and what is right. In our area, there is a tank in every village where buffalos and other cattles are taken for bathing. An insect named leech is generally found in tanks. It sucks not the milk but the blood from udders of buffalos. Today our opposition parties are also playing the same role. They are also the blood suckers. We may have lakhs of qualities but they do not see them and always find faults with us. What the opposition parties are doing today? They are misguiding the

[Sh. Ram Nagina Mishra]

country in various ways and creating unwanted confusions. Till now they could not present true picture of the country before the people. There is always a ruling party and opposition parties in a democratic country and it is the duty of the opposition to present their clear views before the people. But, in our country opposition parties have been very meak and weak and they could not present any clear picture before country. The Opposition parties should have clear views that in case they come to power, how they will govern the country and to which section of the society they will provide more facilities. But today they do not have any picture in their mind because they know that they will never come in power and that is why they have learnt to oppose every action of the Government. There is a popular story in our area. A Panditji had an illiterate and foolish son. In villages, brides side generally inquire about the land owned and brothers of the bridegroom. Therefore, Panditji taught his son to tell '*Kha-Dalan*' which means six ploughs (one plough on six Bighas of land). Many people from bridge's side came to see the bridegroom and asked different questions such as how many ploughs are used in his land, how many brothers he has and what is his father etc., but the boy every time replied - '*Kha-Dalan*'. Then Panditji told his son not to say '*kha-dalan*' for every question. Same is the condition of our opposition parties. They know only one thing and that is to oppose the Government. If we say that it is the day, they will say, no it is the night. They just have to take the opposite view of what we say. Shri Jaipal Reddy is the leader of such an opposition. That is why, his resolution is also like that. I therefore, oppose this resolution and think it will be unanimously rejected by the House.

SHRI VIR SEN (Khurja) Mr. Chairman, Sir, the Resolution brought before the House has a very limited scope. The Resolution says that.

[*English*]

" This House recommends to the Gov-

ernment to lay down clear guidelines for appointment and transfer of Governors."

[*Translation*]

It has been asked to lay down guidelines for appointment and transfer of Governors. First of all. I would like to say that in the case of a Governor, the question of appointment is alright, but the question of transfer does not arise because in our constitution every appointment, may be of same person, to the office of Governor is considered as fresh one and it cannot be said that any Governor has been transferred and sent to other place. Fresh appointment is made for the term of five years. It is a separate thing that the terms and conditions for this office provides that he will hold office during the pleasure of the President. It means that a Governor will continue to hold office so long as President is happy with his work. This condition has been provided with a view that circumstances may arise when it becomes necessary to remove the Governor from his office and that is why the word 'pleasure' has been used. Similarly, the Government in a Parliamentary system holds office during the pleasure of President or in case of state during the pleasure of Governor. It implies that so long as Government enjoys the confidence of the House, it will continue to hold office but the moment it lost the confidence of the House, it is presumed that it has lost the confidence of the President also. I think such a condition for the Governor does not seems logical. In this way appointment and transfer of a Governor are two different things and I think that no term like that of transfer of Governor has been mentioned in the Constitution.

Regarding guidelines for the appointment of a Governor, I do not understand as to what these guidelines can be? Will there be any qualifications prescribed, like to that for a post in Government service, that he should at least be a graduate or a judge of a court or should have hold any administrative office or his intelligence should be assessed or his understanding of public affairs should be judged. But I think all these things are subjective and it is not possible to take any

decision on these matters. As the qualification for President or for any Minister cannot be laid, it is also not possible to lay down any qualifications for Members of the Parliament or for the Members of Assembly.

To my view, laying down of guidelines and specification of qualifications for the appointment of Governors are not feasible. Shri Jaipal Reddy has moved this resolution with an intention of ensuring that such persons are appointed Governors who by their actions do not take steps which go against the interests of the Opposition ruled States. I want to say that even if Governors are appointed as per his guidelines, there is no guarantee that a situation will not arise in which the Governors of the Opposition ruled States will not be compelled to take an independent decision. Sometimes, situation takes such a turn, specially when it becomes evident outside the House that the Government has lost majority support of the House, it becomes incumbent upon the Governor to ascertain whether the Government enjoys the confidence of the House or not. Such a situation is created that it becomes very difficult for a Governor to take any proper course of action. It is often discussed about the modes to be followed to ascertain whether a particular Government enjoys the confidence of the House or no. This issue ought to be decided on the floor of the House but our country has witnessed situations which made it quite impossible for the Governor to get it verified on the floor of the House. In this connection, I remember one such situation which was created in West Bengal when the session of the Assembly was called to decide as to whether the government enjoyed the confidence of the House or not. The Speaker adjourned the House on that occasion. There are occasions when the Governor has to take an independent decision outside the House. Similarly, the case of Mizoram is before us. The Speaker gave such a ruling by which some of the Members ceased to be the Members of the House. The Speaker did so to change the majority into minority. How should a Governor act under such circumstances is a matter of vital importance. In

such circumstances, it is not proper to make allegation against any Governor that he is partial or an agent of the Central Government. The Governor has to function under very odd circumstances and particularly so when a situation like one referred to above is created. When a matter cannot be settled on the floor of the House and it is not in a position to express its verdict on such matter and the matter is required to be settled outside the House, in such circumstances, Governors have to make use of their discretionary powers vested in them. But the different Governors have adopted different methods to settle the issue ultimately it is Governors who are to take a decision. So it is wrong to say that they are the agents of the Central Government but here also it has to be distinguished whether he is the agent of the Government or of the President. In so far as the Constitutional position of the Governor is concerned, the position of the Governor in a State is that of the President at the Centre. Many constitutional experts have the same view. The President and the Governor, more or less, have similar functions to perform. Under the provisions of the Constitution, Governor is the executive head of the State. He has to carry the business with the aid and advice of the Cabinet

18.39 hrs.

[MR. SPEAKER *in the Chair*]

However, he has discretionary power in regard to the appointment of the Chief Minister. At that time, he has to make use of his discretionary powers. To my view, it is wrong on our part to make allegation against any Governor that he is an agent of a particular party. He can not afford to be an agent of a particular party or for that matter of the Central Government or of the President while discharging such constitutional responsibilities. He has to take an independent views under a give circumstances free from any external pressure. I cannot see any justification in bringing this resolution. I think this resolution has been brought with a view to restricting the role of the Governor as the saying goes—'to bring before the bar'. I think

[Sh. Vir Sen]

that this is not feasible because the situation goes on changing with the passage of time, and it is not possible to predict about it. For example, when the constitution was drawn up, no one knew that making legislation was a very difficult task.

At the time of the framing of the constitution, no more raised any objection about the powers conferred in the Governor and no one even dreamt that there could be objections in future on exercising of powers by the Governors on the ground of their being misused. But under changed circumstances, the Governor was compelled to exercise his discretion. After the passage of 40 years, allegations are now being made that the Governor is dancing to someone's tune. Could it not strike at that time that there were possibilities of such circumstances being created in future.

Similarly, it cannot be predicted today as to what may be the situation 20 years or 40 years later and what problems the Governor may have to face. Therefore, I think that neither any guidelines can be laid down nor anything else can be done in this matter because human relations cannot be predicted. It cannot be said in advance as to how a particular individual will behave in future. Therefore, it is meaningless to lay down guidelines with regard to appointment of the Governor. If a puppet is to be appointed, guidelines can be laid down. But, in case, an intelligent person is to be appointed, it is not necessary that he will act in the way which the Opposition or Shri Jaipal Reddy wants. An intelligent Governor will act independently. The need of the hour is that the position of the Governor as given in the constitution should be maintained. There is no need to bring any changes in this position or to lay down any guidelines in this regard. The guidelines are dependent upon the discretion of the President. In the Constitution, it is only given that 'there will be a Governor'. Only this much is mentioned in the Constitution.

In regard to the appointment of the Governor, I would certainly agree with what late Pandit Jawaharlal Nehru said about the qualifications which a person should possess for being appointed as Governor. He should be a person from out side the state and detached from State politics and should not hold affiliations with any political party.

I also agree that it is not justified to appoint bureaucrats as Governors. Only those persons should be appointed who have political experience and have a good knowledge and comprehension of the political and economic situation of the country. He should also possess innate qualities for understanding human behaviour and should be competent in solving the problems arising out of elections. In my opinion, it will be better if the bureaucrats are given less priority in regard to such appointments, in fact, they should have negligible chances in this regard. Only those who have considerable political experience should be selected for this position.

With these words, I oppose this resolution because I consider it to be of no use at all.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI SONTOSH MOHANDEV): Mr. Speaker, Sir, the mover of the Resolution is unfortunately not present in the House. In this Resolution he has said that his House recommends to the Government to lay down clear guidelines for appointment and transfer of Governors.

Unfortunately, the Mover has no knowledge of the Constitution of India which has given clear guidelines for the appointment of Governors and during the last 42 years it has been seen that the appointment of Governors was as per Articles 155 and 156 of the Constitution. It has been proved to be very effective. Unfortunately, during the course of the debate, though certain Members did raise about particular Governors, I do not like

to go into this particular issue. This House, I think, should appreciate—I am talking of the persons who are not present here personally—that the Governors are not individuals. They are an institution and they work as per the Constitution. Individuals should not be brought in while discussing this particular Resolution and I think that this is not in good taste. I would not like to go into this particular aspect. The hon. Mover raised points about Kerala, West Bengal, Andhra Pradesh, etc. As far as I know, the appointment of Governors by the Government is done for valid reasons. The Constitution says that he should be above 35 years and the appointment is for five years. The Governor shall, notwithstanding the expiration of his term, continue to hold office until his successor enters upon his office. The Governor may, by writing under his hand addressed to the President, resign his office. Otherwise, he continues. The hon. Mover has also raised as to why Chief Ministers are not being consulted. The convention is that the Chief Minister of the State is informally consulted before an individual is appointed as the Governor of the State. There is no specific provision in the Constitution that the particular Chief Minister of a particular State has to be consulted before the appointment of the Governor. But as a convention, when a Governor is appointed, the concerned Chief Minister is always being consulted and after discussing, the appointment is made.

The Administrative Reforms Commission in their Report on Centre-State Relationship had gone into the question of appointment of Governors. They have also said that the existing provision of the Constitution is sound and there is no need for any change. Now, many Members, both from the ruling party and the Opposition, have referred to the Sarkaria Commission Report. The Sarkaria Commission Report has been discussed in the Consultative Committee of the Home Ministry. It has been published in the Press. Not only that. It has been discussed in the Rajya Sabha also and we have taken note of the various suggestions given by the hon. Members regarding the Sarkaria Commission. When the Home

Minister replied in the Rajya Sabha, he has said clearly that the Government is very open-minded about the recommendations of the Sarkaria Commission and when the discussions are over, the Government will take a final decision. The Sarkaria Commission, in its recommendations, has not said that political people must not be appointed. It said: 'He should not be a person who has not taken too great a part in politics generally, and particularly in the recent past.' This is what they have said. They have never said that he should not be a political person. It is wrong for the Mover of the Resolution to say that a political person should not be appointed. Sarkaria Commission has also said that he should be eminent in some walk of life. He could be a Government servant; he could be a retired service man; he could be an educationist; he could be a scholar. But there is no restriction about a politician but he should be a person from outside the State. This is always being followed in the appointment of Governors and we have never deviated from this particular suggestion of the Sarkaria Commission. He has mentioned that Sarkaria Commission has said that when a Governor while appointed, the matter should be discussed with the Speaker as well as the Chairman or the Vice President. Such recommendation is there. As I said, this matter has been discussed in the past and it will be discussed in future also. We as Government are open to any suggestion from the Hon. Members.

Many Members have suggested various procedures to be adopted for the appointment of Governor. I have taken note of all the suggestions. When we will discuss the Sarkaria Commission's Report many more suggestions will come.

Hon. Member, Shri Jaipal Reddy raised the issue of Nagaland. I have said in the previous debate also when the President's proclamation in Nagaland was discussed here, that being the last general election, this was an issue raised by the political parties opposed to Congress-I. People have given their verdict about this particular issue which itself proved that the fact that the Governor

[Sh. Sontosh Mohan Dev]

4.1606 reads:

has acted wrongly was nullified.

Same thing happened with Mizoram. They raised an issue regarding a court case in the High Court. They said that the decision had been taken by a single-bench judge and it should be referred to double-bench judge. I don't want to comment anything on that. It is for the High Court to decide and whatever decision they will take we will look into it.

Members also referred about the Andhra Pradesh Governor's rule. The person who was the Andhra Pradesh Governor then, is one of the very important Opposition Member now. That itself proves what sort of a man he is. Government has taken corrective steps in this matter. I don't want to go into the episode during Shri Ram Lal's tenure which was raised here. We should not discuss a particular Governor's action here since he is not present in the House.

Some Members have raised point regarding Sarkaria Commission's Report where it says:

"Governor's tenure of 5 years in the State should not be disturbed except very rarely and that too for very extremely compelling reasons."

We have never disturbed and Governor in a particular State unless there are compelling reasons and it is in the public interest and for nothing else. We don't bring politics into it. Government interferes only in the case if a particular Governor fell sick or if he asks for early retirement or sometimes if the climate of a particular State does not suit, otherwise Government does not interfere. Even in the Congress run States we have seen that the Governors are changed mostly at their own requests and not at the intervention at the political level. This is absolutely wrong.

One Member, I think Shri Harish Rawat, who spoke just now, referred to point 4.1606 of Sarkaria Commission's Report. The recommendation of Sarkaria Commission on

"Save where the President is satisfied that, in the interest of the security of the State, it is not expedient to do so, the Governor whose tenure is proposed to be terminated before the expiry of the normal term of five years, should be informally apprised of the grounds of the proposed action and afforded a reasonable opportunity for showing cause against it. It is desirable that the President (in effect, the Union Council of Ministers) should get the explanation, if any, submitted by the Governor against his proposed removal from office, examined by an Advisory Group consisting of the Vice-President of India and the Speaker of the Lok Sabha....."

This is the recommendation of the Sarkaria Commission. This will be discussed in the House. It is not the provision of the Constitution. Sarkaria Commission has recommended it. Sarkaria Commission recommended certain other things also. We have stated that we are ready to listen to the debate in this august House when the report is discussed in this House.

Another point has been raised that the Administrative Reforms Commission's report on Centre-State relations has not been placed before the House. It was placed before the House in the past.

In view of this, I would request that the Resolution moved by Shri Jaipal Reddy may be rejected by the House. Unfortunately, the member is not here. We are very unhappy because he is not here. We wish he were with us.

I request you to put the Resolution before the House for rejection.

MR. SPEAKER: Shri Jaipal Reddy is not here to reply. So, I put it to the vote of the House. The question is:

"This House recommends to the Gov-

ernment to lay down clear guidelines for appointment and transfer of Governors."

The motion was negatived

18.56 hrs.

STATEMENT RE: REPORT OF
THAKKAR COMMISSION

[English]

THE PRIME MINISTER (SHRI RAJIV GANDHI): Mr. Speaker, Sir, on the 31st October 1984, the nation suffered a national tragedy. I suffered a personal tragedy.

The events of the past few days have caused the people of India immense distress. I, for my part, have relieved the terrible trauma of that time.

The Thakkar Commission investigated the events leading to the assassination of the Nation's Prime Minister. Those events are of the deepest personal concern to me and my family. She was my mother. I am her son.

When the Thakkar Commission was established, it was expected that its report would be released as all reports under the Commissions of Inquiry Act have in the past been released. It was Justice Thakkar who recommended that his report should not be made public. He cogently stated in his Report the reason for his recommendation. He was of the view that his Report should not be made public as it could prejudice the criminal

investigations that were then underway.

Government accepted Justice Thakkar's recommendation. This House was informed of the decision. This House determined that it was "not expedient in the interest of the security of the State and in the public interest to lay (the Report) before the House of the People."

A version of what is alleged to be stated in a portion of the Report has reached the Press. This is fuelling willful distortion, malicious innuendo and irresponsible character assassination. To put a stop to this, it is important that the full text of the report be made public. I have enquired about the current stage of the criminal investigations. I have been informed that the investigations are now complete and necessary follow up action will be taken soon. Therefore, the release of the Report would no longer prejudice the course of the criminal investigations.

I seek your permission, Mr. speaker, Sir, to inform the House that when the House reassembles on Monday, the 27th March, after the forthcoming recess, steps will be taken immediately to lay the report of the Thakkar Commission on the Table of the House.

MR. SPEAKER: The House stands adjourned to reassemble on Monday, the 27th March 1989 at 11 A.M.

18.59 hours.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 27, 1989/Chaitra 6, 1911 (Saka).