

# LOK SABHA DEBATES (English Version)

**Third Session**  
**(Eighth Lok Sabha)**



*(Vol. VII contains Nos. 1 to 10)*

**LOK SABHA SECRETARIAT**  
**NEW DELHI**

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Corrigenda  
to

L.S. Debates, dated 26.7.1985 (English Version)

Col. 21, Question No. 63, for 'SHRI BANBARI LAL + PUROHIT'

read 'SHRI BANWARI LAL PUROHIT'.

Col. 32, line 2, before 'if not' insert '(c)'.

Col. 104, line three from the bottom, for '66' read '666'.

Col. 176, line 2, for 'of power grade tea' read 'export of lower grade tea'.

Col. 191, heading to Q. No. 763, line 2, after 'Government'

read 'employees'.

Col. 214, para 3, line 3, for '(a) and (b)' read '(a) to (d)'

Col. 350, para 5, line 1, for 'SHRI SHANKAR DIGHE'

read 'SHRI SHARAD DIGHE'.

Col. 351, catch name, for 'Shri Shankar Dighe'

read 'Shri Sharad Dighe'.

ORIGINAL ENGLISH PROCEEDINGS ENCLOSED IN ENGLISH VERSION AND ORIGINAL HINDI PROCEEDINGS ENCLOSED IN HINDI VERSION WILL BE TREATED AS AUTHORITY AND NOT THE TRANSLATION THEREOF.

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## LOK SABHA DEBATES

### LOK SABHA

Friday, July 26, 1985,  
Sravana 4, 1907 (SAKA)

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The Lok Sabha met at  
Eleven of the Clock  
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[MR. SPEAKER *in the Chair*]

### ORAL ANSWERS TO QUESTIONS

[*English*]

MR. SPEAKER Question No. 61  
—Mr. Satyagopal Misra.

SHRI SATYAGOPAL MISRA :  
Sir, the Question Branch of the Lok Sabha Secretariat has informed me that this question will be transferred to the Ministry of Chemicals and will come up at a later date. But I have got the paper now. What can be done ?

MR. SPEAKER : Do it,

SHRI SATYAGOPAL MISRA : I accept it.

(*Interruptions*)

Haldia Petro Chemical project

\*61. SHRI SATYAGOPAL MISRA :  
Will the Minister of FINANCE be pleased to state :

(a) whether in view of the proposed Haldia Petro-chemical project in the joint sector, Government are willing to make a suitable provision in the States' Plan (West Bengal) by appropriate upward adjustment;

(b) whether Government propose to instruct financial institutions to provide necessary support to the venture of the State Government;

(c) the steps taken so far, if any, by Government in this regard; and

(d) if not, the reasons for the delay ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) It is for the Government of West Bengal to decide its own priorities and provide for necessary funding of the Haldia Petro-chemical project within the approved Plan outlay of the State. The Planning Commission have already informed the State Government that they would be willing to consider adjustments in the State Plan if additional resources are mobilised by the State.

(b) The question of Government of India instructing financial institutions to provide necessary support to this venture of the State Government does not arise as the institutions have to take their own decision on loan applications based on the merits of each case. The project Authorities are free to approach the financial institutions for assistance.

(c) & (d) Do not arise.

SHRI SATYAGOPAL MISRA :  
After a lot of controversy for a long period of more than 7 years, at last the Petro-chemical complex of Haldia is coming up. We must be happy about it. The hon. Minister has stated that the Planning Commission had agreed to consider adjustments in the State Plan if additional resources are mobilised by the State. The Seventh Plan allocation has not taken a concrete final shape. The State Government has agreed only to the first year's allocation of the Seventh Plan. In view of the fact that the State Government has taken a decision to go into a joint venture to set up a petro-chemical complex in Haldia, will the Government of India reconsider the proposed Seventh Plan allocation for the State of West Bengal and enhance the amount of Central assistance in this respect ?

**SHRI JANARDHANA POOJARY :**  
 Sir, so far as the Seventh Plan of West Bengal State is concerned, the plan outlay has been approved, i.e., Rs. 4,125 crores. So far as the additional resources that are found with the Central Government is concerned, as the hon. Member knows that we have got a limitation, we have got resource constraint also. Now, it is for the State Government to re-order the priorities and then adjust this Haldia Petro-chemical Project, or they have to find additional resources. Then only you can have this project. As you know, the Planning Commission approved and the Central Government also has given Rs. one crore for the Seventh Plan and Rs. 10 lakhs for the current plan.

**SHRI SATYAGOPAL MISRA :**  
 Sir, it is true that for obtaining loan from the banks or from the other financial institutions, certain procedural steps should have to be taken, but at the same time the attitude of the Central Government is also a very important factor in this respect. May I know from the hon. Minister as to what is the attitude of the Government of India in directing the banks and other financial institutions in sanctioning loans or speedy disposal of the loan application concerned with the setting up of a Petro-chemical complex at Haldia?

**SHRI JANARDHANA POOJARY :**  
 Here, it is for the financial institutions to look into the proposal. I am told that so far the proposals have not been sent to IDBI or any financial institution.

When the proposals have been placed before them, they will process the application and take their own decision. They will take into consideration all the aspects, they will take into consideration the resources available with them and then a decision will be taken by them. They take their own decision.

*(Interruptions)*

**SHRI PRIYA RANJAN DAS MUNSI :** May I know from the hon.

Minister whether he is aware of the fact that Haldia Petro-chemical Project which is long pending and the news about that just now come before the people of Bengal that it is being finalised, is a joint sector project, i.e. participation by the West Bengal Government and by another monopoly house, R. P. Goenka, Sanjiv Goenka and their associates? I would like to know has he ever ascertained from the Government of West Bengal the terms and conditions and the actual participation of this State Government and the Goenkas into the project and the responsibility to be carried thereby by the Government of India through the financial institutions in terms of shares and other issues. So far, we have ascertained that 3.33 will be given by R.P. Goenka, 3.33 by Government of West Bengal, 3.33 or 3.34 by public shares and the rest of the amount will be coming from the public financial institutions. If the proposal has reached you, will you ascertain from the West Bengal Government about the terms and conditions and about the proposals of the project? Otherwise, the whole thing is in the cloud. The West Bengal Government is telling that the Centre is not helping it. We are told that the Centre has not received the proposal. What is this? A lot of politics is being played in West Bengal. We have to clear this cloud.

*(Interruptions)*

**MR. SPEAKER :** Dump the politics into the sea and construct the Haldia project.

**SHRI MATI GEF FA MUKHERJEE :** Politics is connected with Haldia.

**SHRI JANARDHANA POOJARY :**  
 Here the agreement stipulates that the West Bengal Industrial Development Corporation will have the share of 26%. R. P. Goenka, Sanjiv Goenka and their associates will have 25%. Regarding the public issues, they have not stated the public institutions. They have stated public issues. That is, about 49%. These are the stipulations. It is for the State Government to clarify whether they want this entire 49% from the financial institutions.

Now, the IDBI has received one letter saying that the project requires a finance loan of Rs. 500 crores.

**SHRI INDRAJIT GUPTA :** Who wrote the letter ?

**SHRI JANARDHANA POOJARY :** It is from the Haldia Petro-chemical West Bengal Industrial Development Corporation.

**SHRIMATI GEETA MUKHERJEE:** Sir, in the Newspapers which appeared a few days back, there was report that in the meeting of the Legislature Wing of the Congress-I party, attended by the Members of Parliament also, the Finance Minister himself was present.

**PROF. MADHU DANDAVATE :** Don't refer to Congress-I. It is unparliamentary.

**SHRIMATI GEETA MUKHERJEE:** I do not know. If it is so, then I will take some other name. But the fact remains so. In the Press, there was a report that this particular meeting had requested the Finance Minister not to give any financial support to these Goenkas towards this project.

Now, as far as I am concerned, I consider all of them to be as good or as bad as anybody else. I am not pleading here for Goenka. But I am interested to know whether the same standard will be applied to the other projects of Goenkas, as they may be having projects all over the country. Or, is it a fact that the West Bengal Congress-I Legislature Party thought it fit to raise this question only when our Government, falling from the Central Government getting the joint sector with the Central Government, entered into a contract with the Goenkas ?

I would like to get the clarification from the hon. Minister...

**MR. PRIYA RANJAN DAS MUNSI :** We demand more money from the Centre.

*(Interruptions)*

**MR. SPEAKER :** Let him reply.

*(Interruptions)*

**MR. SPEAKER :** Why are you shouting ?

**PROF. K.K. TEWARY :** After their links have been revealed, they are now....

*(Interruptions)*

*[Translation]*

**MR. SPEAKER :** Look here, listen to me, what are you doing ? Why are all of you speaking at a time ? The Minister will reply to it.

*[English]*

We have heard it.

**SHRIMATI GEETA MUKHERJEE:** My first point was...

*(Interruptions)*

*[Translation]*

**MR. SPEAKER :** Tewaryji, why are you interrupting ?

*[English]*

Why are you shouting so much about it ? He has heard it.

*(Interruptions)*

**SHRIMATI GEETA MUKHERJEE:** I want to ask three questions.

(a) Whether this press report is true.

*(Interruptions)*

**SHRI INDRAJIT GUPTA :** Let the hon. Minister reply.

*[Translation]*

**MR. SPEAKER :** Mr. Gupta, you should not interrupt, let him speak. I am asking him. why are you interrupting ? I shall ask him myself, why are you speaking ?

*(Interruption)*

You are again interrupting, Mr. Gupta ?

[English]

**SHRIMATI GEETA MUKHERJEE:**

(b) What is the reaction of the hon. Minister of Finance who seemed to have assured them that it will be done; and

(c) If so, whether the same standard will be applied everywhere against the Goenkas, Tatas, and Birlas?

**SHRIMATI PHULRENU GUHA :**

I was present in that meeting.

**MR. SPEAKER :** Let the hon. Minister reply. When have you taken over his responsibility?

**SHRI JANARDHANA POOJARY :**

At no time we have said that we are not going to give funds from the financial institutions. We have not said it. What we have said is that there is financial constraint.

About the associations of Shri R.P. Goenka and the treatment to be meted out to you, all these things you better know and also you are the people who said that West Bengal Government has associated with them.

So far as the permission for them is concerned, Central Government has to give permission because it is MRTP Company.

Coming to the point whether they are meted out step-motherly treatment, whether there are politics injected and what is the assistance that is given to West Bengal, let us understand quietly what has happened and whether the resources required have been supplied or not.

(Interruptions)

It is for your information also.

During the Sixth Five Year Plan, the Plan outlay was Rs. 3,500 crores for West Bengal. The State Government promised to contribute Rs. 2,178 crores. But how much they raised during the Sixth Five Year Plan? Instead of raising Rs. 2,168 crores, they raised

only Rs. 302 crores. What is the promise given by the Central Government? Central Government promised to give Rs. 680 crores during the Sixth Five Year Plan. Actually, we have given Rs. 761 crores. Not only this. We have given Rs. 414 crores as medium term loan. In all, we have given about Rs. 500 crores more during the Sixth Five Year Plan. What is the ultimate result? How much have they been able to perform? Instead of having a plan outlay of Rs. 3,500 crores...

(Interruptions)

**MR. SPEAKER :** The hon. Minister is replying whether there is a step-motherly treatment or not. Why are you interrupting?

(Interruptions)

**MR. SPEAKER :** This is not the proper way. He is only doing something which he must do. He cannot please you by his answer. He has to give the facts. That is what it is. If he goes against facts, I will pull him up. Shrimati Geeta Mukherjee has asked him whether they are meting out step-motherly treatment, and that is what he is answering to. He will also have to answer. He cannot give answers to please you. He has to give the facts. So simple it is.

(Interruptions)\*\*

**MR. SPEAKER :** However high you may shout, it does not make any difference to me. This is improper, improper and improper. I did not expect it from you. Mr. Amal Datta.

(Interruptions)\*\*

**MR. SPEAKER :** You are doing it presently. You are persistently doing it. If he does not give the answer to the other part, I will ask him to give it. Why are you agitated? You keep silent.

(Interruptions)\*\*

**MR. SPEAKER :** Not allowed. Whatever he has said does not form part of the record.

*(Interruptions)*

MR. SPEAKER : Mr. Tewary, why do you interrupt ? You take your seat...

PROF. K.K. TEWARY : You disciplin. them, Sir.

MR. SPEAKER : Why should you take this responsibility on yourself ? You should not take upon yourself this responsibility.

*(Interruptions)\*\**

MR. SPEAKER : Mr. Amal Datta, this is wrong, this is improper on your part. This is not the way to do.

You cannot dictate things like this. This is absolutely improper.

*(Interruptions)\*\**

MR. SPEAKER : Why are you holding the House to ransom ? Do you think that it is going to benefit you ? Please sit down, This is very improper on your part. Very bad, Absolutely improper and uncalled for, You cannot interject like this.

*(Interruptions)\*\**

MR. SPEAKER : Mr. Saifuddin Chowdhary, please sit down, I am very sorry, even educated people behave like this. I am very much disturbed at this. Absolutely irresponsible. Absolutely deplorable. This is too much.

*(Interruptions)\*\**

MR. SPEAKER : There are so many other States also. This is not a debate. This is Question Hour. You should not do like this. I am going to name you. You are exceeding the limits. You have exceeded every sense of decency now. Why don't you restrain yourself ? Very improper, I have always given you time Whatever the hon. Member has said shall not form part of the record because it was done without my permission.

The Minister.

SHRI JANARDHANA POOJARY :  
I was making my point...

\*\* Not recorded

MR. SPEAKER : You also refer to the other part of the question which Shrimati Geeta Mukherjee has asked regarding Goenka, I am going to ask him to reply to that also.

*(Interruptions)*

SHRI INDRAJIT GUPTA : She never asked about step-motherly treatment...

MR. SPEAKER : She accused him of step-motherly treatment.

SHRI INDRAJIT GUPTA : No. She never asked that question.

MR. SPEAKER : I know what I am doing.

SHRIMATI GEETA MUKHERJEE : I want to put the record straight...

*(Interruptions)*

MR. SPEAKER : This is a deplorable behaviour on the Member's part...

*(Interruptions)*

MR. SPEAKER : I am sitting here. I know it, Please sit down.

PROF. K. K. TEWARY : The next question is a very important question...

*(Interruptions)*

MR. SPEAKER : I know what I am doing. I think I was also in the House and not outside. It has passed over my head....

*(Interruptions)*

MR. SPEAKER : I still claim and I still say that this is a most deplorable behaviour.

SHRI JANARDHANA POOJARY : If you don't mind, would you kindly tell what part of the question...

*(Interruptions)*

MR. SPEAKER : She has asked about.....

*(Interruptions)*

MR. SPEAKER : Please sit down, Please don't shout. I am asking. I had already asked on your behalf and I am



still going to ask him whether there has been.

*(Interruptions.)*

MR. SPEAKER : Now let me say something. What is this ? I do not know what you are going to prove by this type of behaviour. I deplore it.

Only one question—whether there is any step-motherly treatment as regards participation of Mr. Goenka or not, and whether he was treated on par with others.

SHRI JANARDHANA POOJARY : No step-motherly treatment will be given to any person and justice will be given to all and that I have stated here also. That is why I requested which part of the question I should answer first. I have answered that now.

Now, coming to the other part...

SHRIMATI GEETA MUKHERJEE: What did transpire in that meeting ? Let him say if he does not know.

MR. SPEAKER: How does he come into the picture ? He can answer only so far as the Central Government is concerned....

*(Interruptions)*

MR. SPEAKER : Please look here. The functioning of the State Legislature Party and the functioning of the Central Government are completely two different things....

*(Interruptions)*

MR. SPEAKER : Geetaji, please sit down. What he has to deal with is the Central Government responsibility and not with that of the State Government. What the Congress Legislature Party does in West Bengal is not his business.

SHRI JANARDHANA POOJARY : I wanted to know from you which part of the question I should answer first because she raised some other things also. I did not say that I do not know. I wanted to know from you...

MR. SPEAKER : Now you please answer. Already a lot of time has been

taken unnecessarily. Very deplorable. Very deplorable. Mr. Amal Datta, I do not appreciate what you have done today.

SHRI JANARDHANA POOJARY: So far as the request made to the Finance Minister regarding assistance to be given to the Haldia Petro-chemical Project, I will verify what has transpired between the Finance Minister... Otherwise tomorrow it will be said that I have misled. I will verify and I will take into consideration the memorandum submitted to the Finance Minister.

Regarding resources I want to make it very clear that it is not the intention of the Central Government to stall this project or do anything like that. What we have stated is that there is a resource constraint. If more funds are available in the course of the Seventh Five Year Plan—during the Sixth Plan we have made available more funds—it will be given to the State Government. That I have made very clear.

SHRI GIRDHARI LAL VYAS  
Without their contribution ?

MR. SPEAKER : So much of time has been taken on this one question unnecessarily and without any rhyme or reason and any sense of decency.

#### Estimate of Black Money

\*62. SHRI UTTAM RATHOD† :  
PROF. K. K. TEWARY :

Will the Minister of FINANCE be pleased to state :

(a) the steps being taken by Government to check the operations of black marketeers and round them up;

(b) the estimate of black money believed to be in circulation in the country; and

(c) the amount of black money unearthed during the last financial year and so far during this financial year ?

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

(a) All possible measures to check circulation and prevent further proliferation of black money, including administrative, legislative and institutional, are being taken from time to time.

(b) The National Institute of Public Finance and Policy in their recent report on "Aspects of black economy in India" have estimated the black income generation for 1983-84 at 18 to 21% of the Gross Domestic Products at 31,584 to 36,786 (Rupees in crores). They have, however, admitted that their results are based on numerous assumptions and approximations, each of which could be challenged.

(c) The amount of black money unearthed during the last financial year i. e. 1.4.1984 to 31.3.1985 and from 1.4.1985 to 30.6.1985 is as under:-

Financial year	Value of assets seized (Rs. in lakhs)
1984-85	2,507.59
1985-86 (upto 30.6.1985)	653.93

SHRI UTTAM RATHOD : Sir, our efforts to get this black-money through voluntary declarations and bearer bonds could not bear any fruits. The amount that has been unearthed in the year 1984-85 is only Rs. 2,507,59 lakhs. So, I would like to know what steps Government desires to take to lay their hands on this black money and get it unearthed ?

SHRI JANARDHANA POOJARY : we have intensified the raids and also strengthened the machinery to mop up the black money. Not only that the Finance Minister, Government of India is personally monitoring the operation. For the information of the House the Finance Minister moved from place to place. He attended the meetings of the Income Tax officers for the first time. It

has never happened, namely, the Finance Minister meeting the Income Tax Officers. He met them at Delhi, Bombay, Calcutta and Ahmedabad. In Bombay, I also happened to be there. I also advised the ITOs. There were 800 and odd officers. We have made it very clear to them that so far as the big evaders are concerned, we have to intensify the drive and so far as the others are concerned there should be selective checks.

In addition to that we are going to set up shortly one Bureau of Economic Intelligence for coordinating the Income Tax, Customs, Excise and even other departments like banks, etc. The purpose of this Organisation is to have coordinated efforts in order to unearth black-money. Earlier if there is a raid by Income Tax people and if there is any incriminating document relating to customs then there was no power with the Income Tax Officer to seize that document. Now, this Organisation will coordinate. We are working out the details of this Organisation. As a result of the steps that have been taken in so far as customs alone are concerned we have been able to mobilise—due to customs-raids and seizures—about Rs. 101.09 crores in the entire year. This time within six and a half months we have been able to—by customs alone in respect of anti-smuggling activities—mop up Rs. 102.25 crores.

PROF. MADHU DANDAVATE : You are not stating the methods. These are not the methods to mop up black-money.

SHRI JANARDHANA POOJARY : we have made it very clear to the Income Tax authorities, Customs and Excise also. Now, the hon. Members may say that so far as our raids, searches and the mopping up are concerned, this amount is not a big amount. But it is not the question of amount that is being collected immediately at the time of the seizure. The point is not only of deterrent action that is being taken but the seizure is also going to give us information for detection of other cases. These are the efforts we have taken. Sir, the budget estimate for collection through Customs

and Excise, that is for 1985-86, was Rs. 20,426 crores. But our effort is to collect Rs. 3,000 crores more than the budget estimate of this year. We are going to mop up more money so far as direct taxation is concerned. About one thousand crores more than the budget estimate will be collected. These are the steps taken by the Government. With the intensive drive and other steps taken, we are hopeful that we can produce better result and we have made it very clear to all these officers that Government means business and unless they deliver the goods, we are not going to tolerate lethargy, corruption, inefficiency. Steps are also taken to remove hurdles.

**SHRI UTTAM RATHOD :** Sir, the explanation given by the hon. Minister seems to be quite convincing. But I would like to know from him if he would be able to wipe out black money of Rs. 36,000 crores that is running parallel in the economy. At this rate, how long would it take for the Government to wipe out black money? Will the Government think of demonetisation?

**SHRI JANARDHANA POOJARY :** Sir, on page 341 of the Report, they have made it very clear that they cannot give a precise and accurate figure. The figures given in the report are based on approximation and presumptions. If I make an attempt to say that this is the volume of black money that is available in the country, then I think I will be misleading the Parliament. I think nobody can be sure about the volume of black-money. Now, as far as the demonetisation is concerned, there is no such proposal before the Government. Regarding the wiping out of black money, I would submit that for that dedication and political will are required and we are moving on that direction and with the political will, we will try to wipe out black-money, if not completely but we are going to make a beginning and we are moving towards that end. Our action is also going to show that we will be, to a certain extent, successful in mopping up black-money.

**PROF. K.K. TEWARY :** Mr. Speaker, Sir, all this talk about mopping

up of black-money and stopping it from further generation is fast becoming an old hat. We are hearing of the success made in this direction, but nothing seems to have emerged so far. The National Institute of Public Finance and Policy have made a study on this. I wonder whether this study report will be placed on the Table of the House. They have dealt with different aspects of black-money operation and I am of the opinion that henceforth this black-money should be called 'effective money' because that is more effective and sometimes it is euphemistically called 'parallel economy'. I think it is much larger economy than the legitimate economy and the volume of black money is frightening. Although there are disputes among the experts also about the parameters of calculation, this whole report is tentative. Nobody can guess about the total volume of black-money now in circulation in the country.

Sir, I am happy that the Government have started to take some effective steps. But these steps are not enough. There was a disclosure of large scale smuggling of black money from India to foreign countries. Black money from India goes abroad, and it is laundered and brought back and is invested in huge companies. In this context, black money, in a way, is being rewarded. I would like to know from the hon. Minister whether in recent weeks there have been some raids, as the Minister claims. I am informed that the premises of two big companies—one led by one Mr. Manu Chabria and the second, United Breweries presided over by one Vijay Malaya—had been raided and I am told that black money to the tune of a thousand crores of rupees has been recovered. So, in the light of this, will the Government take more stringent measures, so that the black money generators and smugglers do not get away with lighter punishment? And what inquiries Government is further going to order into such activities as bringing money back and wasting it in big companies?

**SHRI JANARDHANA POOJARY :** I share the concern of the hon. member

Definitely, Sir, it is a menace which we have to combat. For that the hon. member has also given some suggestions and in fact we are going to have a comprehensive (amendment) legislation. We are going to bring forward an Amendment Bill as early as possible. Thereby, we will give deterrent punishment. Not only that, the method will also help to combat the evaders.

So far as the cases are concerned, it is *sub judice*. Not only that, Mr. Chabrias passport was released and hence, I am not in a position to give any details or comment on that.

PROF. K.K. TEWARY : The House would like to know what is the quantum of black money recovered.

SHRI JANARDHANA POOJARY : I will furnish it to the House and there is no question of hiding. The information is not available with me now.

PROF. K.K. TEWARY : His Ministry must be having an account of the Money.

MR. SPEAKER : He said that he would inform the House.

PROF. MADHU DANDAVATE : I have with me a copy of the Report of the National Institute of Public Finance and Policy. It is very clear that from 1975-76 upto 1983-84, there has been a continuous increase in black money, that has been estimated by various methods. I would like to ask one simple and short question. When Shri Venkataraman presented his first Budget, he introduced the idea of special bearer bonds and the purpose of the special bearer bonds was to unearth the black money, in other words, to convert the black money into white money. I want to ask the hon. Minister two specific questions, or you may say, (a) and (b). After the introduction of the special bearer bonds, how much portion of black money was converted into white? And afterwards, since the special bearer bond itself became a parallel currency (the bonds were sold at black price), I would like to know, as a result of the special bearer bonds, how much of

white money was converted into black money.

SHRI JANARDHANA POOJARY : The hon. Member Shri Madhu Dandavate Ji is known for putting sharp questions.

SHRI S JAIPAL REDDY : Not only short, but also sharp.

SHRI JANARDHANA POOJARY : He wants me to say what is the amount that has flown from black money for these Bearer Bonds. I think nobody can give the correct estimate.

PROF. MADHU DANDAVATE : It is very easy; he can consult Mr. Venkataraman. He will be able to give.

SHRI JANARDHANA POOJARY : Here, the amount that has flown to Bearer Bonds is about Rs. 962-odd crore. Now, the hon. Member wants to make a distinction by asking how many have been purchased from black money, and how many from white money. It is very difficult...

PROF. MADHU DANDAVATE : He has not understood. Shall I explain my question to him?

SHRI JANARDHANA POOJARY : It will be very difficult.

PROF. MADHU DANDAVATE : Shall I explain my question? Perhaps because I asked my question in bad English, he could not follow it. Shall I ask him in Hindi?

[Translation]

My question is that the special Bearer Bonds...

[English]

MR. SPEAKER : He will not follow Hindi.

[Translation]

PROF. MADHU DANDAVATE : My English is poor, that is why, I was asking in Hindi.

[*English*]

I would like to know from him : when the Special Bearer Bonds were issued, all the economists came forward with the comment—and indirectly the Minister had accepted it ;—it is a fact—that whatever be the price of the Bond, actually those Bonds were sold in the black market at higher prices, inside the country and outside the country. Therefore, I want to know this : just as he has made an estimate of other black money, has he been able to make an estimate of this black money also, i.e. how much of white money was converted into black money, because of the increasing prices of the Special Bearer Bonds ?

MR. SPEAKER : He can just say : 'I cannot'.

SHRI JANARDHANA POOJARY : That is what I have given in the answer. Even some honest people have purchased the Bearer Bonds. We cannot say—dishonest people have also purchased the Bearer Bonds—from what amount of black money they have purchased the Bearer Bonds, and from how much of white money they have purchased the Bearer Bonds, it is not possible for me to give an answer. That is what I said.

I appreciate the good language of Mr. Madhu Dandavate. I never stated that his language was very bad. In fact, it is better than my English language. I appreciate it, and I agree that it is good.

SHRI INDRAJIT GUPTA : The hon. Minister need not be so apologetic about his language, because neither he nor Prof. Dandavate studied at the Doon School. So, you are not expected to know.

PROF. MADHU DANDAVATE : I learnt English language from Prof. Marx, and not from the air hostess.

SHRI INDRAJIT GUPTA : Normally, the banks do not disclose their accounts; but recently, I have seen a statement issued by the President of

the Associated Chamber of Commerce where he says that in some countries which are also very badly affected by this malaise of black money, their Governments are negotiating with the Swiss banks in order to obtain some information about illegal accounts which are held in those Swiss banks. The President of the Associated Chamber of Commerce has suggested that Government of India should also try to negotiate with the Swiss banks in order to see if some information can be got about the illegal accounts which are held there. As everybody knows, they are held there by people who have transferred black money out of this country. Is the Government thinking of any efforts in this direction ?

SHRI JANARDHANA POOJARY : It is a suggestion for action. I do not have the information, and whatever information is available, I will furnish to the House, or to the hon. Member.

[*Translation*]

SHRI RAM BHAGAT PASWAN : Mr. Speaker, Sir, the hon. Minister has admitted in his reply that there is enormous black money in the country. He has also conducted a number of raids to flush out black money. Legal action has also been initiated against the offenders. I want to know from the hon. Minister the number of persons against whom legal action was initiated between 1980 and 1984 and the number of person against whom the cases are pending in the court.

MR. SPEAKER : These statistics he will give.

SHRI RAM BHAGAT PASWAN : Who are these people against whom cases are being pursued in the court, how many cases have been decided in favour of the Government and how many in favour of black money holders so far ?

MR. SPEAKER : You can give the information if you have it, otherwise, you may give it later on.

[English]

## Statement

You can give it later on if you do not have it. Have you got statistics with you?

**SHRI JANARDHANA POOJARY :**  
In the year 1984-85, there were 2111 cases prosecuted, and during this period, for the last 6½ months, the number of raids was 1,243; during this period of 6½ months, we got conviction in 17 cases; and other information I will furnish to the hon. member.

**SHRI V. SOBHANADREESWARA RAO :** In the reply of the hon. Minister it is found that the efforts at present taken to eradicate black-money have not touched even a tip of an iceberg. So, will the government, as one of the effective measures to prevent and further escalate of the black-money, resort to denometisation of 100 Rs. currency notes?

**SHRI JANARDHANA POOJARY :**  
There is no such proposal.

## Increase in Bank Frauds

\*63. **SHRI BANBARI LAL† PUROHIT :**  
**SHRI R.M. BHOYE :**

Will the Minister of FINANCE be pleased to state :

(a) whether the incidence of banking frauds has increased steadily and alarmingly in the recent past in the country;

(b) if so, whether it is a fact that every year crores of rupees are lost through various fraudulent methods; and

(c) steps Government have taken/propose to take to streamline the situation and to book the criminals involved in such frauds?

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

(a) According to information reported by public sector banks to Reserve Bank of India, the number of frauds in banks increased from a total of 2065 in 1982 to 2360 in 1983 and 2410 in 1984.

(b) The amount involved in the frauds has increased from Rs. 19.44 crores in 1982 to Rs. 29.62 crores in 1983 and further to Rs. 38.39 crores in 1984, representing 0.029, 0.038 and 0.041 respectively, in terms of percentage to the working funds. These amounts, however, do not necessarily represent the actual losses to the banks.

(c) The Government and RBI take a very serious view of the increase in the number of frauds. Public sector banks have been advised to strengthen their vigilance and audit machineries, and to keep a close watch over large banking transactions. Measures have also been taken to ensure that authority delegated at various levels is not ordinarily exceeded, and the strictest action, according to rules, is taken against erring employees. Where necessary, the Central Bureau of Investigation have been entrusted with investigations, and the Government is determined to pursue such cases relentlessly.

[Translation]

**SHRI BANWARI LAL PUROHIT :**  
Mr. Speaker, Sir, The banks are not at all functioning properly the banks were Nationalized with the objective of providing some assistance to the poorest of the poor and the educated unemployed under the 20-Point Programme. I have received two letters from Nagpur. One of them is from an unemployed youth. He has written that the bank demanded 25 per cent margin money from him in connection with the purchase of a Matador; he sold his two acres of land and deposited the money with the bank as margin money, but when he approached the bank for the money, he was told that their (Bank's) quota had already been exhausted.

The second letter is from the fishermen. In connection with getting them

Shri. Vasant Rao Nayak Vimukta Jati and Nomadic Tribe Development Corporation, an Undertaking of our State Government, wrote to the State Bank that they were ready to deposit 25 per cent margin money. They recommended some cases and said that they might be given loans to the tune of Rs. 5,000 each. But the Central-Avenue Branch of the State Bank of India, Nagpur, refused to advance loans to them.

The hon. Minister has said that cases of frauds in the banks have increased, but through you, Sir, I want to bring it to the notice of the hon. Minister that Dr. James, who has conducted a study on criminology, has said in his survey that frauds to the tune of Rs. 100 crores have been committed in the banks. He has written :

[English]

“Dr. James Vadakemchury estimates that banks lose 100 crores every year through various fraudulent methods, including cheating, forgery, theft, criminal misappropriation false claims etc.”

[Translation]

In the second part of his report, he writes—

[English]

“During a period of 26 months taken at random from 1980 to 1985 as many as 370 series of 100 Rs. notes, 64 series of 50 Rs. notes, 56 series of 20 Rs. notes, 209 series of 10 Rs. notes, 38 series of 5 Rs. notes and 73 series of 2 Rs. notes were forged and circulated.”

[Translation]

I would like to know from the hon. Minister how he proposes to check forgery. The bank officials are fully involved in it. The reply given by him today is identical to the one he gave in this Lok Sabha last time. I want to know what action he proposes to take to check forgery and cheating so that the country's economy may be saved.

[English]

MR. SPEAKER : Mr Poojary, did you follow anything ?

SHRI JANARDHANA POOJARY : This is a question relating to fraud and he has brought in issues about educated unemployed, self-employment programme and so on. If you want me to answer I will answer. So far as the educated unemployment schemes are concerned, there is no margin money required.

SHRI E. AYYAPU REDDY : On a point of order, Sir.

MR. SPEAKER : No point of order.

SHRI E. AYYAPU REDDY : The supplementary is not connected with the main question at all. How is it relevant ?

MR. SPEAKER : I have not followed even the A, B, C, D of the question.

SHRI E. AYYAPU REDDY : We are practically, prohibited from raising very relevant supplementaries.

MR. SPEAKER : You are never prohibited. You have to take a chance. I cannot help if the new people take more time. What can I say ?

(Interruptions)

SHRI C. MADHAV REDDI : You can disallow the answer. Let the Minister not give the answer.

MR. SPEAKER : Then they get disheartened.

(Interruptions)

MR. SPEAKER : Mr. Purohit, you put a question which can be answered straight. You get lost in your question. You put a small question.

[Translation]

SHRI BANWARI LAL PUROHIT : My specific question is this.

MR. SPEAKER : Had you asked a

specific question, you would have got the reply earlier.

**SHRI BANWARI LAL PUROHIT :** How many frauds were committed and what is the number of persons convicted out of them?

**MR. SPEAKER :** Had you put the question like this, it would have been better. You have taken half an hour for it.

[*English*]

Now the Minister may tell him how many persons have been convicted in these frauds.

[*Translation*]

(*Interruptions*)

**MR. SPEAKER :** It is there. You must at least read it. Why do you not read? The question list is before you.

**SHRI GIRDIHARI LAL VYAS :** You do not give an opportunity to ask.

**MR. SPEAKER :** I give opportunity to all turn by turn. There are 544 hon. Members I give opportunity to all... (*Interruptions*) .. Does not matter, it is a kind of exercise.

[*English*]

**SHRI JANARDHANA POOJARY :** The number of punishments awarded in 1982 was 528. In 1983 it rose to 609, and in 1984 it was 338.

**MR. SPEAKER :** What about the number of people punished?

**SHRI JANARDHANA POOJARY :** The number of frauds in 1984 was 2,410. The amount involved was Rs. 38 crores and 39 Lakhs.

**MR. SPEAKER :** He wants to know how many have been convicted.

**SHRI JANARDHANA POOJARY :** These are the number of cases of punishments awarded. The latest figure about convictions is not available.

**MR. SPEAKER :** Then we have to wait for that.

[*Translation*]

**SHRI BANWARI LAL PUROHIT :** My question is how many bank employees involved in such cases have been prosecuted and how many of them have been convicted.

**MR. SPEAKER :** He has already said that he does not have information right now. He will give you the information as to the number of persons convicted.

**SHRI BANWARI LAL PUROHIT :** Mr Speaker, Sir, my submission is that so many frauds have been committed in the nationalised banks and the hon. Members from the opposition say that it is not relevant to the main question. A study has been conducted in this regard and the research scholars are of the view that frauds to the tune of Rs. 100 crores have been committed, but the figures given by the hon. Minister is very small I want to know the basis of the figures given by the hon. Minister. There are so many frauds about which the hon. Minister is not even aware. Will the hon. Minister inquire into it and set up a machinery for this purpose because a machinery is needed to collect complete information in this regard?

[*English*]

**MR. SPEAKER :** You have to devise some measures to find out the frauds.

**SHRI JANARDHANA POOJARY :** Sir, inter-branch reconciliation of the accounts is being done and all the accounts are being reconciled. And further steps have also been taken. Also, so far as the vigilance section is concerned, we took a meeting and we have also clearly told them that as soon as the frauds are identified that has to be reported wherever the cases are. They will be registered with the C.B.I. or with the local police and the police have been launching prosecutions, and we are also identifying the people in so far as the detections are concerned.



**MR. SPEAKER :** You must be more strict and do something.

[Translation]

**SHRI GIRDHARI LAL VYAS :** I want to know the number of persons against whom action was taken departmentally and those against whom inquiry was ordered. In how many cases was punishment awarded? Mr. Speaker, Sir, we are not empowered to have information about the banks in the Public Accounts Committee, as a result of which, the frauds committed in the banks do not come to light. A number of frauds are being committed in the banks and every year the banks lose a substantial amount on this account. I would, therefore, like to know the number of persons against whom challans were filed after holding inquiries departmentally and how many of them were arrested.

**MR. SPEAKER :** The hon. Minister may collect information in this regard and send that to him.

**SHRI RAM PYARE PANIKA :** Sir, there is a saying :

*'Marz badhata gaya jyon jyon dava ki'* (The malady grew with the intake of medicine). This matter has been raised in the House repeatedly and the cases of frauds involving high officials have been increasing steadily. I want to know the number of cases which have been filed in the court so far. I also want to know whether some persons belonging to a union are trying to save such officials.

[English]

**SHRI JANARDHANA POOJARY :** One of the factors for increase in the number of cases is that formerly the cases were there but they were not detected, but now because of the action taken for inter-branch re-conciliation & vigilance on the part of superior officers as soon as the frauds are committed, they are detected. That is why, the number of cases has gone up. Not only that. As you are aware, we have not spared anybody. No political interference is

allowed so far as the Government is concerned. We have made it very clear that strict action will be taken and nobody will be spared.

**SHRI AMAL DATTA :** Although the financial committees of Parliament are going into the working of various Government Departments and public undertakings, there is no parliamentary committee to go into the working of banks. That is one of the reasons why there is no parliamentary control over banks excepting putting questions, calling attention motions and discussions under rule 193. This is not adequate. Will the Government take a decision to submit the banks to the supervision of a parliamentary committee?

**MR. SPEAKER :** I agree with you.

**SHRI JANARDHANA POOJARY :** So far as the individual banks' accounts are concerned, the information cannot be divulged as per statutory provisions. It is a statutory provision that prohibits divulging of any information pertaining to individual banks accounts. If the Act is going to be amended, there will be no objection for that.

**MR. SPEAKER :** We can do something by which at least we can prevent frauds. Question hour is over.

## WRITTEN ANSWERS TO QUESTIONS

[English]

### Increase of Hard Drugs Entry into [the Country

\*64. **SHRI G. G. SWELL :**

**SHRI S. M. BHATTAM :**

Will the Minister of FINANCE pleased to state :

(a) whether the entry of hard drugs into the country has been on the increase;

(b) whether on June 14, 1985 a notorious drug smuggler was seized in the capital with Rs. 3 crores worth of heroin; and

(c) the number of such seizures made in the first half of this year and their value in terms of rupees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) The reports available with the Government indicate an upward trend since 1983 in the smuggling of heroin, in particular, into the country from the Near and Middle East regions, mainly destined for the Western countries.

(b) On 14.6.1985, 12.700 kgs. of heroin was seized by the Special Staff of Delhi Police (North) in North Delhi.

(c) In the first half of 1985, 52 seizures of heroin were effected involving a total quantity of 70,676 kgs. No precise value of the drug can be furnished, as the illicit market price varies widely depending upon the time and place of seizure, purity of the drugs, local demand-and-supply position, etc.

#### Operations Against Economic Offences and Offenders

\*65. SHRI SRIBALLAV PANIGARHI :  
SHRI AMAR ROYPRADHAN :

Will the Minister of FINANCE be pleased to state :

(a) the steps taken recently by Government to coordinate various operations meant to deal with economic offences and intensify a drive against economic offenders; and

(b) the results achieved so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government have decided a few days back to set up a Central Economic Intelligence Bureau to deal with economic offences for which now different separate organisations exist. The details of the organisation and working procedure are yet to be worked out and the question of any results at this stage does not arise. The Government hope to bring into being this Bureau very shortly,

#### Export of Products from Public Sector Units

\*66. SHRI HARI KRISHNA SHASTRI: Will the Minister of FINANCE be pleased to state :

(a) what is the volume and value of exports of products from public sector units during the last two financial years, year-wise; and

(b) whether any measures were taken by Government to improve the export performance of the public sector units ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) : As per the available information, the value of exports of products by the Central public enterprises amounted to Rs. 4062.06 crores during 1983-84 and Rs. 3404.43 crores during 1982-83.

(b) Yes, Sir.

#### Bearer Bonds Scheme

\*67. SHRI H. G. RAMULU :  
DR. G. S. RAJHANS :

Will the Minister of FINANCE be pleased to state :

(a) whether one of the major reasons of black money creation in the country is the Bearer Bonds Scheme;

(b) whether Government have investigated this aspect;

(c) if so, the details thereof; and

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

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

(b) to (d) Questions does not arise.

**Condition of registration number for recognition to SSI export houses**

**\*68. SHRI G. M. BANATWALLA :**  
Will the Minister of COMMERCE be pleased to state :

(a) whether for the grant of recognition to small Scale Industrial export houses there is any condition that the applicants should hold permanent registration number granted by the State Director of Industries before 1st April, 1985 in respect of their applications under the Import Policy, 1985-86;

(b) whether the exports of own manufactured products of the applicants holding the aforesaid permanent registration number before 1-4-1983 or 1-4-1984 or 1-4-1985 are proposed to be considered for calculating the minimum prescribed qualification of Rs. 75 lakhs as the average of past three years; and

(c) if not, the reasons therefor, especially when own manufactured products enjoy added advantages of better quality and competitive prices ?

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

(b) Yes, Sir. The requirement for permanent registration certificate has been introduced w.e.f. 1-4-85 and will not affect the earlier exports of own manufacture.

(c) Does not arise.

**Medium term loans to meet deficit by Centre to States**

**\*69. SHRI RAMASHRAY PRASAD SINGH :**  
**SHRI BALASAHEB VIKHE PATIL :**

Will the Minister of FINANCE be pleased to state :

(a) whether the Centre has decided to provided to the States medium term loans to meet their deficit;

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Government of India have decided to provide medium term loans equivalent to 90% of the States' overdraft as on 28.1.1985. The States have been advised to clear the balance 10% of the overdraft by 1st October, 1985. The medium term loans would be recovered in the next four years in equal instalments and would carry a rate of interest of 8%.

(c) Does not arise.

**Modernisation of sick textile mills.**

**\*70. SHRI MOOL CHAND DAGA :**

**SHRI THAMPAN THOMAS :**

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

(a) whether a sum of Rs. 266 crores was spent upto August, 1984 on modernisation of sick textile mills under National Textile Corporation but the performance was still unsatisfactory while the cumulative losses in this respect till September, 1984 had risen to Rs. 750 crores;

(b) if so, the reasons for the same;

(c) the total cumulative losses of the above sick mills and the total amount spent on modernisation of these mills upto March, 1985;

(d) whether heavy losses were due to obsolete machinery and surplus labour;

(e) if so, steps taken to change the machinery and transfer surplus labour to some other units; and

(f) whether there is any proposal to amalgamate losing mills and reduce the loss ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH):** (a) An amount of about Rs. 291 crores was spent on modernisation/renovation of textile mills under NTC by the end of August, 1984. The cumulative losses suffered by NTC and its 9 subsidiary corporations was to the tune of Rs. 534.13 crores upto September, 1984.

(b) The major reasons for continuous losses of these mills are as follows:—

- (i) Under utilisation of installed capacity of mills due to acute power shortage, high cost of captive power, inadequate supply of cotton.
- (ii) High prices of cotton and other inputs.
- (iii) Increase in cost of power, coal, petroleum products, etc.
- (iv) Old and obsolete machinery inherited from erstwhile owners.
- (v) Excess labour force.
- (vi) Continuous increase in wages/salaries on account of increase in salaries/Dearness Allowance.
- (vii) Acute market recession in the textile industry as a whole.

(c) The total cumulative loss of NTC and its 9 subsidiary corporations upto March, 1985 comes to Rs. 618.19 crores. An amount of Rs. 301 crores have been spent on modernisation of NTC mills upto March, 1985.

(b) These losses were due to many factors including obsolescence of machinery and excess labour.

(e) As on 31st March, 1985 modernisation schemes amounting to Rs. 301 crores have been implemented. The modernisation programmes will be continued during the Seventh Plan.

Rationalisation of labour is an on-going process. Almost all the mills under NTC have surplus labour. Therefore, NTC have not considered inter-unit transfer of labour so far.

(f) There is, at present, no such proposal.

#### Take-over of sick and closed tea gardens

**\*71. SHRI ANANDA PATHAK:** Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to takeover the sick and closed tea gardens;

(b) whether consistent demand has been made about the take-over of the tea gardens;

(c) if so, the details thereof;

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

(e) if not, the reasons therefor?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA):** (a) to (e) From time to time, suggestions have been received for nationalisation of the tea industry as well as takeover of sick/closed gardens. However, the tea industry, by and large, is doing well and incidence of sickness has been reduced to a low level. In fact, no closure has been reported since 1982. Government have, on 8th April, 1985, however, nationalised four sick tea gardens, the management of which had been taken over many years ago.

[Translation]

**Loans to farmers by banks in drought hit districts**

**\*72 SHRI HARISH RAWAT:** Will the Minister of FINANCE be pleased to state:

(a) whether instructions have been issued to the banks operating in the

drought hit districts of the country to provide easy term loans to the farmers;

(b) if so, the details of the decisions taken in this regard; and

(c) if not, the details of the other types of assistance Government propose to give to these farmers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Reserve Bank of India have issued guidelines to various banks for providing relief measures in areas affected by natural calamities like drought, floods, cyclones, etc. These guidelines, among other things, provide for extension of diverse type of loan facilities for developmental purposes, rescheduling of loan instalments, waiver of shortfall in margins and relaxation in security criteria. The banks have been further advised to take a sympathetic view of the difficulties of borrowers and to extend concessional treatment to drought affected farmers.

Decline in opium cultivation in Uttar Pradesh

\*73 SHRI RAJ KUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a sharp decline in the opium cultivation in Uttar Pradesh during the last two or three years (1983-85);

(b) if so, the reasons therefor; and

(c) whether Government propose to consider introduction of rotation cultivation in the opium growing areas?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The area under opium-poppy cultivation in Uttar Pradesh declined from 7,206.50 hectares in 1982-83 to 5,742.69 hectares in 1983-84 and 5,668.45 hectares in 1984-85.

(b) The production of opium in India is essentially export-oriented. Due

to global over-supply of opiate raw materials, Indian opium has been facing increasing competition from alternate raw materials, particularly, the concentrate of poppy straw. This has resulted in the accumulation of large stocks in the Government factories. The Government have, therefore, been constrained to reduce the area for poppy cultivation in a phased manner in the last few years in the three opium-poppy growing States including Uttar Pradesh.

(c) There is no such proposal with the Government.

[English]

Customs seizure of ready-made textile garments for Illegal Export to USA

\*74. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state ;

(a) whether the Customs authorities at Delhi airport have seized ready-made textile garments worth lakhs of rupees to be illegally exported to USA ;

(b) whether some arrests have been made in this regard ;

(c) if so, the details of the case ; and

(d) the items involved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The Customs authorities have seized 73 consignments of ready-made garments, such as skirts, blouses, tops and other ladies and gents apparel, totally valued at Rs. 78.94 lakhs at the Cargo Warehouse at Delhi Airport during April, 1985 on the ground of contravention of the Exports (Control) Order, 1977 and misdeclaration under the Customs Act, 1962. No arrests have been made in these cases.

Nationalisation of banks running under private sector

\*75 SHRI H.N. NANJE GOWDA :  
SHRI G.S. BASAVARAJU :

Will the Minister of FINANCE be pleased to state ;

(a) whether there is a proposal under the consideration of Government to nationalise some more banks which are presently running under private sector ; and

(b) if so, the details thereof ?

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

(b) Does not arise.

**Interest rates for short term deposits**

\*76. SHRI KAMLA PRASAD SINGH :

SHRI B. B. RAMAIAH :

Will the Minister of FINANCE be pleased to state ;

(a) whether it is a fact that the Reserve Bank of India has issued a directive to the banks to raise interest rates for short-term deposits ignoring the objections of the banks ;

(b) the likely additional cost burden on the banks owing to this increase ;

(c) whether his Ministry has gone into the pros and cons of increasing interest rates ;

(d) whether the scheme was meant to give a boost to foreign banking operations in the country ; and

(e) the reasons for withdrawing the scheme suddenly within almost a month of its introduction ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a), (b), (c) and (e) As per the provisions contained in the Banking Regulations Act, 1949, the power to determine interest rates on bank deposits vests with Reserve Bank of India. As and when necessary the Governor, RBI, convenes meetings of Chief Executives of banks to discuss various proposals relating to credit and interest rate policies. The RBI announced

the credit policy measures for the first half of 1985-86 after the meeting of Chief Executives of major scheduled commercial banks held on 6.4.85. As a result of these measures, with effect from April 8, 1985, individual banks were given freedom to fix interest rates within the prescribed ceiling of 8% for deposits of maturities of more than 15 days but of less than one year.

The total cost of funds mainly depends upon maturity structure of new deposits, shift from long term to short term deposits and vice-versa, interest rate on various maturities, etc. It is therefore not feasible to estimate the additional cost, if any, resulting from the measures announced on 6.4.85.

After the introduction of these measures it was noticed by RBI that the above scheme, which was designed to bring in untapped resources into the banking system and also to impart a certain degree of flexibility to banks for better management of deposit portfolio, was not proceeding on the lines envisaged. Some banks started offering a rate of 8% even for maturities of 15 days and the other banks simply followed suit. After a review the Reserve Bank, therefore, decided to withdraw the discretion bestowed on banks and fixed specific interest rates for five maturity intervals below one year within the ceiling of eight per cent fixed earlier.

On monetary and credit policy matters, including matters pertaining to interest rate structure, consultations are held between the Government and Reserve Bank of India as and when required.

(d) No, Sir.

**Agreement with Japan for transfer of high technology**

\*77. SHRI BRAJAMOHAN MOHANTY : Will the Minister of COMMERCE be pleased to state :

(a) whether any agreement is under negotiation with Japan for transfer of high technology and whether it includes

the transfer of new techniques and technology developed in Japan in the area of fuel efficiency and technology to reduce the cost of the production of steel and fertilizer plants of our country, if so, details thereof ;

(b) whether Government propose to utilise the offer of rupees 600-crores aid by Japan for import of this technology ; and

(c) whether the areas of high technology to be imported from Japan have been identified by Government of India and if so, details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) There is no agreement under negotiation between Government of India and Japan for transfer of high technology.

(c) No, Sir.

[Translation]

**Opening of branches of nationalised banks in Rajasthan**

\*78. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be

pleased to state :

(a) whether Government have taken a decision to open some branches of nationalised banks in Rajasthan during the current financial year ;

(b) if so, the names of places where these are likely to be opened alongwith the names of the banks ; and

(c) if it is not proposed to open the said branches of banks, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The nationalised banks get licences for opening branches from the Reserve Bank of India which is the competent authority for this purpose. As at the end of March 1985, 26 licences/authorisations were pending with various nationalised banks for opening branches in the State of Rajasthan as per details given in the statement given below. The banks have been allowed time upto 30.9.1985 for opening branches against pending licences/authorisations.

**Statement**

**Details of Licences/Authorisations pending with Nationalised Banks for opening Branches in Rajasthan.**

Name of Bank	District	Name of Centre
1	2	3
1. State Bank of India	Bikaner	1. Kamasar
2. State Bank of Bikaner and Jaipur		2. Tarasuma
		3. Alipur
		4. Sawalana
		5. Pasta
		6. Samli
	Kotah	7. Morak
3. United Commercial Bank	Barmer	8. Balotra (Ind. Estate)
4. Syndicate Bank	Bharatpur	9. Bharatpur-Bhat-Town
	Ganganagar	10. Sriganganagar
		Ravinderpath,
		Residents Colony

1	2	3
5. Union Bank of India	Jaipur	11. Chandrana
		12. Gandrawa
		13. Bairawanda
6. Punjab National Bank	Jaipur	14. Karansar
		15. Bhandwa
		16. Baijupara
		17. Biwai
7. Bank of India	Jaipur	18. Dantil
		19. Chinoi
8. Bank of Baroda	Sawai Madhopur	20. Katkar
		21. Naroli
		22. Upaikhur
		23. Garmora
9. New Bank of India	Dholpur-Jaipur	24. Dholpur
		25. Mandore
10. Central Bank of India	Kotah	26. Bhawanda

[English]

**Laxmi Commercial Bank**

\*79. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) whether a decision was earlier taken after detailed consideration of viability that the Laxmi Commercial Bank be merged with the Punjab National Bank;

(b) if so, the facts thereof and whether it is now proposed to merge Laxmi Commercial Bank with some other bank; and

(c) the steps proposed to be taken to give weightage and proper consideration before the bank is finally merged either with Punjab National Bank or some other bank ?

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

(a) to (c) No decision was taken by Government to merge Lakshmi Commercial Bank Limited with Punjab National Bank, although such a proposal was considered by the Government and the

Reserve Bank of India. Weighing all relevant factors, it has been decided to merge the Lakshmi Commercial Bank Limited with Canara Bank.

The draft scheme for amalgamation has been issued. Suggestions/objections from the transferor bank as well as from the depositors/creditors and the public have been invited. All Suggestions/objections will be carefully considered by the Reserve Bank while finalising the scheme of amalgamation.

**Raising of target of production of controlled Cloth and janta Cloth**

\*80. SHRI JAGANNATH PATTA-NAIK : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Union Government have recently decided about a new policy to raise the target of production of control cloth and janta cloth during the the current financial year; and

(b) if so, the details regarding the new textile policy and the guidelines issued to provide more and more benefits to the weaker sections of the society ?



**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) and (b) Government have decided to raise the target of production of Controlled Cloth and Janata Cloth from 650 million square meters to 700 million square meters during the current financial year.

The new Textile Policy stipulates that the responsibility for the entire production of controlled cloth shall be transferred to the handloom sector by the end of the Seventh Five Year Plan. The quantum of Controlled cloth and Janta cloth which was fixed at 650 million square meters shall be suitably increased in order to provide a larger quantum of cloth at affordable prices to the poorer sections of the population. Measures will also be taken to improve the quality of cloth and to ensure that it reaches the target group. The public distribution for controlled cloth would be strengthened and streamlined.

The distribution of controlled cloth is primarily the responsibility of State Governments. However, the State Governments, have been requested to streamline and strengthen the distributional arrangements in respect of controlled cloth so that a larger coverage is obtained in the remote rural areas, and malpractices are checked. In respect of Janata cloth produced by Handloom sector, guidelines have been issued to the State Governments to see that the distribution is so arranged as to ensure maximum off-take by the weaker sections of the population, particularly in the rural areas.

**Proposal to set up shipbreaking yard at Haldia**

**604. SHRI AMAL DATTA:** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is any proposal to set up shipbreaking yard at Haldia;

(b) if so, when the details thereof;

(c) whether this project has been included in the Seventh Five Year Plan;

(d) if so, the details thereof;

(e) whether it would be a joint venture project or otherwise; and

(f) the details thereof ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** (a) to (f) There is no proposal to set up a ship-breaking yard at Haldia by Government of India or as a Joint venture.

**Committee to investigate restarting Anglo-French Textile Mills, Pondicherry**

**605. SHRI AJIT KUMAR SAHA :**  
**SHRI R. P. DAS :**

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

(a) whether Government have constituted a committee to investigate the possibility of restarting the Anglo-French Textile Mills, Pondicherry;

(b) if so, when it was constituted;

(c) whether the said committee has submitted its report to Government;

(d) if so, the salient features of the said report; and

(e) the reaction of Government thereto ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) to (e) In their continuing efforts to restart the Anglo-French Textile, Ltd., Pondicherry, the Government of India, *vide* notification No. S.O. 299-E dated the 11th April, 1985 constituted a committee under Section 15-A of the Industries (Development and Regulation) Act, 1951 to investigate into the possibility of restarting the Anglo-French Textiles Ltd., Pondicherry. The Committee submitted its report to the Government on the 9th May, 1985. The Committee has *inter-alia* examined alternative courses

of action for re-opening the undertaking. The report of the Committee is under consideration of the Government.

#### Trading in emerald by MMTC

606. SHRI JUJHAR SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation has entered into emerald trading business;

(b) if so, the figures of imports, sales and profits of emerald, both raw and polished, for the last three years;

(c) the country of origin of these goods;

(d) whether some material was sold to a party in Jaipur on the assurance of the MMTC that the polished goods would be brought back by them; and

(e) if so, how much material has been brought back and if not, the reasons thereof ?

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

(b) MMTC commenced trading in emeralds in 1984-85. The details of imports, sales and profits are as under —

#### (i) Raw Emeralds

Imports	Rs. 22,58,876
Sales (Value)	Rs. 23,27,555
Profit	Rs. 27,000

#### (ii) Polished Emeralds

Imports	—
Sales (Value)	Rs. 11,41,832
Profit	Rs. 8,587 (including other precious stones)

(c) Brazil and Zimbabwe.

(d) No, Sir.

(e) Question does not arise.

#### Revival of Sick Units

607. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) whether he has discussed with the Industrial Reconstruction Bank of India authorities regarding the viable programmes for sick units and arrange for adequate finance for working capital and also for modernisation and upgradation of technology to revive these sick units ;

(b) if so, the details thereof ; and

(c) the results achieved so far in this respect ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) I regard to applications received from industrial units, Industrial Reconstruction Bank of India (IRBI) works out suitable rehabilitation packages in respect of the viable sick units. The rehabilitation packages may include various concessions like reduction in rate of interest, re-scheduling of dues, moratorium on payments, funding of interest, etc. depending upon the merits of each case. IRBI considers grant of financial assistance for modernisation and upgradation of technology on a case to case basis. The IRBI has sanctioned Rs. 379.20 crores and disbursed Rs 262.80 crores till the end of June, 1985.

[Translation]

#### Special bearer bonds as source of black money

608. SHRI C. JANGA REDDY :  
DR. A.K. PATEL :  
SHRI SANAT KUMAR MANDAL :  
SHRI KALI PRASAD PANDEY :

Will the Minister of FINANCE be pleased to state :

(a) whether the special bearer bonds of the denomination of rupees

10,000 issued in 1981 to reduce the incidence of black money, have themselves become the source of black money and their market value has gone up to Rupees 16,300 each recently ;

(b) the full facts in this regard and the action being taken to wipe out black money ; and

(c) whether all the unsold bearer bonds have been destroyed after duly accounting them for ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) There are no official transactions in bearer bonds. All possible measures to check circulation and prevent further proliferation of black money, including administrative, legislative and institutional are being taken from time to time. All the unsold bonds have been repatriated to the safe custody of Reserve Bank of India and the procedure prescribed for destruction of bonds like reconciliation, verification, etc. is being followed.

[English]

#### Export of textile products

609. SHRI CHINTAMANI JENA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the value of the textile products exported during the year 1984-85 ;

(b) steps taken to increase our export of textile goods during the year 1985-86 and what is the target ; and

(c) names of the countries which are importing our products and steps taken to catch more foreign markets ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Statement-I giving exports of textile products during 1984-85 is given below.

(b) Statement II giving targets for 1985-86 is given below. Following steps

have been taken to increase exports of textile products :—

- (i) Soft loan scheme is available for modernisation of the textile industry.
- (ii) Sophisticated textile machines not manufactured indigenously are allowed to be imported on OGL.
- (iii) Wide width shuttleless looms and rotor spinning machines are allowed to be imported at concessional import duty linked with export obligation.
- (iv) 114 garment and hosiery making machines have been placed on OGL. 97 of these machines are allowed to be imported on payment of concessional duty.
- (v) With effect from 1st January, 1984, rates of Cash Compensatory Support (CCS) have been revised upwards for many categories of textile items. Sowing/embroidery threads were also made eligible for CCS w.e.f. 4th July, 1984. This policy has been made applicable for 1985 also.
- (vi) A scheme of 100% export oriented units is in operation which includes several textile items. 100% export oriented units in Free Trade Zones are eligible for several facilities such as duty free import of capital goods, raw materials, components etc.
- (vii) Government has been sponsoring and funding promotional activities such as market studies, buyer-seller meets, participation in international fairs/exhibitions in order to increase and diversify our exports in terms of products and areas.
- (viii) The import-export policy has been further liberalised with a view to promote export of textiles from India.

(ix) New Textile Policy has been announced with a view to give a further boost to our export effort.

(c) The major countries to which India exports textile products are the USA, USSR, EEC Member-States,

Sweden, Norway, Finland, Austria, Canada, Japan, Switzerland and Australia. In addition to the measures listed against part (b) above, the Government has been giving additional incentives for encouraging exports to new markets.

**Statement—I**

**Export Targets for Textile Products for 1985-86**

(Rs. in Crores)

Sl. No.	Item	Targets 1985-86
1.	Cotton Fabrics and Made-ups (MM/PL), Cotton yarn including Handloom Fabrics and Made-ups.	610.00
2.	Readymade Garments	1,000.00
3.	Wool & Woollens	110.00
4.	Silk	135.00
5.	Man-made Textiles	75.00
6.	Handicrafts	440.00

**Statement—II**

**Exports of Textile Products from India during 1984-85**

(Rs. in crores)

(Provisional)

Sl. No.	Item	Exports 1984-85
1.	Cotton Fabrics and Made-ups (MM/PL), Cotton yarn including Handloom Fabrics and Made-ups.	681.08
2.	Ready-made Garments	943.73
3.	Wool & Woollens	88.20
4.	Silk	129.06
5.	Man-made Textiles	60.92
6.	Handicrafts	360.16 (Projected)

Source : Export Promotion Councils/Commodity Boards.

**Excise or Customs Duty Realised from M/s Indian Tobacco Co. Ltd.**

**610. SHRI RAM BHAGAT ASWAN :** Will the Minister of FINANCE be pleased to state :

(a) Whether Government have realised during 1985 any excise or Customs duty which are pending realisation from M/s Indian Tobacco Company Ltd., and

(b) if so, the details of pending duty realised from M/s Indian Tobacco Company Ltd. during 1985 ?

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

**Streamlining the Marketing set up of National Textile Corporation**

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

(a) whether Government have a proposal to streamline the marketing set up of National Textile Corporation;

(b) whether steps are also proposed to be taken to reduce the role of middle men; and

(c) the specific steps taken to pass on the benefit to the consumer and to meet the growing need of blended fabrics ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) Government periodically reviews the operations of National Textile Corporation including its marketing process. Recently the marketing set up of NTC was reorganised to meet supplies to Government under single tender system and to make efforts to increase sales to Public Sector Undertakings and State Governments, Institutions and also to increase exports.

(b) and (c) Sales to Central/State Government Departments/Public Sector Undertakings, sales of controlled cloth distributed through NCCF and sales through its own retail shops are made directly without middlemen.

The production of blended fabrics by NTC mills is proposed to be increased from 4.6% to 19.7% of the total cloth production by 1989-1990. NTC has already introduced production

of cotton polyester blended shirting as part of the controlled cloth scheme.

**Export of Superior Variety of Rice**

**612. SHRI V. SOBHANADREESWARA RAO :** Will the Minister of COMMERCE be pleased to state whether in view of huge stocks of rice available with Food Corporation of India and record output of foodgrains in 1983-84, Government propose to permit export of fine and superfine varieties of rice to other countries apart from Basmati variety which is exported in smaller quantities to earn valuable foreign exchange as well as to enable the farmers to get a better price for the paddy ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) :** No, Sir.

**Erratic Power Supply to Coal Mines**

**613. SHRI CHINTAMANI PANIGRAHI :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) Whether it is a fact that erratic power supply was the main reason for the low production of coal in all the major mines in the country;

(b) Whether Government have appointed any Committee to go into the power supply to the coal mines;

(c) if so, whether the Committee has submitted its Report and the salient features of the Report; and

(d) if not, the time by which the Report is expected ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a) Erratic power supply has been affecting production of coal mainly in the mines of Eastern Coalfields Ltd., and Bharat Coking Coal Limited,

(b) A committee headed by Secretary (Coordination), Cabinet Secretariat, has been appointed on 27.5.1985 to go into the problem of power supply to

mines in Eastern Region especially in Eastern Coalfields Limited and Bharat Coking Coal Limited.

(c) and (d) : The Committee is likely to submit its report shortly.

#### Control Over Government Expenditure

614. SHRI SANAT KUMAR MANDAL : Will the MINISTER OF FINANCE be pleased to state :

(a) whether any action plan has been drawn up by his Ministry to monitor and control Government expenditure both at the Central and State levels in Plan as well as non-Plan areas; and

(b) if so, the broad outlines thereof ?

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

(b) Expenditure of the Central Government both Plan and non-Plan would be monitored at regular intervals so as to take corrective measures whenever necessary. In so far as States are concerned the Centre is closely watching the over-draft position.

#### National Textile Corporation in Gujarat

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

(a) the number of names of textile mills in Gujarat managed by the National Textile Corporation Limited;

(b) the amount of working capital investment made by Government/banks in each of them;

(c) the net profit/loss made as on 31st March, 1985; and

(d) steps proposed to improve the working of those mills which incur continued losses ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) There are at present 11 nationalised textile mills under the management of National Textile Corporation (Gujarat). The names of the mills under NTC are given in the statement-I below.

(b) Statement --II showing the amount of working capital investment made by Government/Banks in each of the textile mill is given below.

(c) Statement—III showing the net profit/loss made by each unit under NTC (Gujarat) for the year 1984-85 is given below.

(d) Some of the important steps taken/are being taken to improve the performance of the mills under NTC (Gujarat) are as under :—

- (i) Arrangements for timely procurement of cotton from different available channels.
- (ii) Working capital has been replenished to make up for cash losses.
- (iii) To overcome the power shortage, self generating capacity has been provided.
- (iv) Cost control methods have been introduced for reduction in cost at all levels.
- (v) Management of the subsidiaries is being strengthened for better management of available resources.
- (vi) Workers participation scheme in the management of the mills is being encouraged.
- (vii) Efforts are being made for reducing the non-operational administration expenses.

**Statement-I**

Names of the the textile mills under National Textile Corporation (Gujarat) Ltd.

1. Rajkot Textile Mills, Rajkot.
2. Mahalaxmi Textile Mills, Bhavnagar.
3. Petlad Textile Mills, Petlad.
4. Ahmedabad New Textile Mills, Ahmedabad.
5. Ahmedabad Jupiter Textile Mills, Ahmedabad.
6. Jehangir Textile Mills, Ahmedabad.

7. Rajnagar Textile Mills, Ahmedabad, (No.1)

8. Rajnagar Textile Mills, Ahmedabad, (No. 2)

9. Viramgaon Textile Mills, Viramgaon.

10. New Manek Chowk textile Mills, Ahmedabad.

11. Himadari Textile Mills, Ahmedabad.

12. \*Fine Knitting Textile Mills, Ahmedabad.

\*Possession could not be taken due to a court case.

**Statement—II**

Amount of Working Capital investment made by Government/Banks in respect of textile mills under National Textile Corporation (Gujarat) Limited,

(Rs. in lakhs)

Name of the Mill	Working capital invested by Govt.	Working capital invested by Banks
1. Ahmedabad Jupiter Textile Mills	539.07	95.95
2. Ahmedabad New Textile Mills	108.41	82.88
3. Himadari Textile Mills	48.61	26.22
4. Jehangir Textile Mills	259.97	65.48
5. New Manekchowk Textile Mills	73.69	22.33
6. Rajnagar Textile Mills (No. 1)	153.01	90.88
7. Rajnagar Textile Mills (No. 2)		
8. Mahalaxmi Textile Mills	113.86	122.25
9. Petlad Textile Mills	105.96	74.13
10. Rajkot Textile Mills	34.48	41.65
11. Viramgam Textile Mills	80.89	64.04
<b>Total</b>	<b>1818.03</b>	<b>685.81</b>

## Statement III

## National Textile Corporation Limited Profit/Loss Position (Provisional)

Subsidiary : NTC (GUJ) Ltd.

(Rs. in Lakhs)

Name of the Mill	1984.85
1. Rajkot Textile Mills, Rajkot	77.41
2. Mahalaxmi Textile Mills, Bhavnagar	193.52
3. Petlad Textile Mills, Petlad	161.12
4. Ahmedabad New Textile Mills, Ahmedabad	247.62
5. Ahmedabad Jupiter Textile Mills, Ahmedabad	319.98
6. Jehangir Textile Mills, Ahmedabad	277.74
7. Rajnagar Textile Mills No. 1	332.32
8. Rajnagar Textile Mills No. 2	
9. Viramgaon Textile Mills, Viramgaon	138.29
10. New Maneck Chowk Textile Mills, Ahmedabad	151.40
11. Himadri Textile Mills, Ahmedabad	89.31
12. Fine Knitting Mills, Ahmedabad	not commissioned
Subs : H. O. Adjustment	3.47
Total : 1992.18	

## Acute Shortage of Coins and Small Money

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

(a) Whether the continued acute shortage of coins and small money are adding to the worsening price situation; and

(b) if, so what is the percentage impact of the same in the total price rise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In a situation where there is acute shortage of coins, in actual practice, the sellers and buyers tend to round off transactions. The rounding off may work either way and is, therefore, self-cancelling. There is no known relation ship between shortage of coins and notes and the price rise in general.

(b) It is not therefore possible to assess the impact of coin shortage on prices.

## Sale of Jute

617. SHRI R. P. DAS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total arrival of jute in the market during the current season for sale;

(b) how much of the said jute was bought by the jute mill owners;

(c) how much by agencies other than the Jute Corporation of India; and

(d) Government's thinking about these agencies in detail ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The total arrivals



of jute in the market so far during the current jute season on 1985-86 is estimated between one lakh to two lakh bales. Arrivals are presently confined only to markets in early-sown areas in Assam, North Bengal and North Bihar.

(b) and (c) Industry and trade are reported to be buying jute in all up-country markets.

(d) Regular monitoring of price is being done to ensure effective price support if necessary.

#### Textile Modernisation Fund

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

(a) whether the policy of Government regarding the Textile Modernisation Fund has been finalised,

(b) if so, the details thereof,

(c) whether any suggestions/study has been conducted by the Indian Cotton Mills Federation; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b) Under the new Textile Policy it has been decided to create a Textile Modernisation Fund in order to enable the industry to generate internal resources for modernisation. The precise modalities are yet to be finalised.

(c) and (d) A statement is given below.

#### Statement

The Indian Cotton Mills Federation in their replies to the questionnaire of the Study Group appointed by the Planning Commission on financing of Private Corporate Sector in the Sixth Five Year Plan had *inter-alia* suggested the creation of a Textile Modernisation Fund, to meet the resources gap for

financing the modernisation needs of the Textile Industry. According to their suggestion the Fund may be created by :

(a) Refund of around 20% of excise collections made from mills; and

(b) Allowing mills to appropriate and set apart upto 30% of the pre-text profits before depreciation subject to the condition that the amounts to earmarked will be utilized only for payment of machinery required for modernisation. The amount so funded should be eligible for tax rebate in the year of appropriation.

#### Export of Garments

619. DR A.K PATEL : Will the Minister of SUPPLY AND TEXTILES be pleased to refer to the reply given to Unstarred Question No. 894 on 27 July, 1984 regarding export of garments and state :

(a) the total quantity and value of exports of (i) quota items (ii) non-quota items during 1981 to 1983 separately for each category and each country (including each EEC country) listed in statement to abovenoted question;

(b) what are the major non-quota items exported to each restrained country during 1980 to 1983 giving total quantity and value exported in each of the year; and

(c) with reference to reply given in para (vi) of pars (b) of abovenoted question and AEPC Policy Circular No. 84/18 dt. 4-6-1984, whether a copy of summary of suggestion given by trade for 1985 Quota Policy in the structured questionnaire filled up by AEPC members be placed on the Table of the House ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) A statement (annexure-I) is laid on the Table of the House. [Placed in Library. See No. LT-1238/85].

(b) A statement (annexure-II) is laid on the Table of the House. (Placed

in Library. See No. LT-1238/85). Information for the year 1980 is not available.

(c) Summary of agreed suggestions given by trade on Export Entitlement Distribution Policy for 1985 as furnished by the Apparel Export Promotion Council is (annexure-III) laid on the Table of the House. (Placed in Library. See No. LT-1238/85.

#### Modernisation of Durgapur steel plant

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

(a) whether the Union Government have sanctioned about Rs. 1200 crores for the modernisation of the Durgapur Steel Plant;

(b) if so, whether the said modernisation has since started; and

(c) if not, reasons for not starting the modernisation work ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) No sir.

(b) and (c) Government has sanctioned Rs. 25 crores for preliminary and enabling works for the technological upgradation and modernisation of Durgapur Steel Plant. The scheme will

be taken up for an investment decision after the VII Plan allocations of the steel sector are finalised.

#### Opening of Branches of Commercial Banks in Bihar

621. SHRI PRAKASH CHANDRA : Will the Minister of FINANCE be pleased to state;

(a) the number of branches of various Commercial banks in Bihar opened district-wise during the last three years ;

(b) whether steps have been taken to increase the bank branches in 1985-86; and

(c) if so, the number of more branches of various commercial Banks proposed to be opened in Bihar in 1985-86, district-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) During the years 1982, 1983 and 1984, Commercial Banks have opened 777 branches in Bihar. In addition, in the beginning of the year 1985 the banks were also holding authorisations for opening 441 new offices in the State. District-wise details are set out in the statement given below. The banks have been advised to utilise the pending authorisations expeditiously.

#### Statement

District	Number of offices opened between 1.1.1982 to 31.12.1984	Number of authorisation pending with banks for opening officer (As on 28.2.1985)
1	2	3
1. Aurangabad	18	0
2. Begusaraih	12	5
3. Bhagalpur	25	7
4. Bhojpur	10	25
5. Darbhanga	26	8

	1	2	3
6.	Dhanbad	28	2
7.	Gaya	23	23
8.	Giridih	24	6
9.	Godda	5	2
10.	Gopalganj	13	12
11.	Hazaribagh	5	19
12.	Katihar	16	15
13.	Madhapura	6	10
14.	Madhubani	21	12
15.	Khagaria	29	19
16.	Monghyr		
17.	Muzaffarpur	21	15
18.	Nalanda	23	10
19.	Nawadah	25	4
20.	Palamau	16	2
21.	Paschim Champara	17	9
22.	Patna	36	7
23.	Purnea	44	42
24.	Purwa Champaran	20	13
25.	Ranchi	42	14
26.	Rohtas	20	13
27.	Sahara	31	24
28.	Samastipur	48	12
29.	Santhal Pargans	41	20
30.	Saran	24	24
31.	Siwan	48	13
32.	Singhbhun	25	18
33.	Sitamarhi	20	18
34.	Vaishali	15	10
	<b>Total</b>	<b>777</b>	<b>441</b>

**Nationalisation of textile mills in the country**

622. SHRI HARIHAR SOREN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have a proposal to nationalise some textile Mills in the country ;

(b) if so, the textile mills in different States selected for nationalisation ; and

(c) when those textile mills are going to be nationalised ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (c) Government have not taken a decision to nationalise some textile mills in the country.

**Purchase of textiles by USSR**

623. SHRIMATI JAYANTI PATNAIK : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether USSR has expressed its desire to buy textiles from India ;

(b) whether any long term basis purchase programme has been drawn up therefor ; and

(c) if so, the details of the total amount worth textiles proposed to be purchased by USSR from India and when ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Yes, Sir.

(b) and (c) The Government have initiated negotiations to finalise the long term trade programme with USSR.

[Translation]

**Export of child skulls**

624. SHRI LALA RAM KEN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that human skeletons particularly of children are exported to foreign countries from India ;

(b) if so, the details in this regard and the purpose for which it has been permitted ; and

(c) the total number of firms/individuals engaged in this business and the amount of foreign exchange earned from this business during each of the past three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) Export of Human skeletons and parts thereof is allowed by the Port Licencing Authorities on production of certificates from (i) Police Authorities not below the rank of the Officer-in-charge of the Police Station concerned regarding the source of procurement which should also indicate the quantity by weight or by number and (ii) foreign buyer that human skeletons are required for biological and medical purposes only.

(c) The item 'Human skeletons and parts thereof' is not separately classified, on the basis of which export statistics are compiled by the DGCI & S, Calcutta. As per records of the Office of the CCI & E, the exports of "Human skeletons and parts thereof" during 1984-85 had been of the order of Rs. 154.39 lakhs. These items are usually exported from Calcutta Port and there are six main exporters as given in the daily customs list issued by the Calcutta customs.

[English]

Relaxation in ban on recruitment to existing vacancies and new posts

625. PROF. NARAIN CHAND PARASHAR : Will the MINISTER OF FINANCE be pleased to state :

(a) whether Government have taken note of the fact that the recruitment to operational posts in the Departments like P & T, Tourism and Civil Aviation

etc., were exempted from the ban imposed in 1974 and only the administrative posts in these Departments were covered by the ban ;

(b) if so, whether a similar approach is proposed to be followed this time and the ban on recruitment to existing vacancies and new posts imposed in 1984 would be modified suitably so as to be at par with the 1974 ban ;

(c) if so, the exact date by which the necessary modification is likely to be made ; and

(d) if not, the reasons therefor ?

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

Part (b) :—No, Sir.

Part (c) :—Does not arise.

Part (d) :—Instructions issued in January, 1984 advising Ministries/Departments of the Government of India not to fill up vacancies except where recruitment action had already been taken were part of a package of anti-inflationary measures and the circumstances have not changed since then to necessitate any relaxation of these instructions.

**Release of Prabhadevi Warehouse by customs**

626. SHRI NATVARSIKH SO-LANKI : Will the Minister of FINANCE be pleased to refer to the reply given to starred Question No. 407 given on 12th April, 1985 regarding pilferages from warehouse of Collectorate of Customs, Bombay and state :

(a) The grounds on which Bombay Municipal Corporation has not taken cognisance of the change of user of Prabhadevi Warehouse under the occupation of Collector of Customs, Bombay especially when the plans for construction of residential flats have been passed by the Corporation ; and

(b) whether the Collector of Customs, Bombay has searched an alternative accommodation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) (a) : It is reported by the Bombay Municipal Corporation that the plot owners were asked to comply with certain requirements and that those conditions have not been complied with and hence no cognisance of the change of user is taken by the Municipal Corporation.

(b) The Collectorate is examining the proposals for alternate accommodation already received.

**Shortage of ferro silicon**

627. SHRI CHINTA MOHAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is a shortage of ferro silicon for Steel Authority of India Limited and other steel factories (Business Standard, dated 8.7.1985) ;

(b) if so, whether this is going to be imported ;

(c) whether shortfall in production duty which are pending realisation of ferro silicon is due to shortage of power in Andhra Pradesh and other States ; and

(d) if so, the corrective steps proposed ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Steel Authority of India Limited plants have been facing a shortage of ferro silicon.

(b) Import of ferro silicon is under consideration of the Steel Authority of India Limited (SAIL)

(c) and (d) SAIL are experiencing shortfalls in the supplies of ferro silicon from suppliers located in Karnataka and Orissa. The supplier of ferro silicon to SAIL from Andhra Pradesh has

fulfilled the orders placed on it during 1984-85.

#### **Bank robberies in Delhi**

628. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the number of cases of bank robberies taken place in Delhi during the last six months upto 15th July, 1985;

(b) the total amount of cash looted in these bank robberies ; and

(c) what steps Government have taken to check bank robberies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) 4.

(b) Rs. 7.66 lakhs (approx.).

(c) Government has advised all public sector banks to strengthen their internal security arrangements. The report of the High Power Working Group on security arrangements in banks has also been forwarded to the banks and the State Governments for implementing the various recommendations contained therein.

#### *[Translation]*

#### **Disappearance of Firms with banks loans**

629. SHRI KAMLA PRASAD RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news item appearing in the 'Jansatta' dated 9th July, 1985 (published from Delhi) under the caption '80 Lakh Karz Lene Ke Bad Char Farmein Gayab' (four firms disappeared with loan of 80 lakh); and

(b) if so, the reaction of Government and action taken in the matter ?

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

(b) The matter is in the knowledge of the Reserve Bank of India and is being followed up by them with the banks. The Reserve Bank of India, however, have no information about the so-called "disappearance" of the firms. The question of arbitration between Bank of Baroda and Allahabad Bank is being processed in accordance with the prescribed procedure.

#### *[English]*

#### **Autonomous Status to Falta Export Processing Zone Authority**

630. SHRI BHOLA NATH SEN : Will the Minister of COMMERCE be pleased to state :

(a) whether Union Government has any proposal to make the Falta Export Processing Zone Authority (FEPZA) an autonomous decision making body; and

(b) if so, (i) the details thereof; and (ii) the steps taken for timely clearance of proposals for investments in the Falta Export Processing Zone in West Bengal and with what results ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) & (b) The Falta Export Processing Zone Authority constituted as it has comprehensive & wide-ranging powers & functions to take decisions for the rapid development and smooth functioning of the Zone. Through single window clearance facility for timely clearance, the Board of Approvals for the Zone considers proposals for industrial and manufacturing units to be set up in the Zone.

#### **Agreement with other countries to abolish double taxation**

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

(a) the particulars of the countries with which India has entered into agreement to abolish double taxation; and

(b) the difficulties that are coming in the way of abolishing double taxation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A statement containing the list of countries with which India has entered into agreements for avoidance of double taxation is given below. Negotiations with several other countries for con-

cluding such agreements are in progress. As such treaties require the countries concerned to share revenue in mutual interest and also involve intricate legal and other issues, agreement is normally reached only after considerable discussion and negotiation. This process is time consuming.

#### Statement

List of countries with which India has entered into agreements for avoidance of double taxation—reply to Lok Sabha unstarred question No, 631 by

Shri Krishna Pratap Singh for 26.7 1985.

Comprehensive Agreements	Limited Agreements	*
1. Austria	1. Afghanistan	(A)
2. Belgium	2. Australia	(A)
3. Denmark	3. Bulgaria	(S)
4. Finland	4. Czechoslovakia	(S)
5. France	5. Ethiopia	(A)
6. FRG	6. Iran	(A)
7. Greece	7. Italy	(A)
8. Japan	8. Kuwait	(A)
9. Libya	9. Lebanon	(A)
10. Malaysia	10. Romania	(AS)
11. Mauritius	11. Switzerland	(A)
12. Norway	12. USSR	(S)
13. Singapore	13. USA	(A)
14. Sri Lanka	14. Poland	(S)
15. Sweden	15. UK	(ED)
16. Tanzania	16. GDR	(S)
17. UAR	17. Oman	(A)
18. UK		
19. Zambia		
20. Syria		

\*

A—Aircraft

S—Shipping

AS—Aircraft and shipping

ED—Estate Duty

[*Translation*]

**Undisposed claims of displaced persons  
from East Pakistan**

632. SHRI MADAN PANDEY :  
Will the Minister of COMMERCE be  
pleased to state :

(a) the number of claims, out of those filed by displaced persons from East Pakistan, which have not yet been disposed of and the action being taken for expeditious disposal thereof;

(b) the number of the claims filed by displaced persons after formation of Bangladesh and the number of claims, out of them, which are still to be disposed of; and

(c) the steps being taken for their expeditious disposal.

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI  
P. A. SANGMA) : (a) Originally  
3,944 claims for ex-gratia payment were  
registered with the Custodian of Enemy  
Property, Bombay. Out of these 43 are  
pending for settlement. These are also  
now being verified.

(b) 53,549 claims were registered  
with the Custodian of Enemy Property,  
Bombay. Out of these payment has  
been made in 4,238 cases. 24,659 cases  
have been treated as closed because  
21,820 claimants had filed incomplete  
applications and in 2,839 cases no docu-  
ments had been submitted. The total  
number of pending cases is 14,652.

(c) Government is taking various  
steps from time to time for disposal of  
pending claims like transfer of the work  
of disbursement of ex-gratia payment  
from Bombay to Calcutta, increase in  
the number of verification panels etc.

[*English*]

**Trade agreement with France**

633. SHRI E. AYYAPU REDDY :  
Will the Minister of COMMERCE be  
pleased to state :

(a) the details of trade agreement  
signed by India with France during the  
Prime Minister's recent visit to France;

(b) whether France has agreed to  
import any specific items from India;  
and

(c) the trade balance between India  
and France after the latest agreement?

THE MINISTER OF STATE IN  
THE MINISTRY OF COMMERCE  
(SHRI P. A. SANGMA). (a) No trade  
agreement was signed by India with  
France during the visit of Prime Minis-  
ter to France in June, 1985.

(b) and (c) Does not arise.

[*Translation*]

**Trade agreements with foreign countries**

634. SHRI K. D. SULTANPURI :  
Will the Minister of COMMERCE be  
pleased to state :

(a) the details of trade agreements  
signed with other countries during the  
last one year;

(b) the progress made in trade  
with USSR, FRG, GDR, USA, Yugo-  
slavia and China and advantages accrued  
to India therefrom; and

(c) the names of commodities Gov-  
ernment propose to export to and import  
from these countries?

THE MINISTER OF STATE IN  
THE MINISTRY OF COMMERCE  
(SHRI P. A. SANGMA) : (a) In the  
last one year India has signed a Trade  
Agreement with China. The main fea-  
tures of the Agreement are indicated in  
the statement given below.

(b) The overall trade with these  
countries has increased from Rs. 6831  
crores in 1982-83 to Rs. 7911 crores in  
1983-84 and exports have increased  
from Rs. 2955 crores in 1982-83 to Rs.  
3163 crores in 1983-84. (Annual trade  
figures countrywise are available upto  
1983-84 only).



(c) India imports from these countries principally capital goods and industrial raw-materials and exports to them agricultural commodities, mineral ores, leather and leather manufactures, textiles, chemicals, engineering goods, handicrafts, etc.

#### Statement

Main features of the Trade Agreement signed between India and China on 15.8.1984:-

1. The Preamble expresses a desire to further promote friendly relations between the two countries and the peoples as well as to promote trade and economic relations on the basis of equality and mutually benefit.
2. Each country will accord to the commerce of the other the Most Favoured Nation treatment.
3. Most Favoured Nation treatment will also be accorded to merchant ships of either country with or without cargoes.
4. All payments for trade between the countries shall be made in freely convertible currencies acceptable to both countries subject to regulations of foreign exchange control in force in either country.
5. A clause has been included to encourage parties to settle their disputes through friendly negotiations as far as possible, failing which arbitration may be resorted to in accordance with the provisions of this Agreement.
6. A list of commodities has been attached to the Agreement to facilitate their import/export. The Indian list lays particular emphasis on manufactured goods and commodities of a diverse nature.

7. The two countries have agreed to consult each other as and when necessary and meet alternately in New Delhi and Beijing.

8. The Agreement has come into force on the date of its signature and will remain for a period of three years with automatic extension for subsequent periods unless terminated by a written notice given by either side 6 months before the date of its expiry.

[English]

#### Ban on Recruitment

635. SHRI LALIT MAKEN : Will the MINISTER OF FINANCE be pleased to state :

(a) whether Government are considering to lift the ban recruitment;

(b) whether the ban on recruitment is hampering the work; and

(c) whether in many Central Government Departments the vacancies, created as per the yardsticks of the Government long ago have not been filled ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) As a part of anti-inflationary measures, Ministries/Departments of the Government of India were advised in January, 1984 not to fill up existing vacancies. Exemptions have, however, been allowed in a few selective cases like appointment of dependents of deceased employees on compassionate grounds and handicapped persons, redeployment of personnel surplus to one organisation in another, regularisation of casual labourers against Group 'D' vacancies, filling up of vacancies purely by promotion etc. Proposals for filling up of other types of vacancies are, however, considered on the merits of each case taking into account the efficiency of public services.

There is no proposal at present to change the existing instructions.

**Proposal to set up a unit of MSTC at Haldia for shipbreaking**

636. SHRIMATI GEETA MUKHERJEE : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there was a proposal before the Metal Scrap Trade Corporation (MSTC) for setting up of one of its own units at Haldia, West Bengal for shipbreaking and it is lying with the corporation for the last two years;

(b) if so, whether MSTC has thoroughly examined it and come to some conclusion; and

(c) if not, the time by which MSTC is expected to do so ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c) The proposal of MSTC to set up a mechanised shipbreaking yard at Haldia was considered but the same was not approved as the Government had decided that MSTC should restrict its role to develop shipbreaking activities and not setting up such activities on its own.

**Expansion of N.L.C. and Salem Steel Plant**

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

(a) whether the expansion of Neyveli Lignite Corporation activities has been sanctioned;

(b) whether the expansion of Salem Steel Plant has also been approved; and

(c) if so, the details regarding (a) and (b) above ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE):

(a) Yes, Sir.

(b) No, Sir.

(c) At Neyveli, Lignite Mine-II of 4.7 million tonnes per annum and Thermal Power Station-II of 630MW (3X210MW) were sanctioned in February 1978. Lignite Mine-II has been opened up and Thermal Power Station-II is in an advanced stage of erection. The expansion of Mine-II to 10.5 million tonnes of lignite per annum and of the Thermal Power Station-II to 1470MW (additional 4X210MW) were sanctioned in February, 1983. Tenders for the main equipment required for the expansion schemes are in an advanced stage of processing.

**Evasion of excise duty by Indian Tobacco Company and Wazir Sultan Company of Hyderabad**

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

(a) whether it has come to the notice of Government that Indian Tobacco Company and Wazir Sultan Company of Hyderabad, Andhra Pradesh have not been printing the sale thus prices of cigarettes produced by them evading excise duty to the tune of more than Rs. 500 crores during the last five years;

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

(c) the outcome thereof ?

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

(a) to (c) It was only from the 1st March, 1983, the rate of excise duty on cigarettes was linked to the printed sale price. No case of clearance of cigarettes without printing the sale price on cigarette packets by M/s ITC. L'd. has come to notice M/s Wazir Sultan Tobacco Company had, during the period 15th to 29th March, 1984 cleared cigarettes after making the retail price on cartons of 200 cigarettes, instead of printing it on individual packets. A demand for central excise duty amounting to about Rs. 17 lakhs

has been issued to M/s Vazir Sultan Tobacco Company.

**Foreign Exchange from export of Prawns**

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

(a) the total export of prawns during 1983-84 and 1984-85, in terms of weight and foreign exchange earned; and

(b) what policy, if any, Government are adopting to increase the exports ?

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

**(a) Exports of Prawns:**

	Quantity (in tonnes)	Value (in Rs. crores)
1983-84	54513	315 10
1984-85	55507	330.01

(b) The policy being adopted by Government to increase the exports is through encouraging production of prawns and export of value added items.

**Modernisation, Renovation and Expansion of Steel Plants during Seventh Five Year Plan**

640. SHRI AJOY BISWAS :

SHRI V. SOBHANADREESWARA RAO :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the salient features of the modernisation, renovation and technological upgradation, expansions of the different steel plants which would be taken up during the Seventh Five Year Plan period, plant wise details thereof;

(b) the amount sanctioned by Government for the different schemes in the different steel plants, details thereof; and

(c) the details of the progress made, so far in this regard, if any

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c) Steel Authority of India Limited have formulated schemes for technological upgradation of the steel plants at Durgapur, Rourkela and Burnpur (Indian Iron & Steel Company) at estimated costs of Rs. 990 crores, Rs. 690 crores and Rs. 930 crores respectively. Investment decisions will be taken on the proposals after the VII Plan allocations of the steel sector are finalised.

The Schemes envisage that the rated capacities of the plants will be restored by the adoption of appropriate and cost effective technologies.

The expansion of Bokaro and Bhilai steel plants to 4 MT capacity each is in progress. The latest estimated costs of these schemes are Rs. 2000 crores and Rs. 2300 crores respectively. Some of the facilities of the Bokaro expansion scheme have been commissioned. The total scheme is expected to be commissioned by January, 1988. Similarly, some of the facilities of the Bhilai expansion scheme are under commissioning, the total scheme is expected to be commissioned by September, 1987.

[Translation]

**Incidents of Dacoities in Banks**

641. SHRI SARFARAZ AHMED :

SHRI KALI PRASAD PANDEY :

Will the Minister of FINANCE be pleased to state :

(a) the State-wise number of bank dacoity incidents which took place during the last three months and the loss of life and property suffered as a result thereof;

(b) the steps taken by Government so far to check such incidents of looting banks; and

(c) whether Government propose to provide some sort of link between banks and the nearest police stations with a view to check such incidents immediately?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The available information as reported by 28 public sector banks is given in the statement below.

(b) and (c) State Governments who are primarily responsible for the maintenance of law and order were requested to take suitable preventive measures for curbing the incidence of the bank robberies/dacoities. Government have also issued guidelines to all public sector banks to tighten security measures

within their premises. The High-Power Working Group, which had been set up by the Government in August 1982 to consider strengthening of the internal security arrangements in banks, had, inter alia, recommended that police could consider setting apart some designated telephone lines to be used only by banks for speedy communication purposes. The banks are implementing the various security measures recommended by the Working Group in a phased manner having regard to the cost-benefit factor. The Report of the Working Group had also been forwarded to the State Governments by the Ministry of Home Affairs for taking early and effective measures in pursuance of the recommendations relating to them as given in the Report.

#### Statement

Statement showing State-wise number of bank dacoities/robberies reported by 28 PSBs during the period 1.4.85 to 30.6.85, the amount involved and the No. of persons killed.

(Data Provisional)

Sl. No.	Name of the State/Union Territory	No. of cases of Bank robberies/dacoities	Amount involved (Rs. in lakhs) approx.	Loss of life
1.	Assam	1	0.28	1
2.	Bihar	3	5.49	—
3.	Delhi	1	—	1
4.	Karnataka	2	0.60	—
5.	Maharashtra	1	4.18	—
6.	Madhya Pradesh	2	2.47	—
7.	Nagaland	2	11.42	—
8.	Punjab	4	0.92	—
9.	U. P.	3	14.81	—
		19	40.17	2

[English]

Recommendations of Jha Committee for Change of Financial Year

642. SHRI GIRIDHAR GOMANGO : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has completed the examination of the recommendations made by the Jha Committee for change of financial year.

(b) if so, the reactions and steps taken by Ministry thereon;

(c) whether the States and Union Territories have sent their opinion on these recommendations; and

(d) if so, the State-wise comments offered thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The recommendations of the Committee on Change in Financial Year are under examination in consultation with the States and Union Territories. Views of the States and Union Territories on the recommendations are awaited.

#### Nationalisation of Jute Industry

643. SHRI CHITTA MAHATA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are considering to nationalise the jute industry in the country during the Seventh Five Year Plan;

(b) if so, the details thereof; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir.

(b) Does not arise.

(c) Nationalisation of the jute industry would not resolve the problems in jute industry. Instead Government have been taking measures to deal with each of the various aspects of problems in Jute industry.

[*Translation*]

#### Outstanding loans advanced by Nationalised Banks

644. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) The reasons for the failure to recover large amounts of loans advanced by various nationalised banks;

(b) whether it is a fact that this outstanding amount has increased considerably due to the fact that loans were not advanced to right persons or due to indifference shown by the bank officers in the matter of recovery of loans;

(c) whether any action has been taken against the erring officers;

(d) if so, the details thereof; and

(e) whether the action is adequate ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The main reasons for the poor recovery of the advances given by various nationalised banks are wilful default, natural calamities, inadequacies in control mechanism insufficient follow up of advances, lack of expertise and training of staff, faulty appraisal of loan proposals and wrong assessment of the borrowing capacity of the loanee. These factors are responsible in different degrees for the increase in overdues in various banks.

(c) to (e) The Reserve Bank has advised the nationalised banks to closely monitor the utilisation of loans and also to take remedial action in time, wherever necessary. The Reserve Bank of India has further advised the banks to take strict action against officials concerned where advances are found to have become sticky due to negligence, inefficiency or suspected collusion with unscrupulous parties on the part of officials.

The bank authorities take appropriate action against the officers concerned as per prescribed rules and procedures.

[*English*]

Losses suffered by steel plants during 1983-84 and 1984-85

645. SHRI GURUDAS KAMAT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the steel plants in India have incurred heavy losses during the years 1983-84 and 1984-85;

(b) if so, the extent of loss, plant-wise during these two years;

(c) whether adequate steps to modernise the plants have been taken by Government to bring down the loss; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) The profit and loss position of the public sector steel plants for 1983-84 is as under :—

	(Rs /crores)	
	(Profit (+)/Loss (-))	
Name of the unit		
Bhilai Steel Plant	(—)	2.83
Durgapur Steel Plant	(—)	63.73
Rourkela Steel Plant	(—)	100.32
Bokaro Steel Plant	(+)	0.55
Alloy Steel Plant	(—)	33.75
Salem Steel Plant	(—)	18.08
Other units	(+)	3.63
Total (SAIL)	(—)	214.53
Indian Iron & Steel Company (IISCO)	(—)	24.06

The results of 1984-85 will be known after the accounts are finalised but it is expected that for this year SAIL will make a modest profit. The plants at Bhilai, Bokaro and Rourkela and the Salem Steel Plant are expected to make profits in 1984-85.

(c) and (d). SAIL have formulated schemes for technological upgradation

of the steel plants at Durgapur, Rourkela and Burnpur (IISCO) at estimated costs of Rs. 990 crores, Rs. 690 crores and Rs. 930 crores respectively. Investment decisions will be taken on these proposals after the VII Plan allocations of the steel industry are finalised.

To improve their financial performance in 1985-86, the public sector steel plants will also increase their production of steel from 5.28 million tonnes in 1984-85 to 5.9 million tonnes in 1985-86. They will upgrade their technology regimes, improve yields of by-products and attain better recovery of waste and secondary arisings, reduce working capital, reduce inventories, optimise captive power generation, better maintenance and increase production of demand oriented products by diversifying their product-mix. Efforts are also being made to ensure adequate inputs and of the right quality.

India's share in world coffee trade

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

(a) what is India's share in the world coffee trade;

(b) whether it is true that India's share had declined over the years; and

(c) if so, the steps being taken to raise it?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c) India's share in the world coffee exports in the last seven coffee years is reflected in the following manner :

(In tonnes)

Coffee Year	World Exports	India's Shares
1978-79	38,02,320	46,620
1979-80	36,21,000	69,120
• 1980-81	35,54,280	99,360
1981-82	38,05,800	90,480
1982-83	39,28,380	68,820
1983-84	41,78,460	66,300
1984-85	N.A.	96,500*

(\*)-Estimated.

Ad-hoc quota arrangements including redistribution of shortfalls helped India to achieve a higher share of exports in the years 1980 and 1981-82. The lower exports in subsequent years were mainly on account of production shortfalls due to drought. The volume of contracted exports for 1984-85 has shown considerable improvement on account of better crops and larger sales to non-quota countries.

India has also represented to the International Coffee Council for increase in its export quota.

[Translation]

**Measures to check Income Tax Evasion**

647. SHRI VIRDHI CHANDER JAIN :

DR. CHANDRA SHEKHAR TRIPATHI :

SHRI SATYENDRA NARAYAN SINHA :

Will the Minister of FINANCE be pleased to state :

(a) the concrete measures taken by Government during the current year to check the income tax evasion;

(b) the stringent steps taken against the income tax evaders; and

(c) the number of officers and employees whose service were terminated during this year on corruption charges and whether criminal cases were filed

against them with details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Government is fully committed to take vigorous measures against tax evaders and rise of black money. All possible measures to Check circulation and prevent further proliferation of black money including administrative, legislative and institutional are being taken from time to time. Two officers were dismissed from service during this year.

[English]

**Cheating by companies in respect of Excise and Customs Duty**

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

(a) whether a recent computerised exercise by his Ministry has concluded that large and small companies are cheating Government of over Rs. 1700 crores in Excise and Custom duties;

(b) if so, the details thereof; and

(c) the steps being taken to recover this huge amount and prevent such cheating thereafter ?

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

(a) No, Sir.

(b) and (c) Do not arise. However, Government have taken various measures to check evasion of excise and customs duties. These include intensification of preventive checks, checking of valuation by special cells and special survey of units manufacturing excisable goods.

[Translation]

**Production capacity of steel**

649. SHRI VISHNU MODI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the total production capacity of steel in the country vis-a-vis its demand and supply;

(b) the total production of steel in the private and public sector steel units separately in the country during the last three years, year-wise;

(c) their total production vis-a-vis their installed capacity during the last three years and the broad details thereof;

(d) whether Government propose to augment their production capacity to meet the demand of steel in the country;

(e) if so, the steps taken by Government in the direction; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K NATWAR SINGH) : For the year 1985-86, the Working Group on Iron and Steel has projected a demand of 11.35 million tonnes of finished steel in the country against an indigenous availability of 9.9 million tonnes. At the beginning of the current year, the rate capacity of the integrated steel plants in the public and private sector for production of saleable steel was 8.94 million tonnes. The licenced capacity of mini steel plants in the country is about six million tonnes.

(b) and (c) The saleable steel capacity and the production of integrated steel plants in the private and public sector separately during the last 3 years, 1982-83 to 1984-85 was as follows :—

(In million tonnes)

Integrated Steel Plants	1982-83		1983-84		1984-85	
	Rated capacity	Actual Production	Rated capacity	Actual Production	Rated capacity	Actual Production
Public Sector	7.2	5.67	7.2	4.77	7.2	5.28
Private Sector	1.5	1.62	1.5	1.62	1.74	1.71

(d) and (e) SAIL is implementing two major schemes of expansion at Bokaro and Bhilai to increase their ingot capacities from 2.5 to 4 million tonnes per annum each.

Schemes for renovation and technological upgradation of the steel plant of IISCO, Durgapur steel plant and Rourkela steel plant have also been prepared at an estimated cost of Rs. 931.3, Rs. 981.0 and Rs. 691.2 crores respectively. These schemes will enable

these plants to achieve their rated capacities and help meet the demand of steel in the country.

(f) Does not arise.

[English]

**Export of Cotton**

650. SHRI AMARSINH RATHAWA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the quantity and value of cotton exported during the year 1984-85



the quantity exported from each cotton growing State;

(b) whether cotton is being imported;

(c) if so, the quantity and value of cotton imported during the year 1984-85, from which country and of which quality;

(d) the reasons for this import; and

(e) the steps taken to produce such quality of cotton which is being imported so that the import can be stopped to save foreign exchange ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The quantity and value of raw cotton exported during the year 1984-85 statewise upto June, 1985 are as follows :-

State	Quantity (Lakh Bales)	Value (Crores of Rs.)
Maharashtra	0.63	18.81
Gujarat	0.21	4.91
A.P.	0.15	
Tamil Nadu	0.01	
Karnataka	0.19	17.7
Gujarat	0.03	
Madhya Pradesh	0.03	
Assam	0.039	1.0
<b>Total</b>	<b>1.29</b>	<b>42.42</b>

(b) to (d) According to the latest assessment made by the Cotton Advisory Board, there is likely to be a shortage of short/medium staple cotton during the current cotton year i.e. 1984-85. It has, therefore, been decided by Government to import one lakh bales of medium staple cotton through the Cotton Corporation of India. The country/countries from where cotton will be imported will depend upon the availability of Cotton suitable to our requirement, prices etc.

(c) Government are seized of the matter. It has been stipulated in the new textile policy announced by Government on the 6th June, 85 that the present varietal imbalance of cotton shall be corrected by a mix of policies aimed at encouraging increased use of long and extra-long varieties of cotton on the one hand and higher production of short and medium staple varieties on the other.

#### Markets identified for export of Indian goods

651. SHRI M. SUBBA REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering measures to boost exports to earn the much needed foreign exchange;

(b) whether Government have already identified the markets for various indigenous products like electronics, computer, software, footwears, Indian spices etc., or whether a study has been undertaken to create market for Indian goods abroad; and

(c) the steps being taken by Government for increasing exports ?

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

(b) Yes, Sir, Market surveys and studies are undertaken from time to time for new products and new markets.

(c) Import and Export Policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying the production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of policy available to Government are being utilised for this purpose and adjusted as and when necessary.

**Exemption of D.A. paid to Government employees from Income-Tax Question**

652. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state;

(a) whether the Fourth Pay Commission is considering the question of exempting dearness allowance paid to the Government employees from income tax;

(a) if so, the facts thereof; and

(c) if not, whether Government propose to exempt the dearness allowance from income tax ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Fourth Pay Commission have received memoranda from some of the Unions/Associations of employees suggesting that pay and allowances (including dearness allowance) of Central Government employees should be exempted from Income-tax. The Commission will give due consideration to this demand of the employees along with other matters covered by the Commission's terms of reference.

(c) There is no such proposal at present.

**Submission of report by Fourth Pay Commission**

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

(a) the latest position in regard to the submission of Report by the Fourth Pay Commission to the Government of India; and

(b) the time by which it is likely to be submitted and implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) According to its terms of reference, the Fourth Pay Commission was required to make its recommendations as soon as practicable but could also consider, if necessary, sending reports on any of the matters as and when the recommendations were finalised. At present, the Commission is actively engaged in examination and review of the pay and allowances and related matters for Central Government employees. Simultaneously the Commission is engaged in recording oral evidence of Staff Unions—so far 305 Unions/Associations have appeared before the Commission. This is likely to be over soon, after which the Commission will have discussions with some important persons and official witnesses.

It is, however, not possible at this stage to indicate the time by which the Report of the Commission would be submitted and/or implemented by the Government.

**Export of rice to Abu Dhabi by S.T.C.**

654. DR. G. VIJAYA RAMA RAO: Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the State Trading Corporation have entered into agreements for supply of 10,000 MT rice to Abu Dhabi without approval of its Board;

(b) whether similar situation has been created in case of Tuna Project which has been shelved; and

(c) the corrective steps taken or proposed to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) STC signed a contract on 6-3-1985 with Abu Dhabi Municipality for export of 10,000 M. T. Indian basmati rice of Grade B, as per sealed Sample No. 7, with a firm commitment of 7500 M. T. and 2,500 M T. optional to be exercised by STC within 30 days of the first shipment. The Contract could not be implemented as the foreign buyer cancelled the contract.

(b) STC entered into an agreement for pilot operation of Tuna fisheries with Societa Esercizio Cantieri of Viareggio, Italy to become effective only after the approval of the Board of STC. The STC Board has not approved the proposal and the agreement has lapsed.

(c) Efforts by STC are afoot for export of basmati rice to Abu Dhabi.

**Check on export of human skeletons and skulls**

655 SHRI MOHD. MAHFOOJ ALI KHAN :  
SHRI LALA RAM KEN :  
SHRI S.M. GURADDI :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that despite restrictions on the export of human skeletons and skulls, the export of human skeletons and skulls, including that of small children and selected pieces of bones is being carried out by certain traders; and

(b) if so, the steps taken to stop illegitimate trade ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) and (b) Export of Human skeletons and parts thereof is allowed by the Fort Licencing Authorities on production of certificates from (i) Police Authorities not below the rank of the Officer-in-charge of Police Station concerned regarding the

source of procurement which should also indicate the quantity by weight or by number and (ii) foreign buyer that human skeletons are required for biological and medical purposes only. There are adequate safeguards to regulate the the export of this item.

State Governments concerned have also been advised to ensure that there are no malpractices in this respect.

**Rise in Wholesale Price Index**

659 SHRI S. G. GHOLAP :  
SHRI CHINTAMANI PANIGRAHI :  
SHRI B. K. GADHVI :

Will the Minister of FINANCE be pleased to state :

(a) the wholesale price index at the end of the each month from April to July, 1985; and

(b) the main reasons for rise in index and action taken by Government to bring it down ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) the requisite information is given below :—

Week ended	Wholesale Price Index (1970-71—100)
27-4-1985	350.2
25-5-1985	351.9(P)
29-6-1985	357.0(P)
13-7-1985 (Latest available)	360.9(P)

(P) Provisional

(b) The rise in the price index during the above period is mainly due to seasonal pressures. The thrust of government's anti-inflationary policy continues to be on effective demand and supply management including strengthening of public distribution system, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control. The Central

Government has advised the State Governments to take strict action against traders indulging in profiteering, hoarding and black marketing.

**Exchange of defective or mutilated currency notes from Banks**

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

(a) whether Government are aware that common man is experiencing acute difficulties in exchanging defective or mutilated currency notes from banks; and

(b) if so, steps taken to streamline the process for exchanging the soiled notes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Complaints are received from the public regarding difficulties faced by them in getting their soiled/mutilated notes exchanged from some of the Bank branches.

(b) Reserve Bank of India has delegated powers for exchange of soiled and slightly mutilated notes to the branches of public sector banks. With a view to making the delegation of powers to Banks more effective and thereby enlarging and improving customer service, RBI has in June, 1985 delegated full powers as exercised in RBI to 700 selected branches of major public sector banks at District Headquarters to accept and exchange all types of soiled and mutilated notes in accordance with Note Refund Rules. It has also emphasised upon all the Chief Executives of all public sector banks to ensure that their branches extend the note exchange facility to the public to the maximum extent

News item captioned "Illicit coin trade at city RBI"

658. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government have been drawn to the report in 'The Telegraph' dated the 8th June, 1985 with the headline 'Illicit Coin Trade at City RBI';

(b) whether Government propose to conduct an enquiry into the allegation made in the report that a few unscrupulous traders in league with a few employees of the RBI, Calcutta are cornering huge quantity of small coins daily and earning black money from them; and

(c) if so, the details of the proposal ?

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

(b) and (c) The Reserve Bank of India, which is responsible for distribution of coins have informed that the arrangement for daily issue of small coins presently in vogue at their Calcutta Office is as under :—

	Amount in Rupees
1. Calcutta State Transport Corporation.	35,000
2. Calcutta Tramways	12,000
3. Railways	6,000
4. Trading establishments (Big and Small) including restaurants and hotels.	15,000
5. Government Department, Factories etc.	35,000
6. Private and Mini Bus Operators.	20,000
7. Individual members of public.	10,500
<b>Total</b>	<b>1,33,500</b>

From the above statement it will be observed that the major portion of the coins issued at their Calcutta Office

goes to the genuine consumers of coins (stated at item 1 to 6) who need coins in bulk for their day-to-day transactions. Care is taken to see that the coins are issued only to genuine parties.

The individual members of public are issued small coins from single denomination counters daily upto Rs. 20/- per person. The amount of coins issued per person has been kept low so as to discourage unscrupulous elements from deriving advantage by sale of coins at a premium. As regards allegation about involvement of Calcutta RBI staff in such dealings, the RBI have reported that no such instance has come to light and have assured that strict vigil is kept over the Coin-Counters.

[*Translation*]

**Mining projects to increase production in Chandrapur, Nagpur and Yeotmal District (Maharashtra)**

659. SHRI VILAS MUTTEMWAR : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the names of the mining projects specified in the Seventh Five Year Plan to increase production in Chandrapur, Nagpur and Yeotmal Districts in Maharashtra and names of the projects, out of them, for which geological survey work has since been completed and the time by which the work in respect of remaining projects is likely to be completed ; and

(b) the names of the mines in respect of which project report have been prepared and names of those mines whose project reports are still to be prepared and time by which these will be prepared ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) The Seventh Five Year Plan has not yet been finally approved by the Government, and, therefore, it is premature at this stage to specify the projects that will be taken up for implementation during this plan.

[*English*]

**Curtailment of bilateral aid by donor countries of Consortium**

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

(a) whether it is a fact that even though the assistance pledged to India at the Consortium meeting remained at last year's level, there is a likelihood of actual curtailment of bilateral aid by some donor-countries owing to denial of deals, among other things, to them ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Bilateral aid is available to India for specific projects or imports as are mutually agreed upon between India and the concerned donor country. Provision of such aid is a voluntary gesture of donor countries who are free to decide on the quantum of their aid to India. However, no donor country has so far advised the Government of India of any curtailment of aid pledged by it at the Consortium meeting.

**Production by export units**

661. SHRI MURLIDHAR MANE : Will the Minister of COMMERCE be pleased to state :

(a) the total number of hundred per cent export units in the country as on 31 December, 1984 ;

(b) whether all these units have started production ;

(c) if not, the reasons therefor ;

(d) whether these units have sought Government assistance to commence production; and

(e) if so, the nature of assistance sought and whether Government are considering to extend the assistance ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (e) On the basis of the reports submitted by the 100% export oriented units, 57 out of the 408 approved units commenced production and export by 31st December, 1984. The remaining units are in various stages of implementation which involves gestation period and initial preparatory work relating to allotment of land and cement, power supply, Customs bonding facility, etc. The concerned authorities in Central and State Governments are, from time to time, requested to help remove bottlenecks expeditiously by way of priority allotment in these areas and similar assistance in other sectors.

[Translation]

Giving of loans by banks under 20 point programmes

662. SHRI BHARAT SINGH : Will the Minister of FINANCE be pleased to state :

(b) whether with a view to create more jobs under the 20-Point Programme, loans were given by banks at lower rate of interest to small shopkeepers, fair price shop owners and artisans :

(b) whether it is a fact that a large amount of loans was given to such persons during the last two years but now the bank have stopped advancing such loans ; if so, the reasons therefor ; and

(c) whether Government propose to increase the amount of such loans for the uplift of persons of lower strata ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir, Banks have been extending finance at concessional rates of interest to small borrowers in the Priority Sector which

include retail traders e.g. small shopkeepers, fair price shop owners, etc.

(b) and (c) There has been sustained increase in the advances to these types of borrowers during the last two years. The banks are continuing their credit support to weaker sections. As at the end of March, 1985, 9.4% of the total bank credit of the public sector banks stood against weaker sections. The banks have been advised to step up their advances to weaker sections and to ensure that atleast 10% of their total credit is extended to these sections.

[English]

Modernisation of Rourkela Steel Plant

663. SHRI V.S. KRISHNA IYER : SHRI HARIHAR SOREN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the amount spent or proposed to be spent for modernisation of Rourkela Steel Plant ;

(b) whether it will result in increase in the production of steel during the current year ; and

(c) if so, the quantum of increase in production ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) A proposal for technological upgradation and modernisation of Rourkela Steel Plant has been prepared and is under consideration of Government. The proposal will be taken up for an investment decision after the VII Plan allocations of the steel sector are finalised shortly.

(b) No, Sir.

(c) Does not arise.

News-Item captioned "India's balance of payments position alarming"

664. SHRI C. MADHAV REDDI : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been

drawn to recent news-item captioned "India's Balance of Payments position alarming" appeared in the Statesman on 31st May, 1985 ;

(b) whether as claimed in the news-item that but for the IMF loan and non-resident deposits, the country would not be having any foreign currency reserves ; and

(c) if so, the details of measures being taken by Government to encourage exports and also encourage non-residents deposits to build the foreign currency reserves ?

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

(b) and (c) Movements in foreign exchange reserves are the net result of all the external economic transactions of a country, including imports and exports, and as such it would not be correct to identify these movements with any specific component. The Government has been making concerted efforts to ensure that the country's balance of payments position remains sound. The Central Government Budget for 1985-86 and the Import & Export Policy, covering a period of three years ending March 1988, contain various measures designed to promote exports and achieve import substitution. Regarding non resident deposits, the unchanged interest rates offered in an environment of declining interest rates on deposits in the international market act as an added incentive for higher inflows into these accounts.

#### Completion of major projects by coal companies

665. SHRIMATI KISHORI SINHA: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have told the coal companies to complete their major projects during Seventh Five Year Plan as reported in 'The Economic

Times' dated June 14, 1985 ;

(b) if so, the details of the projects identified for completion during the above Plan period ;

(c) whether the projects would cost Rs. 4684 crores ;

(d) whether funds of this order would be made available ; and

(e) the proposed rise in output as a result of these projects and whether the projects also include proper arrangements for transportation of coal ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) and (b) Yes, Sir. The total number of projects sanctioned since nationalisation upto 1984-85 was 189. Out of these, 52 projects have been completed and 117 projects (making a total of 169) are planned to be completed upto the end of the Seventh Five Year Plan. The number of projects expected to be completed by 1989-90 are coal companywise as follows :—

Eastern Coalfields Ltd.	27
Bharat Coking Coal Ltd.	21
Central Coalfields Ltd.	38
Western Coalfields Ltd.	59
Singareni Collieries Co. Ltd.	24
<b>Total:</b>	<b>169</b>

(c) and (d) The total sanctioned cost of these 169 projects is Rs. 3,289 crores. In order to meet the requirement of funds, appropriate budget provision is made, on year to year basis, in consultation with the Planning Commission.

(e) The coal production from these projects in 1984-85 was 71.97 mt and their ultimate achievable capacity is 102.84 mt. The transport arrangements of coal for these projects have been fully tied up.

#### Export processing zone for Kerala

66. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to set up an export processing zone in Kerala ; and

(b) if so, by what time it will be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) An Export Processing Zone is being set up at Thrikkakara near Cochin. Construction of the compound wall for the Zone is likely to be completed by the end of the current financial year for the Customs notification to issue for the Zone, in turn, to become operational.

**Precautionary measures taken against subsidence, surface and underground fire in Eastern Coalfields area**

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

(a) whether any precautionary measures have been taken against subsidence, surface and underground fire for the protection of the villagers and workers residing in the Eastern Coalfields area ; and

(b) the steps taken for reclamation of lands of abandoned open-cast quarries and subsided area due to mining operation in E.C.L. and how much has been spent year-wise since 1982 ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir. The following precautionary measures have been taken against subsidence, surface and underground fire :

- (i) Blanketting and filling up of surface pot holes.
- (ii) Avoiding dewatering of such old, abandoned, underground workings that may aggravate the problem of subsidence.
- (iii) Isolating underground fire area.

(iv) Wherever feasible carrying out open-cast mining in areas under fire.

(v) Leaving of coal pillars/partial extraction with stowing.

(vi) Sectionalising old workings with isolation stoppings.

(b) Reclamation of land of new open-cast mines is being planned.

**News item captioned "Surat Excise raid was the plan leaked out"**

669. PROF. MADHU DANDAVATE :  
SHRI INDRAJIT GUPTA :  
SHRI SODE RAMAIAH :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news report under the caption "Surat excise raid was the plan leaked out" appearing in the 'Economic Times' (New Delhi edition) of June 4, 1985 indicating that there was a deliberate leak of revenue intelligence secret plan to raid the premises of the art silk manufacturers at Surat in Gujarat ;

(b) if so, whether the premeditated assault on excise officials on May 24, 1985 indicates that there must have been a leak at the top level ;

(c) if so, whether an inquiry has been made into these aspects ; and

(d) if so, the findings of this inquiry ?

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

(b) Circumstances do not indicate that there was any leakage of information about the raid.

(c) and (d) Do not arise.



**Separate company for Singrauli Coalfields falling in Uttar Pradesh and Madhya Pradesh**

670. SHRI RAM PYARE PANIKA: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether his Ministry had decided to establish one separate company for Singrauli Coalfields falling in Uttar Pradesh and Madhya Pradesh ;

(b) if so, the time by which it is proposed to be implemented ; and

(c) the place where its headquarters are proposed to be set up ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI BASANT SATHE) :**

(a) to (c) No decision has been taken on the proposal to divide the Central Coalfields Limited into two companies and to create a separate coal company for Singrauli Coalfields.

**Streamlining of Income Tax Department**

671. SHRI SAIFUDDIN CHOWDHARY : Will the Minister of FINANCE be pleased to state :

(a) the steps his Ministry has taken recently to streamline the Income Tax Department;

(b) whether it has produced any good effects on the revenue collection; and

(c) whether these measures have made any visible impact on the anti-evasion drive ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c) Taking vigorous measures against tax evaders for controlling rise of black money and improving revenue collection is a constant process. All possible measures in this regard are being taken from time to time.

**Exemption of agricultural Income-Tax from farmers**

672. SHRI RAM SWARUP RAM :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have exempted the agricultural income-tax from the farmers for growing more production; and

(b) whether big farmers having thousand of hectares of land will avail this facility along with small farmers ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Tax on agricultural income is the State subject vide Item 46 of List II-State List in the Seventh Schedule to the Constitution of India. Therefore, the Union Government is not concerned with the matter.

**Transfer of Income Tax Officers**

673 SHRI KAMAL NATH : Will the Minister of FINANCE be pleased to state :

(a) whether a number of Income Tax Officers and other officers dealing with the same type of work were transferred recently;

(b) the reason for this large scale transfers; and

(c) whether it is the policy of Government that no officer is allowed to remain in the post for more than the prescribed period ?

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

(b) The transfers of officers were made keeping in view the general guidelines of transfer policy.

(c) Yes, Sir. It is one of the guidelines.

**Geological Survey in Manipur**

674. SHRI N. TOMBI SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are thinking

of intensifying geological survey in the Manipur region, by opening a unit there;

(b) if so, the details thereof;

(c) if not, whether Government are aware that there is a wide feeling among the people of the State that no adequate efforts have been made in this behalf; and

(d) the nature and quantum of support and assistance received from the State Government in this regard ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) A separate circle office (under a Director) of the Geological Survey of India has been set up to carry out geological and other investigations in Manipur State. This circle office is at present engaged in carrying out 16 geological, mineral and geo-technical investigations in the State.

(d) The field parties of Geological Survey of India are receiving full co-operation from the Government of Manipur in carrying out their tasks.

#### Public Sector Units in Orissa

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

(a) the number of public sector units in Orissa as compared to the total number of public sector units in the country;

(b) whether Government have examined the question of locating some more public sector units in that State; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Out of 210 industrial and commercial undertakings of the Central Government as on 31-3-1984, 3 are located with their Registered Offices at Bhubaneswar,

Orissa. In addition, some of the Central public enterprises having their registered offices in other States are also having some of their plants/factories/mines etc. located in Orissa.

(b) and (c) As the Seventh Plan is still under finalisation, no details in this regard are available.

#### Seizure of gold by customs authorities at Delhi Airport

676. SHRI S M. GURADDI  
SHRI MOHD. MAHPOOJ ALI  
KHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Customs authorities at Delhi Airport have seized a huge consignment of gold from 10 Air-conditioners on 29 May, 1985; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) On 29th May, 1985, the Customs authorities at Delhi Airport examined a consignment of 10 air-conditioners which had arrived on 24th May, 1985 from Kuwait addressed to the Afghan Embassy. On examination, 221 gold biscuits of foreign origin, totally weighing 25.76 Kgs. valued at Rs. 55 68 lakhs, were recovered from three air-conditioners and seized.

#### Guidelines for giving loans to IRDP beneficiaries

677. SHRI PRATAP BHANU SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government and Reserve Bank of India have issued new guidelines for giving advance loan to the Integrated Rural Development Programme beneficiaries and for self-employment schemes for educated unemployed youths; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government have issued instructions for the year 1985-86 regarding the implementation of Integrated Rural Development Programme and also the scheme for educated unemployed youth. Under IRDP the States have been advised to undertake a physical survey of all the beneficiaries assisted during the first two years of the Sixth Plan period. Those beneficiaries who have not been able to cross the poverty line, for no fault on their part, will be considered for a second dose of assistance. As far as the scheme for educated unemployed youth is concerned, the same has been continued for 1985-86 without any change in the guidelines.

**Increase in seizure of smuggled gold etc. after declaration of cash awards to Customs and Excise Officers**

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

(a) whether it is a fact that after declaration of cash awards to the Customs and Excise Officers, the seizure of smuggled gold and other contraband articles, has increased considerably;

(c) if so, whether Government propose to examine the reasons as to why before such declaration of cash awards the seizure of smuggled gold and other contraband articles was less; and

(c) the estimated quantum of smuggled gold in the country since the last Budget ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As a result of various measures including the liberalised scheme of rewards to informers and Government servants, the total value of seizures of contraband goods including gold in first six months of 1985 has amounted provisionally to Rs. 83.63 crores as against Rs. 51.10 crores during the corresponding period in 1984.

(b) Due to various factors like demand-and-supply position, profitability etc., the value of seizures fluctuates from time to time. However, the trends of smuggling and seizures are kept under constant review for taking appropriate action as warranted.

(c) No reasonable estimate of the quantum of smuggled gold in the country since the last Budget is feasible as smuggling being a clandestine activity, does not, by its very nature, lend itself to quantification

**Delay in implementing Gandhamardan Bauxite Mines Project, Orissa**

679. SHRIMATI JAYANTI PATNAIK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the reasons for the delay in implementing Gandhamardan Bauxite Mines Project at Paikamal in Orissa;

(b) the number of people who can be provided employment on implementation of the above Bauxite Mines Project;

(c) the time by which it is expected to be started; and

(d) the steps taken to expedite the project ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) The implementation of Gandhamardan Bauxite Project is lagging behind the original schedule mainly due to land acquisition problems, delays in getting environmental clearance from the Department of Environment, and in the construction of approach road by the State Government, and some scope changes in the Project.

(b) The number of persons which can be provided employment will be known after internal adjustment within the organisation.

(c) The Project is expected to be commissioned by February, 1987.

(d) Action is being vigorously pursued with the Departments concerned of the Central and State Governments for according necessary clearance, handing over the required land & completing construction of approach road etc.

**Opening of branches of New Bank of India in States**

680. SHRIMATI JAYANTI PAT-  
NAIK : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of the New Bank of India opened in different States;

(b) the number of branches of the New Bank of India opened in Orissa:

(c) the names of the places where those bank branches have been opened;

(d) whether Government propose to open some more branches of New Bank of India in Orissa; and

(e) if so, the names of the places identified for the location of those new branches in Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As at the end of June, 1985 there were 528 branches of New Bank of India functioning in the country. Statewise/ Union Territorywise details are set out in the statement below.

(b) and (c) The bank has opened 8 branches in Orissa. District-wise and Centrewise details are given below :—

District	Centre
Cuttack	Cuttack
Cuttack	Hari Purhat
Puri	Bhubaneswar
Puri	Puri
Puri	Biranarasingshpur
Puri	Gopinathpur
Dhenakanal	Kantala
Dhenakanal	Satmile

(d) and (e) The question of opening

more offices of New Bank of India in Orissa will be considered by Reserve Bank of India in the light of the branch licensing policy for the Seventh Five Year Plan period which is being finalised.

**Statement**

Statewise/Union Territory-wise distribution of offices of New Bank of India as at the end of June 1985.

S No.	State/Union Territory	No of branches
<b>States</b>		
1.	Andhra Pradesh	4
2.	Assam	4
3.	Bihar	6
4.	Gujarat	17
5.	Haryana	68
6.	Himachal Pradesh	14
7.	Jammu & Kashmir	9
8.	Karnataka	4
9.	Maharashtra	16
10.	Madhya Pradesh	16
11.	Orissa	8
12.	Punjab	129
13.	Rajasthan	55
14.	Tamil Nadu	9
15.	Uttar Pradesh	88
16.	Kerala	4
17.	West Bengal	25
<b>Union Territories</b>		
1.	Chandigarh	7
2.	Delhi/New Delhi	44
3.	Goa-Daman & Diu	1
Total		528

**Shortage of coking coal**

681. SHRI HARIHAR SOREN :  
SHRI RADHAKANTA DIGAL :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is acute shortage of coking coal in the country;

(b) whether Government propose to utilise the low ash non-coking coal available in Talcher coalfield to produce semi-coke by low temperature carbonisation process in order to save the acute shortage of coking coal in the country; and

(c) if so, the details thereof ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :** (a) No Sir. The steel plants which are the main consumers of coking coal, had 530 lakh tonnes of coking coal in stock as on 17.1985. There is, however, a small gap between the total availability of coking coal in the country vis-a-vis demand. This gap is being met through imports.

(b) and (c) The Industrial Development Corporation of Orissa Ltd has a proposal for setting up a low temperature Carbonisation plant, based on Talcher coal, to be used in electro metallurgical furnaces as reductant and fuel.

**Support price of long and extra long staple cotton**

**682 SHRI CHINTA MOHAN :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether price of long and extra-long staple cotton have crashed in Andhra Pradesh and Karnataka and if so, the corrective steps taken/proposed;

(b) whether export companies are thriving due to lack of machinery of support prices; and

(c) whether Government will honour its earlier commitment of announcing support prices before sowing starts for all crops and for effective machinery for purchase and implementation to avoid distress sales ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) Kapas prices of long and extra-long staple varieties have declined to some extent in Andhra

Pradesh and Karnataka. The Cotton Corporation of India is making purchases at support prices in the regulated markets in these two States.

(b) The Cotton Corporation of India as support price agency is present in the market to offer support prices to the cotton growers.

(c) The support prices for different varieties of cotton during the coming 1985-86 cotton seasons will be announced by Government as and when these are finalised.

**Banks' aid to sick industrial units**

**683. SHRI KALI PRASAD PANDEY :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has prepared a stringent plan to stop banks from being converted into 'nursing homes' for the sick industrial units; and

(b) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Apart from guidelines/instructions issued by Reserve Bank of India (RBI) from time to time, which, Inter alia, include instructions that banks should undertake viability studies in regard to sick units and only the potentially viable units should be taken up for rehabilitation, RBI has not prepared any stringent plan in regard to banks extending assistance to sick industrial units.

[Translation]

**Proposal to open steel yard in Jabalpur**

**684. SHRI MAHENDRA SINGH :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there is a proposal to open a steel yard in Jabalpur, if so, to whom this agency will be given;

(b) Government's policy in this

regard;

(c) whether Government have received any memorandum from the Jabalpur Chamber of Commerce or other institutions for allotment of this agency; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): (a) Yes, Sir, Steel Authority of India Limited has given the consignment agency for the stockyard to M/s S. A. E. (India) Limited.

(b) The decision to open a stockyard is left to Steel Authority of India Limited who decides on the course of action on commercial considerations and needs of the consumers.

(c) Yes, Sir, Government have received memoranda from Mahakoshal Chamber of Commerce and Industry and Jabalpur Laghu Udyog Sangh, Jabalpur.

(d) These broadly state that the stock-yard/consignment agency to be opened by M/s S.A.E. (India) Limited is at a distance of about 25 Kms from Jabalpur. This will not benefit the small scale industries and other consumers whose requirements the consignment agency is expected to meet. This view expressed in the memoranda is not correct. The decision to open a consignment agency has been taken to improve the supplies to the consumers in the Jabalpur region. Steel Authority of India Limited tried to persuade the Madhya Pradesh Laghu Udyog Nigam Limited, a Government of Madhya Pradesh Undertaking, to take on the consignment agency; this agency, however, declined to accept the responsibility. To start with, the agreement with M/s S.A.E. (India) Limited has been finalised for one year.

[English]

Loans to unemployed educated youth

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

(a) whether it is a fact that banks have stopped giving loans to the unemployed educated youth;

(b) if so, the reasons therefore; and

(c) whether Government propose to help educated unemployed in any other way in their aspiration of self-employment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c) THE Hon'ble Member is presumably referring to the Scheme for providing self-employment to the educated unemployed youth started from 1983-84. This is a subsidy supported scheme and as such only a given number of cases are sanctioned by the banks every year. The banks were never instructed by the Government to stop financing under this scheme. The banks have been advised to complete the disbursement in sanctioned cases early. With a view to help educated unemployed youth for self-employment the operative period of the scheme has been extended till the end of the current financial year.

Opening of branches of Bank of Baroda in Madhya Pradesh

686. KUMARI PUSHPA DEVI: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of Bank of Baroda that has been opened in the State of Madhya Pradesh so far;

(b) whether Government have allowed the expansion of Bank of Baroda branches;

(c) if so, the number of new branches of Bank of Baroda proposed to be opened in Madhya Pradesh in 1985-86; and

(d) the places identified for the

location of new branches of Bank of Baroda in Raigarh district, Madhya Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There were 56 branches of Bank of Baroda functioning in Madhya Pradesh as at the end of March 1985.

(b) to (d) The question of opening more bank offices of Bank of Baroda in the State will be considered by Reserve Bank of India in the light of the branch licensing policy for the Seventh Five Year Plan period which is being finalised.

#### Procurement of raw cashew

687. SHRI M. RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether any steps have been taken by the Central Government to promote/encourage the procurement of raw cashew and export of cashew nuts in Kerala ?

(b) whether any funds have been allotted during the year 1984-85 for the above purpose and the amount thereof ; and

(c) whether the above funds have been advanced by way of subsidy or whether the same is repayable ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The procurement of cashewnuts in Kerala is open to the trade. In addition, the Kerala State Cashew Development Corporation also procures cashew and the State Government has been fixing a floor price from time to time to ensure remunerative returns to cashew growers. However, at present the entire domestic crop is being absorbed by the trade and the domestic production has to be supplemented with imports of raw cashew. In order to promote the procurement of cashewnuts the import policy has been liberalised by the Central Government and imports are now under

OGL with the only stipulation being that imports be registered with the Cashew Corporation of India within seven days from the execution of the import contract.

(b) No, Sir.

(c) Does not arise.

#### Export of iron ore from Kudremukh to Czechoslovakia

689. SHRI JAGANNATH PATTNAIK :

SHRI R.M. BHOYE :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether there has been a long term arrangement with Czechoslovakia for the export of iron ore from 'Kudremukh' recently ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) The Kudremukh Iron Ore Company Limited have been exporting iron ore concentrate from Kudremukh to Czechoslovakia since 1982-83 on a year to year basis. The company have recently signed a contract with M/s. Kerametal Foreign Trade Company Limited, Czechoslovakia for the export of 125,000 tonnes of iron ore concentrate (additional 75,000 tonnes at the buyer's option) from Kudremukh to Czechoslovakia during 1985-86. Shipment against this contract has already started.

#### Export of cut and polished diamonds by M.M.T.C.

690. SHRI JUJHAR SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Minerals and Metals Trading Corporation has undertaken export of cut and polished diamonds and if so, the value of exports for the last two years and the salient features of the plan for the year 1985-86;

(b) the net profit made after taking into account all direct and indirect expenses; and

(c) how and by whom the foreign buyers have been selected ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Yes, Sir. The value of export of cut and polished diamond in last two years by M.M.T.C. is as under :—

1983-84 : Rs. 4.14 Crores  
1984-85 : Rs. 14.75 Crores

For the year 1985-86, the Corporation plans to enlarge its supply base and the number of foreign buyers with a view to bring a additionality in the export turn-over in order to obtain the budgeted target of Rs. 250 crores.

(b) (i) Net profits exclusive of all direct expenses are as follows :

1983-84 : Rs 0.7 lakhs  
1984-85 : Rs. 4.3 lakhs

(ii) Corporation under its existing practice, does not charge indirect expenses to this commodity. Separate figures of profits net of both direct and indirect expenses are therefore, not computed.

(c) Selection of foreign buyers is made by M.M.T.C. in close consultation with its local associates after scrutiny of the buyer on the basis of their reputation in the market, financial standing, past performance with M.M.T.C. and in trade.

**Export of new items during 1985-86**

691. SHRI ANANDA PATHAK : Will the Minister of COMMERCE be pleased to state :

(a) names of the major export items which fetched considerable amount of foreign exchange during the last three years, item-wise amount separately;

(b) what is the export target for 1985-86 and the items whose exports are

expected to be higher than the last year; and

(c) what are the new items to be exported in 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) A statement is laid on the table of the House. [Placed in Library. See No. LT—1239/85]

(b) Export target for the year 1985-86 is fixed at Rs. 11739 crores. The Target for non-oil exports for the year 1985-86 is fixed at Rs. 11266 crores. The commodity groups whose exports are expected to be higher during 1985-86 as compared to 1984-85 are : Coffee, Cereals, Tobacco unmanufactured, Spices, Cashew Kernels, Oilmeasl, Shellac, processed foods, Marine Products, Iron Ore, Manganese Ore, Leather and Leather goods, Sports goods, Gems and Jewellery, Chemicals, and allied Products, Engineering goods, Textiles including Coir and Jute Manufactures, Handicrafts including woollen manufactures and Cotton raw.

(c) India's export basket is sufficiently diversified. The new products continuously emerge from within these broad commodity groups.

**Evasion of excise duty by M/s Indian Tobacco Company**

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

(a) whether Government are aware that M/s Indian Tobacco Company Ltd. is evading excise duty through the help of its dealers and agents; and

(b) if not, whether Government propose to raid all the premises of Indian Tobacco Company Ltd. dealers and its godowns to detect the evasion, if not, the reasons thereof ?

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



case of evasion of excise duty by M/s I.T.C. Ltd. with the help of its dealers and agents has come to notice recently. However, there are some reports of sales of cigarettes in retail, at prices higher than those printed in violation of the provisions of the Standards of Weights and Measures (Packaged Commodities) Rules, 1977.

(b) Does not arise.

**Allotment of quotas and licences for garments transferred to Apparel Export Promotion Council**

693. SHRI G. M. BANATWALLA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the work relating to allotment of quotas and licences for garments have been transferred from the office of the Chief Controller of Imports and Exports to the Apparel Export Promotion Council, New Delhi;

(b) if so, since when;

(c) the reasons for the aforesaid transfer of the work and power;

(d) whether Government appreciates the inadvisable nature of such transfer to a private agency, and if so, whether the power will be reassumed by the Chief Controller;

(e) whether the said Apparel Export Promotion Council (AEPC) also levies fines and penalties on garment exporters;

(f) if so, the amount so collected since the power has been delegated to the AEPC; and

(g) whether the amount collected belongs to Government of the AEPC ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir. This work has been with AEPC since the inception of AEPC.

(b) to (d) Do not arise.

(c) No, Sir. The forfeiture of EMDs/BGs by AEPC in terms of Public Notices issued by the Government is not a penalty but merely in the nature of action taken for non-performance of contractual obligation on part of exporters.

(f) According to available information as on 31-12-1984 AEPC had collected a sum of Rs. 3,12,226,330 on account of forfeiture of EMDs/BGs.

(g) The amount is to be kept separately by AEPC to be spent on export promotion after obtaining Government's approval.

**Certificates granted to Export Houses**

694. SHRI G. M. BANATWALLA : Will the Minister of COMMERCE be pleased to lay on the Table of the House a statement giving names' addresses of Export Houses whose certificates expired on 30th June, 1983, 30th June, 1984 and 30th June, 1985 together with the names of product groups involved, the quantities of export on the basis of which the Export House certificates were granted and those Export Houses which have not been granted renewals with reasons for renewal in each case ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : A statement giving names and addresses of Export Houses whose certificates expired on 30 June 1983, 30 June 1984 and 30 June 1985 is being compiled and will be laid on the Table of the House. Information regarding the product groups involved and the quantities of Exports are not maintained and thus it would not be possible to furnish the same.

Statements giving the names and addresses of Export Houses certificates expired and were not renewed in 1983 and 1984 with reasons thereof is being compiled and will be laid on the Table of the House. Request for renewal of Export House Certificates which expired on 30 June, 1985 are being processed and will be decided on merits. As this

is an ongoing process no information can be given at the moment.

**Busting of "Hawala" Racket by Directorate of Revenue Intelligence in Bombay**

695. DR. G. S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether the Directorate of Revenue Intelligence (DRI) and the Enforcement Directorate (ED), Bombay have recently busted a major "hawala" racket involving Rs. 1,000 crores as per report in 'The Indian Express' dated 2nd July, 1985;

(b) if so, full details of the persons arrested and of the companies on which the Directorate of Revenue Intelligence and the Enforcement Directorate raided;

(c) the details of the cash, gold and other incriminating documents seized; and

(d) the action contemplated by Government against the arrested persons who have violated the FERA ?

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

(b) The names of the persons arrested in this connection are—

- (1) S/Shri Segu Jamaluddin
- (2) .. Kose Sayed Mohd. Sahul Hameed
- (3) .. A. Jalaluddin
- (4) .. Babulal S. Desai
- (5) .. Pradip R. Shah
- (6) .. Nathuram Jagdale
- (7) .. Shamsuddin
- (8) .. T. Rashid Abdul Kadar
- (9) .. P. P. Moosa
- (10) .. N.D.S. Akbarali
- (11) .. Mohd. Hussain Mohd. Suleman
- (12) .. Abdul Rahim Segu Allauddin

(13) Shri Mohamed Isaq Kapadia.

Firms raided on 29.6.1985 at Bombay in connection with "hawala" transactions are M/s. Oriental Diamond Manufacturing Company, Bombay and M/s. New Bengal Lodge, Bombay (office of Shri Abdul Razak Hazi Mohd. partner of the Lodge).

(c) Goods worth Rs. 440 crores (approximately) were seized/detained. This includes gold worth Rs. 10 lakhs and sale-proceeds of smuggled gold amounting to Rs. 9 lakhs (approximately) seized at Madras. In addition, Indian currency amounting to Rs. 1,45,210 and foreign currency of the value of Rs. 900/- (approximately) were seized, besides documents indicating "hawala" transactions invoice manipulations etc involving crores of rupees.

(d) Appropriate action, such as departmental proceedings, prosecution, preventive detention under the COFE-POSA Act, etc., as warranted, will be taken against the arrested persons.

**Public Housing Schemes of L.I.C**

696. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation of India has recently been allowed to go ahead with its public housing schemes;

(b) the details of the schemes;

(c) whether the LIC policy holders all over the country will be involved in these schemes; and

(d) to what extent the policy holders will get built houses through these schemes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The scheme is limited to policy holders.

(b) to (d) Under the scheme, the LIC will construct houses/flats on plots

owned by them subject to demand. These houses/flats will be made available to the policyholders on sale. The policyholders may also be given long term loans by the LIC for this purpose under its mortgage scheme.

**Overdrafts by States due to incurring of higher non-plan expenditure during 6th Five Year Plan**

**697. SHRI MOOL CHAND DAGA:** Will the Minister of Finance be pleased to state:

(a) whether most of the state had to incur higher non-plan expenditure during the Sixth Five Year Plan and had to take recourse to overdrafts;

(b) if so, the effective steps taken by Government to avoid recurrence of the above; and

(c) how the States failed to spend within the means in the Sixth Plan and ignore directives of the Centre issued from time to time ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) Overdrafts occur on account of expenditure, both plan and non-plan, exceeding total receipts.

(b) and (c) In view of the persistence of overdrafts Government of India advised the States not to exceed the overdraft levels reached on 28.1.1985 and any State exceeding this level for more than continuous working days would invite stoppage of payments on their accounts by R.B.I. Further, the States have been advised to reduce their overdraft by 10% by 1st October, 1985 and the Govt. of India would be providing a medium term loan equivalent to the balance 90% of overdraft as of 28.1.1985. The States have also been informed that they should strictly adhere to the overdraft Regulation Scheme.

**Survey regarding profitability of mines**

**698. SHRI ANANTA PRASAD**

**SETHI:** Will the Minister of STEEL, MINES AND COAL be pleased to state:

(a) whether Government have conducted any survey regarding the profitability or otherwise of the mines, particularly the gold mines of Kolar (Karnataka);

(b) if so, the details thereof; and

(c) the remedial steps Government have taken in this regard ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE):** (a) to (c) In view of the heavy operating losses being incurred by the Bharat Gold Mines Ltd. (BGML) due to declining gold production, as a result of poor grades and other factors, BGML has appointed, Shri K.S.R. Chari, a reputed Mining Engineer and Retired Secretary, Department of Coal, as its Consultant in this regard.

The Consultant is to go into the whole question of BGML's operations and its future and whether BGML can really diversify in any significant measure into other operations with profit and the lines in which it can diversify, keeping in view the available manpower, infrastructure and other facilities. In this connection, the gold policy, production, its pricing, exploration and development of new gold mines and other connected aspects will also be gone into in depth.

After the report of Shri Chari's Committee is available, further policy guidelines in this regard will be formulated.

**Amount of capital goods exported during 1984-85**

**699. SHRI PRAKASH CHANDRA:** Will the Minister of COMMERCE be pleased to state:

(a) the total amount of capital goods exported during 1984-85 (upto 31.3.85); and

(b) how does it compare with the total amount of capital goods exported during 1983-84 (upto 31.3.84) ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) The export data in respect of capital goods are not yet available for the full year 1984-85. However, according to the provisional commodity wise statistics available from DGCI &S, the export of capital goods (viz., Metal manufactures, Machinery and transport equipment, Iron and Steel including manufactures) during the first nine months of 1984-85 amounted to Rs. 590.54 crores, which are higher by 7.31 per cent as compared to the corresponding provisional figure of Rs. 547.77 crores during the previous year.

Payment of bills by Chief Controller of Accounts Organisation in 1984-85

700. SHRI PRAKASH CHANDRA: Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total number of bills received for payment by the Chief Controller of Accounts Organisation of the Department of Supply during 1984-85;

(b) the number of the bills out of those which were cleared within (i) one month, (ii) six months and (iii) twelve months, giving amount in each such group;

(c) the number of bills still pending giving reasons for non-clearance; and

(d) the amount of bills received from foreign countries for payment during 1984-85 and average delay in such cases ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The total number of suppliers' bills received during 1984-85 was 5,61,233.

(b) The extant orders provide for payment of bills within 15 days and those involving over Rs. 1 lakh within

one week. Hence information on receipt and disposal of bills is monitored with a view to check their disposal with in the time schedule prescribed and Statistics maintained accordingly. The time and labour involved in collecting the information required will not be commensurate with the result achieved. Hence the information is furnished below in the manner in which data is maintained :—

(i) Disposed of within a week.	=3,09,241
(ii) Disposed of within 8 to 11 days.	=1,21,706
(iii) Disposed of within 12 to 20 days.	=84,740
(iv) Disposed of after 20 days.	=43,867
Total	=5,59,554***

\*\*\* This includes 6788 bills pertaining to the period prior to 1984-85. Total amount paid during 1984-85 is Rs. 3592.00 crores.

(c) The number of pending bills as on 31.3.1985 was 8467. The reasons for non-clearance of these bills are due to one or more of the following reasons :

- (i) Recoveries advised by Purchasers.
- (ii) Recoveries advised by Indentor/Consignee.
- (iii) For want of security deposit etc.
- (iv) Documents awaited from DGS & D/Indentors/Consignees.
- (v) Bills kept pending due to litigation.

(d) In cases of supplies received from foreign countries, the payments are made on the basis of Letters of Credits established through Reserve Bank/State Bank of India after issue of contracts. No bills of the foreign suppliers are paid here directly and hence the question of delay does not arise.

**Amount earmarked for providing financial Assistance to SC/ST in Bihar**

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

(a) the amount earmarked for giving financial assistance to persons belonging to Scheduled Castes and Schedule Tribes in Bihar under the Consumer Loan Scheme during the last two years, year-wise ; and

(b) the amount proposed to be provided to Bihar in 1985-86 for that purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Based on the recommendations of the Expert Committee on Consumption Credit, commercial banks and co-operatives were advised by Reserve Bank of India to grant consumption loans for certain specified purposes to the weaker sections of the community including Scheduled Castes and Scheduled Tribes. The purpose-wise ceiling for such loans ranges between Rs. 75 to Rs. 250 with an aggregate ceiling of Rs. 500/- per family per year.

The present data reporting system from banks does not generate the information in the manner asked for. Besides, no specific targets have been prescribed for banks for advances under the consumption loans.

Committee to review structure of export-import policies

**702. SHRI PRAKASH CHANDRA:** Will the Minister of COMMERCE be pleased to state :

(a) whether the Committee set up to review the structure of export-import

policies and to examine the effectiveness of export promotion has submitted its report ; if so, when and the details of the report ;

(b) if not, the reasons for delay in submitting the report ; and

(c) what are the terms of reference and composition of the above mentioned Committee ?

THE MINISTER OF STATE - IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) The Committee on Trade Policies set up to review the structure of export and import policies and to examine the effectiveness of export promotion measures submitted its report to Government on 31st December, 1984. It is expected that copies of the Report will be placed in the Parliament library during the current session.

(c) The terms of reference of the Committee are as follows :—

(i) To review the present structure of export and import policies ;

(ii) to examine the effectiveness of export promotion measures in terms of their impact on actual export performance ;

(iii) to suggest rationalisation and improvements, wherever necessary, in export policies ; and

(iv) to suggest appropriate changes and rationalisation of import policies for the conservation of foreign exchange and the promotion of efficient import substitution.

The Constitution of the Committee was as follows :—

- |   |                   |
|---|-------------------|
| 1. Shri Abid Hussain<br>Commerce Secretary.   | Chairman          |
| 2. Shri P.K. Kaul<br>Finance Secretary.   | Member            |
| 3. Shri S.S. Sidhu<br>Secretary, Industrial<br>Development.                                 | Member            |
| 4. Dr. Arjun Sengupta,<br>Special Secretary to<br>the Prime Minister.                       | Member            |
| 5. Dr. C. Rangarajan<br>Deputy Governor,<br>Reserve Bank of India.                          | Member            |
| 6. Shri M. Narasimham<br>Principal,<br>Administrative Staff<br>College of India, Hyderabad. | Member            |
| 7. Shri P.C. Jain<br>Chief Controller of Imports<br>and Exports.                            | Member            |
| 8. Dr. Deepak Nayyar<br>Economic Adviser,<br>Ministry of Commerce.                          | Member-Secretary. |

#### Scrapping of public undertakings

703. SHRI BASUDEV ACHARIA :  
Will the Minister of FINANCE be  
pleased to state :

(a) whether Government have taken  
a decision to scrap several public sector  
undertakings ;

(b) if so, what are those units ;

(c) the reasons for scrapping these  
units ; and

(d) number of workers to be affected  
by this decision ?

THE MINISTER OF STATE OF  
THE MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY) : (a) No  
Sir, the Government have not taken any  
such decision.

(b) to (d) In view of the position  
indicated above, do not arise.

#### Code of Conduct for Multinational Companies

704 SHRI AMAR ROYPRADHAN :  
Will the Minister of FINANCE be  
pleased to state :

(a) whether Government had pre-  
pared a code of conduct for multi-  
national corporations operating in the  
country;

(b) if so, the details thereof; and

(c) the details of multinational  
corporations operating in the country ?

THE MINISTER OF STATE IN  
THE MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY) : (a) and  
(b) No, Sir. However, the UN Commi-  
ssion on Transnational Corporations,  
of which India is a member, has been  
discussing a Code of Conduct on Trans-  
national Corporations.

(c) A statement containing a list of FEPA companies operating in India is given below.

**Statement**

**FEPA Companies Covered under Section 29 of Fera, 1973**

**S. No. Name of the Company**

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Audco India Ltd , Bombay.</li> <li>2. APE Bellis India Ltd., Calcutta. (formerly known as Belliss and Marcom (I) Ltd.)</li> <li>*3. Apollo Chain Zips Pvt. Ltd.</li> <li>4. Associated Bearing Co. Ltd., Bombay.</li> <li>5. Atic Industries Ltd., Atul.</li> <li>6. Ashok Leyland Ltd., Madras.</li> <li>7. Ark Investment Ltd., Madras.</li> <li>*8. Angus Company Ltd., Calcutta.</li> <li>9. The Assam Frontier Tea Ltd., Calcutta.</li> <li>10. The Assam Company (India) Ltd., Calcutta.</li> <li>11. Brakes India Ltd., Madras.</li> <li>12. Bayer India Ltd., Bombay.</li> <li>13. Bazaloni Group Ltd., Calcutta.</li> <li>14. Bengal Linn (Industrial Furnace) Ltd., Calcutta.</li> <li>15. Burroughs Wellcome &amp; Co. Pvt. Ltd , Bombay.</li> <li>16. Dr. Reck &amp; Co. (I) Ltd., Poona.</li> <li>17. Buckau Wolf New India Engg. Works Ltd., Poona.</li> <li>18. BASF (India) Ltd., Bombay.</li> <li>19. Boots Co. (India) Ltd , Bombay.</li> <li>20. Craigmere Plantations (India) Ltd.</li> <li>21. Chloride India Ltd , Calcutta.</li> <li>22. Comnico Binani Zinc Ltd., Bombay.</li> </ol> | <ol style="list-style-type: none"> <li>23. Consolidated Pneumatic Tools Co (India) Ltd., Bombay.</li> <li>24. Cynamid India Ltd., Bombay.</li> <li>25. Coromandel Fertilizers Ltd., Secunderabad.</li> <li>*26. C. A. Willner &amp; Co, Pvt. Ltd., Bangalore.</li> <li>27. C.W.S. (India) Ltd., Cochin.</li> <li>28. Cemindia Company Ltd., Bombay.</li> <li>29. Dryaton Greaves Ltd , Bombay.</li> <li>30. Doom Dooms India Ltd., Calcutta.</li> <li>31. Darjeeling Plantation Industries Ltd., Calcutta.</li> <li>32. E. Hill &amp; Co. Pvt. Ltd Mirzapur.</li> <li>33. English Electric Company of India Ltd , Madras.</li> <li>34. E. Merck (India) Ltd., Bombay.</li> <li>35. Everest Building Products Ltd., New Delhi. (formerly known as Asbestos Cement Ltd.).</li> <li>36. Ennore Foundries Ltd., Madras.</li> <li>37. Eyre Smelting Pvt. Ltd., Calcutta.</li> <li>38. Empire Plantation (India) Ltd , Calcutta.</li> <li>39. Flender Macneill gears Ltd , Calcutta.</li> <li>40. Frick India Ltd., Faridabad.</li> <li>41. Flakt India Ltd., Calcutta. (formerly known as S. F. India Ltd.).</li> <li>42. Garg Associates Pvt. Ltd. Ghaziabad.</li> <li>43. Gedore Tools (India) Pvt. Ltd., New Delhi.</li> <li>44. Groz-Beckert Sabbo Ltd., Chandigarh.</li> <li>45. Guest Keen Williams Ltd., Howrah.</li> </ol> |
|--|---|

46. Central Electric Co. of India Ltd., Calcutta.
47. Gontermann Peipers (India) Ltd., Calcutta.
48. Greaves Foseco Ltd., Bombay.
49. Grindwell Norton Ltd.,<sup>\*</sup> Bombay.
50. Goodyear India Ltd. New Delhi.
51. Gannon Norton Metal & Diamond Dies Ltd., Bombay.
52. Goodricke Group Ltd, Calcutta.
53. George William-Son (Assam) Ltd, Calcutta.
54. Hindustan Ferrodo Ltd., Bombay.
- \*55. Holman Climax Manufacturing Ltd., Calcutta.
56. Hein Lehmann (I) Ltd, Calcutta.
57. Herdillia Chemicals Ltd., Bombay.
58. Hindustan Lever Ltd., Bombay.
59. Hindustan Gum & Chemicals Ltd, Bhiwani (Haryana).
60. Hindustan Dorr-Oliver, Bombay.
61. Indian Gum Industries Ltd., Bombay.
62. Indian Aluminium Co. Ltd., Calcutta.
63. Indian Card Clothing Co. Pvt. Ltd., Poona.
64. Indian Explosives Ltd., Calcutta.
65. Ingersoll-Rand (India) Pvt. Ltd., Bombay.
66. Indofil Chemicals Ltd., Bombay.
67. India Foils Ltd, Calcutta.
- \*68. Indian Xerographic Systems Pvt. Ltd., Bombay.
69. Jhonson & Jhonson Ltd, Bombay.
70. Jokai (India) Ltd., Calcutta.
71. K.S.B. Pumps Ltd., Bombay.
72. Kirloskar Cummins Ltd, Poona.
73. Kerala Balers Ltd., Kerala.
74. Lucas T.V.S. Ltd., Madras.
75. L. M. Van Moppes Diamond Tohls India Ltd., Coonoor.
76. Lakshman Isola Ltd., Bangalore.
77. Maschemeijer Aromatics (I) Pvt., Ltd, Madras.
78. Molins of India Ltd., Mohali.
79. Monsanto Chemicals of India Pvt. Ltd., Bombay.
80. Motor Industries Co. Ltd, Bangalore.
81. Mahindra Sintered Products Ltd., Poona.
82. Mather & Platt (I) Ltd., Bombay.
83. Madras Fertilizers Ltd, Madras.
84. Malcha Properties Ltd, Calcutta.
85. The Majuli Tea Co. (India) Ltd, Calcutta,
86. Moran Tea Co. (I) Ltd, Calcutta.
- \*87. Norindia Ltd., Bombay.
88. Nowrosjee Wadia & Sons Pvt. Ltd, Bombay.
89. Neville Wadia Pvt. Ltd., Bombay.
90. NGEF-AEG Engineering Co. Ltd., Bangalore
91. O/E/N India Ltd., Cochin.
92. Otis Elevator Co. (I) Ltd., Bombay.



93. Porritts & Spencer (Asia) Ltd., New Delhi.
94. Pfizer Ltd., Bombay.
- \*95. Pashtany Tejarathy Co. (India) Pvt. Ltd., Amritsar.
96. Plasser (India) Ltd., New Delhi.
97. R. H. Windsor (I) Ltd., Bombay.
98. Reichhold Chemicals (I) Ltd., Madras.
99. Roche Products Ltd, Bombay.
100. Reyrolle Burn Ltd., Howrah.
101. Stone Platt Electrical (I) Ltd., Calcutta.  
(formerly known as J. Stone & Co. (India) Ltd.)
102. Spirax Marshall Ltd., Poona.
103. Saurashtra Cement & Chemicals Industries Ltd., Ranavar.
104. Sandvik Asia Ltd., Poona.
105. Singlo (India) Tea Co. Ltd., Calcutta.
106. Stewart Holl (India) Ltd, Calcutta.
107. Schrader Scovill Duncan Ltd., Bombay.
108. Siemens India Ltd., Bombay.
- \*109. Saneer Machines Ltd., New Delhi.
110. Sandoz (India) Ltd., Bombay.
111. Tata Klockner Industrial Plants Bombay.
112. Tribeni Tissues Ltd., Calcutta.
113. Tractor & Farm Equipment Ltd., Madras.
114. Tractor Engineers Ltd., Bombay.
115. Tea Estates India Pvt. Ltd., Coonoor.
116. Toyo Engineering India Ltd., New Delhi.
117. Union Carbide India Ltd., Calcutta.
- \*118. Uni-Sankyo Ltd., Hyderabad.
119. Uhde India Ltd., Bombay.
120. Vickers Sperry of India Ltd., Bombay.
121. Western Thomson (I) Ltd., Madras.
122. Widia India Ltd, Bangalore.
123. Warren Tea Ltd., Calcutta.
124. Wyeth Laboratories Ltd., Bombay.
125. Zuari Agro Chemicals Ltd., Goa.
- Partnership Concerns.
1. Metallics India, Calcutta.
  2. Sudbury Laboratory of India, Calcutta.
  - \*3. Tata Dilworth Secord Meagher & Associates, Bombay.
- Branches
- \*1. Eskaylab Ltd., Bangalore  
(formerly known as Smith Kline & French (I) Ltd.)
  2. Oxford University Press.
  - \*3. Samnuggar Jute Factory Co. Ltd., Calcutta.
  4. Travel World Inc.
  - \*5. Titaghur Jute Factory Co Ltd., Calcutta.
  - \*6. Victoria Jute Co. Ltd., Calcutta.
- Note : 1. This list gives the position as on 30th June, 1985.
2. This list does not include the following categories of companies :—
- (i) Where companies have ceased their activities and are in the process of winding up.
  - (ii) Where permission under Section 29(2)(a) of

FERA, 1973 have been granted on non-repatriation of capital and income basis.

(iii) Where non-resident interest in excess of 40% is held by persons of Indian origin.

(iv) Companies established in the Free Trade Zone.

Indicates companies to whom directives have been issued under Section 29 (2) (a) of FERA, 1973 for dilution of non-resident interest to 40%.

Package of measures to curb black money

705. SHRI SATYAGOPAL MISHRA :

SHRI G.G. SWELL :

SHRI MOOL CHAND DAGA :

SHRI M. RAGHUMA REDDY: SHRI JAGANNATH PATNAIK :

SHRI GIRIDHAR GOMANGO :

SHRI VIRDHJI CHANDER JAIN :

SHRI AMAL DATTA :

DR A. K. PATEL :

SHRI C. JANGA REDDY :

SHRI DHARAM PAL SINGH MALIK :

SHRI G. VIJAYA RAMA RAO :

SHRI AJIT KUMAR SAHA :

SHRI AJOY BISWAS :

SHRI AMAR ROY-PRADHAN :

SHRI INDRAJIT GUPTA :

SHRI S. M. GURADDI :

SHRI E. AYYAPU REDDY :

SHRI G BHOOPATHY :

SHRI R. M. BHOYE :

DR. CHANDRA SHEKHAR TRIPATHI :

SHRI MOHD. MEHFOOZ ALI KHAN :

SHRI CHINTA MOHAN :

Will the Minister of FINANCE be pleased to state ;

(a) whether Government have framed package of measures based on the recommendations of the National Institute of Public Finance and Policy to curb black money;

(b) if so, the details of the said package; and

(c) if not, by what time the said package is proposed to be framed ?

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

(b) Question does not arise.

(c) After the public debate on the report is over and suggestions are received.

Release of D. A. Instalments to Central Government Employees

706. SHRI SATYAGOPAL MISRA: SHRI V. S. KRISHNA IYER :

Will the Minister of FINANCE be pleased to state :

(a) the number of instalments of D A. which are due to the employees of the Central Government at present, according to the increase in consumers price index;

(b) when Government are going to release the due instalments; and

(c) the reasons for delay ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Consequent on the average index crossing 584 at the end of April, 1985, one more instalment of Dearness Allowance has become due for consideration w.e.f. 1-5-1985.

(b) and (c) Payment of each instalment of Dearness Allowance to Central Government employees and relief to pensioners costs the exchequer approximately Rs. 70 crores and Rs. 8 crores per annum respectively. Therefore, the question of payment of each instalment of Dearness Allowance has to be considered carefully with regard to their impact on the economic situation and the budget. The question of sanction for payment of this instalment is receiving the attention of the Government. It is, however, not possible to indicate any time limit for taking a decision in this regard.

**Proposal for setting up and modernisation of steel plants**

707. SHRI SATYAGOPAL MISRA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the proposals of Government to set up new steel plants or modernise steel plants during the Seventh Five Year Plan period; and

(b) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) The Seventh Five Year Plan for the Steel Sector has not yet been finalised. However, Government have decided in principle to set up steel plants in Vijayanagar in Karnataka and in Daitari in Orissa. The commencement of work on the projects will depend upon the investment decisions which have not yet been taken. A Steel Plant at Visakhapatnam in Andhra Pradesh is already under construction.

Schemes for the modernisation of steel plants at Durgapur, Rourkela and Burnpur have also been formulated.

**Setting up of Mint/Press for Printing Currency at Panagarh, West Bengal**

708. SHRI SATYAGOPAL MISRA  
SHRI NIRMAL KHATRI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken any decision to set up a mint/press for printing currency at Panagarh, West Bengal; and

(b) the present position of the project ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA PODJARY) (a) and (b) Government have taken a decision to set up a new Mint at NOIDA, Distt. Gaziabad, U.P. Land has been acquired for the new Mint. An Officer on special Duty has been appointed in January 85. A Project Report is also under preparation.

It has also been decided, in principle, to set up a new Press for printing currency notes, for which Panagarh in West Bengal has been suggested as a site.

**Allocation of funds for public sector steel plants during seventh Five Year Plan**

709. SHRI BANWARI LAL PUROHIT :

SHRI PURNA CHANDRA MALIK :

SHRI V. SOBHANADREESWARA RAO :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether attention of Government has been drawn to a news item captioned "Steel plants need more funds" appearing in 'The Hindustan Times' of 26 June, 1985;

(b) if so, the amount allocated for public sector steel plants during the Seventh Five Year Plan period;

(c) whether his Ministry has taken up the matter with the Planning Commission; and

(d) if so, the reaction of the Planning Commission thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) (a) Yes, Sir.

(b) to (d) The allocations for the VII Plan period for the steel sector will be finalised shortly in consultation with the Planning Commission.

**Shortage of coins and small currency Notes**

710. SHRI BANWARI LAL PUROHIT :

SHRI R.M. BHOYE

SHRI SYED MASUDAL HOSSAIN :

SHRI B.K. GADHVI :

PROF. NARAIN CHAND PARASHAR :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is still shortage of coins and small currency notes in the country in spite of bringing out new coins and new small currency notes by the RBI daily;

(b) whether Government have investigated the causes of disappearance of the coins and small currency notes from active circulation;

(c) if so, the full facts thereof; and

(d) the steps Government have taken/propose to take to meet the shortage of small currency notes and coins in the country ?

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

(b) and (c) There have been reports about hoarding of coins especially in big cities/commercial centres and also about melting of certain coins and use of coins for other purposes. Veracity of these reports could not, however, be established. Reports about sale of one rupee notes at premium have also been received from time to time. However, there have been no reports about hoarding of notes. Short supply, and

hoarding of coins and short supply of notes are the principal contributory factors for the shortage experienced by the public.

(d) Government have initiated necessary steps to augment production of notes and coins at the Note Presses and Mints. These include the modernisation and expansion of the present facilities in Presses and Mints, increase in working hours and introduction of incentive schemes to augment production. It has also been decided to set up a new Mint at NOIDA in Uttar Pradesh. Further, a decision has been taken to set up a new Bank Note Press. For immediate augmentation of supply of coins, 2,000 million pieces of coins are being imported.

**Proposal to wipe out system of overdraft by States**

711. SHRI BANWARI LAL PUROHIT :

SHRI NARSINH MAKWANA :

SHRI CHITTA MAHATA :

PROF. P. J. KURIEN :

SHRI SATYENDRA NARAYAN SINHA :

SHRI ANANTA PRASAD SETHI :

SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal under the consideration of Union Government to wipe out the system of overdrafts by the States;

(b) if so, the details thereof and when the said proposal will be implemented.

(c) the amount of overdrafts presently with each State; and

(d) to what extent the system will check inflation ?

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

(b) The States have been advised to reduce their level of overdrafts as on 28.1.1985 by 10% as of 1.10.1985. The Govt. of India would provide a medium term loan equivalent to the balance of 90% of the overdraft repayable in four equal annual instalments from 1986-87 onwards and would carry a rate of interest of 8%. The States have also been informed that they should strictly adhere to the Overdraft Regulation Scheme.

(c) A statement is given below.

(d) Wiping out the system of overdraft would stop deficit financing by the States.

#### Statement

Overdraft position of State Governments as on 19.7.1985.

(Rs. Crores)

State	Amount
1. Andhra Pradesh	85.59
2. Gujarat	3.09
3. Haryana	50.80
4. Karnataka	170.81
5. Kerala	155.74
6. Orissa	14.97
7. Punjab	50.69
8. Uttar Pradesh	205.31
9. West Bengal	149.65
<b>Total</b>	<b>886.65</b>

#### Trade with U.S.A

712. SHRI G. G. SWELL : Will the Minister of COMMERCE be pleased to state :

(b) whether the Minister of State for Commerce had been on a visit to the USA to talk directly to the depart-

mental store and trade promotion firms in order to increase Indian exports to the USA ;

(b) any additional quantum of trade in terms of rupees that was generated as a result of the visit ; and

(c) whether any study has been made of the quantum of trade that China, a newcomer, has with the USA ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) Yes, Sir, I visited the USA recently to exchange views with a wide spectrum of people and institutions in regard to the export promotion and commercial publicity programme planned in USA to broadly coincide with the Festival of India being held there. During the visit I met representatives of Indian organisations based in the USA, such as Engg. Export Promotion Council, Trade Dev. Authority, Indian Investment Centre, Tea Board, Marine Products Export Dev. Authority, Shipping Corporation of India, Public Sector Banks, Bharat Electronics Ltd., etc. and also exchanged views with Associations of residents in USA of India origin and with departmental stores on the elements of a cost effective export promotion and commercial publicity programme. The exchange of views will provide an input into the programme of export Promotion and Commercial Publicity which is being drawn up.

(c) During the years 1981, 1982, 1983 and 1984 China's exports to USA totalled US \$ 1900 million, 2284 million, 2244 million & 3400 million respectively as against India's exports to USA during the same period which stood at US \$ 1202 million, 1404 million, 2190 million and 2552 million respectively. ¶

#### Rise in remittances from Indians abroad

713. SHRI G. G. SWELL : Will the MINISTER OF FINANCE be pleased to state :

(a) whether there has been a steep rise in remittances from working Indians

abroad touching Rs. 1000 crores in April this year ;

(b) if so, the reasons therefor ; and

(c) whether there has been a steep fall in the 'havala' exchange rate of American dollar ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) No precise information about remittances received exclusively from working Indians abroad is available since details of remittances of Rs. 10,000/- and below are not required to be reported to the Reserve Bank of India by the Authorised Dealers under the current rules. However, month-wise figures of quick and provisional estimates of non-export receipt for the past five months of the current year are as below :—

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January	: Rs. 366.18 crores
February	: Rs. 748.31 crores
March	: Rs. 889.68 crores
April	: Rs. 571.31 crores
May	: Rs. 639.82 crores

(Latest available)

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The above figures represent gross non-export receipts passing through authorised dealers on account of shipping receipts, insurance receipts, dividend receipts, tourism receipts etc., besides four heads of receipts relevant to the term 'inward remittances' namely (i) family maintenance, (ii) savings of non-residents, (iii) migrant transfer and (iv) money order receipts.

(c) No, Sir.

#### Efforts to export wheat

714. SHRI G.G. SWELL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that, apart from the Soviet Union, efforts to sell our wheat to other countries have drawn a blank ;

(b) the reasons therefor ; and

(c) whether Government will adequately subsidise wheat exports in order to liquidate surplus stocks that are threatened with total damage ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) Food Corporation of India has already entered into a contract with Export-khleb, Moscow, for export of 5 lakh tonnes of wheat to USSR. Besides this, a quantity of 1 lakh tonnes of wheat is also being supplied as aid to drought affected African countries. Efforts are also being made to explore the possibilities of wheat export to other wheat importing countries.

(c) Government is not considering subsidising export of wheat by private trade.

#### Position of balance of payments

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

(a) the present position of balance of payments ; and

(b) the steps Government propose to take to reduce the balance of payments in the Seventh Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The present position of our balance of payments is satisfactory.

(b) The Government will continue to keep the balance of payments position under constant review and make concerted efforts to keep it sound through measures for encouraging exports and reducing dependence on imports by import substitution.

#### Theft of coal in Purulia and adjoining districts of Bihar

716. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether about kilometre from Purulia at Ketka doors of coal wagons are unbolted by crowd and coal is picked up in huge quantity ;

(b) whether unauthorised coal during and cropping up in Purulia and the adjoining districts in Bihar, though they are not coal producing areas ;

(c) if so, whether about 965,000 tonnes of coking coal valued at more than Rs. 30 crores are lost in the division annually ; and

(d) if so, the steps taken to check this ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a), (b) and (c) Government have no such information.

(d) Question does not arise.

**Raids on Textiles Market in surat by excise officials**

**717. SHRI RAMASHRAY PRASAD SINGH :**

**SHRI E. AYYAPU REDDY :**

**SHRI CHITTUBHAI GAMIT :**

Will the Minister of FINANCE be pleased to state :

(a) whether a number of intelligence officials of the Central Government's Anti Evasion Wing were reported missing on the 25th May, 1985 in Surat when excise officials raided textile markets for evading excise duty etc. ;

(b) if so, the full details of the raid ;

(c) whether any arrests were made and cases launched against those who evaded excise duty ?

(d) if so, the details thereof ; and

(e) the further action being taken in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) & (b)

During the course of searches conducted by the Directorate of Anti Evasion (Central Excise) at the premises of 16 factories processing art silk fabrics and 40 shops at Surat on 24th May, 1985, central excise officers conducting these searches were assaulted and injured in the textile market and in the premises of 11 factories. However, no officer was found missing. Fabrics valued over Rs. 6.50 crores approximately not accounted for in the central excise records and a number of incriminating documents were seized during the searches which continued till 31-5-1985.

(c) to (e) Six persons were arrested for contravention of the provisions of central excise law. On completion of the investigation which is in progress, appropriate action under the provisions of the central excise law will be taken.

**Loss suffered by E.C.L. & B.C.C.L.**

**718. SHRI MOOL CHAND DAGA :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the attention of Government has been drawn to news items captioned 'CIL Cost Control Drive' appearing in 'Economic Times' of the 25th April, 1985 and 'Price Hike Essential To Rescue cil' appearing in the 'Financial Express' of the 9th May 1985;

(b) the reasons for the loss of Rs. 250 crores last year in Eastern Coalfields Ltd. and Bharat Coking Coal Ltd;

(c) the reasons why the working in these units could not be streamlined for gainful working; and

(d) the number of occasions on which there has been price hike in coal during the last three years giving months/years and reasons for hike ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a) Yes, Sir.

(b) and (c) The accounts of Coal India Limited and its subsidiaries for the year 1984-85 have not yet been

finalised. However, Eastern Coalfields Ltd. and Bharat Coking Coal Ltd. are expected to incur loss of Rs. 13.51 crores and 51.74 crores (after adjustment of retention price) during the year 1984-85. The main reasons for incurring losses by LCL & BCCL are that they have to operate under difficult geomining conditions and the continued problems of inadequate and erratic power supply, law and order and absenteeism etc.

All efforts are being made to increase production and productivity in the coal companies with a view to providing them with a sound financial base as well as to make them fully poised to meet the growing demands of coal in the years to come. The various measures being adopted to increase production and improve productivity in coal companies include investment in new mines, fuller utilisation of mining capacity already created, more efficient use and better maintenance of equipments, stricter control of inventory and economy in the use of stores, better use of man-power by controlling absenteeism and enforcing discipline and identification of surplus workers and their re-deployment after suitable training, better availability of scarce inputs like explosives, timber etc., reduction of pit-head stocks by faster movement and more systematic distribution, expeditious and timely completion of new projects and improvement in the law and order situation and control over mafia activities in Bihar-Bengal coalfields.

(d) During the last three years the prices of coal were revised twice w.e.f. 27-5-1982 and 8-1-1984. Increase in the coal prices has been necessitated due to increase in the cost of production caused by escalations in the cost of inputs, such as labour, power, stores, explosives, petroleum oil and lubricants, higher incidence of depreciation and interest charges etc.

[Translation]

Progress regarding construction of  
Bharat Refractories Limited

Plant at Devalthal

179. SHRI HARISH RAWAT :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether formalities relating to acquisition of land for the construction of a plant of the Bharat Refractories limited at Devalthal have since been completed;

(b) if so, whether plans, estimates etc. for the construction of this plant have been received by the Ministry or the Refractories Board; and

(c) if so, the time by which these are likely to be sanctioned and work on the construction of the plant started ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Out of an area of 46.94 acres of land required for the construction of plant and township, 23.13 acres of land has been acquired. Acquisition of Government land is still under progress.

(b) The original project cost estimates were sanctioned by the Government in 1982. Revised estimates are under review.

(c) A decision on the revised estimates of the project will be taken after the viability of the project based on current costs and the overall demand and availability position of magnesite have been finalised.

[English]

Setting up of regional rural bank in  
Chamoli

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

(a) whether there is a proposal to set up regional rural bank in Chamoli, (U.P.) during 1985-86; and

(b) if so, the name of the nationalised bank which will sponsor it ?



THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government have already approved the proposal to set-up a regional rural bank covering two districts of Chamoli and Pauri Garhwal of Uttar Pradesh during 1985-86.

(b) State Bank of India is the sponsor bank of this regional rural bank.

[Translation]

**Constitution of high level Committee on Black Money**

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

(a) whether a decision has been taken to constitute a new high level committee to go into the problem of black money and suggest remedial measures therefor; and

(b) if so, the details thereof ?

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

(b) Question does not arise.

**Opening of branches by Pithoragarh Regional Rural Bank**

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

(a) the total number of new branches to be opened by the Pithoragarh Regional Rural Bank during 1985-86; and

(b) the names of their proposed sites ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Pithoragarh Regional Rural Bank has applied for grant of licences

for eight centres for opening its branches.

(b) The names of the Centres proposed by Pithoragarh Regional Rural Bank are as follows :

1. Paleta
2. Champawat Town
3. Gurna
4. Baluwakot
5. Dhunaghat
6. Dharchula
7. Lohaghat
8. Mowani

**Setting up of spinning mill in Azamgarh District in U.P.**

723. SHRI RAJKUMAR RAI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government propose to set up a spinning mill in Azamgarh district of U.P.;

(b) if so, when; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir.

(b) and (c) Do not arise.

**Credit Camps in Eastern U.P.**

724. SHRI RAJKUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) the number of 'Credit Camps' held in the eastern U. P. since January, 1985 till date;

(b) the number of persons benefited by these credit camps and the amount of money distributed therein ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Information to the extent available

will be collected and laid on the Table of the House.

**Opening of branches of Nationalised Banks in Rural areas of eastern U.P.**

725. SHRI RAJKUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of nationalised banks opened so far in the rural areas of eastern Uttar Pradesh;

(b) the names of the places selected for opening such branches in Azamgarh district during the year 1985-86; and

(c) the time by which these branches will start functioning ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As at the end of February 1985, there were 480 branches of Public Sector Banks functioning in the rural and semi-urban areas of the eastern Districts of Uttar Pradesh.

(b) and (c) As at the end of February 1985, Nationalised Banks were holding 15 licences for opening offices at the following rural centres in Azamgarh District :

Name of Bank	Name of Centre
Union Bank of India	1. Samsabad
	2. Khajahapur
	3. Lohra
	4. Chittepur
	5. Vishan
	6. Shankerpur
	7. Aliabadkatai
Punjab National Bank	8. Ukraura
	9. Heerapatti
	10. Shahpur
	11. Naseerpur
	12. Jeoli
	13. Uprauli
	14. Kathihari
	1. Kangha

The banks have been allowed time upto 30.9.85 for utilising the pending licences.

**Opening of branches of commercial Banks in Azamgarh district, U.P.**

726. SHRI RAJKUMAR RAI : Will the Minister of FINANCE be pleased to State :

(a) the number of branches opened in Azamgarh district in Uttar Pradesh by the various commercial banks during 1984-85;

(b) the number of branches proposed to be opened there during 1985-86; and

(c) the time by which these branches would start functioning ?

February, 1985, commercial banks had opened 36 branches in Azamgarh District, Uttar Pradesh. Bankwise details are given below :

Name of Bank	Number of branches opened
State Bank of India	4
Allahabad Bank	6
Punjab National Bank	2
Union Bank of India	12
Samyut Kshetriya Gramin Bank	8
Benares State Bank	4
	<b>Total</b>
	<b>36</b>

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) According to available information for the period January, 1984 to

Commercial banks were also reported to be holding 43 authorisations for opening offices in the district. The

banks have been advised to utilise the same expeditiously. Proposals for opening more bank offices in Azamgrah district will be considered by Reserve Bank of India in the light of the branch licensing policy for the Seventh Five Year Plan period which is being finalised.

[English]

**Plan to boost exports and location of functional centre**

727. SHRI V. TULSIRAM: Will the Minister of COMMERCE be pleased to state :

(a) whether Government have seen a news-items published in 'the Hindustan Times' dated 22-6-1985 under the caption "Action Plan to boost export";

(b) if so, the break up of the target so fixed to boost exports;

(c) the names and locations of the functional centres i.e. export processing zones and what will be feeding capacity of each zone;

(d) whether some functional centres are proposed to be located in Andhra Pradesh, if so, details thereof and if not, the reasons thereof;

(e) the names of the countries to which these items will be exported together with the value of each item; and

(f) the details of incentives to be given to exporters ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b) The export target for the year 1985-86 is fixed at Rs. 11736 crores. The target for the non-oil exports for 1985-86 is Rs. 11266 crores.

(c) to (f) In addition to two existing Free Trade Zones at Kandla and Santacruz in Bombay, four new Zones at Madras, Falta (West Bengal), Cochin and NOIDA (U.P.) are being set up. Performance of these four Zones would be watched before establishment of any

further new Zone, including in Andhra Pradesh. During 1984-85, units in Kandla Free Trade Zones exported goods worth Rs 236 crores (approx.) and the Santacruz Electronics Export Processing Zone Rs. 95.80 crores. The units in Export Processing Zones are free to export their finished products to any country. The units in Export Processing Zones are entitled to several benefits such as duty free import of capital goods and raw materials and tax holiday.

**Introduction of tobacco auction system in Andhra Pradesh**

728. SHRI V. TULSI RAM : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal under the consideration of Government to introduce tobacco auction system in Andhra Pradesh;

(b) if so, the details thereof together with the extent to which it will be helpful to the farmers and tobacco growers in the State;

(c) the time by which this system is expected to be introduced; and

(d) the extent to which it will be an improvement in the existing system ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (d) The auction system for sale of virginia Tobacco in Andhra Pradesh was introduced from 1983 marketing season in stage through 21 auction platforms set up by the Tobacco Board spread over 8 districts. A quantity of about 90 million Kgs. of Virginia tobacco valued at around Rs. 93 crores was sold through auction in this state.

The auction system has ensured payment to the growers within a reasonable time by the Tobacco Board themselves. Earlier, the traders and middle-men used to take long time to make payments to the growers.

The auction system has also ensured that all Virginia tobacco are sold within a reasonable time and that properly graded virginia tobaccos are brought to the auction platforms. The growers also got a higher average price for their product than last year.

**Proposal to entrust entire distribution of copper to MMTC**

729. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to entrust the entire distribution of copper to the Minerals and Metals Trading Corporation;

(b) whether MMTC is able to handle distribution net-work effectively and if so, on what background; and

(c) the details of the arrangements made or going to be made in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c) The proposals for marketing/distribution of indigenously produced copper by MMTC is under consideration. No final decision has yet been taken.

**Loans given by Andhra Bank under 20 Point Programme**

730. SHRI V. TULSI RAM : Will the Minister of FINANCE be pleased to state :

(a) the amount of loans given by the Andhra Bank in Andhra Pradesh for the upliftment of the poor and backward classes under the 20-Point Programme of the Prime Minister during the last two years as on the 30th June, 1985;

(b) the total amount of loans given to the industrialists and big business magnates during the same period;

(c) the reasons for disparity between the two; and

(d) the steps proposed to be taken to streamline the procedure ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Present data reporting system does not yield State-wise information in respect of each bank under various schemes launched under New 20 Point Programme. However, as per the latest available information the all-India position of Andhra Bank as on the last Friday of March, 1985 regarding advances to weaker sections has been as under;

No. of accounts	Balance Outstanding
5.20 lakhs	Rs. 111.32 crores

The outstanding loan amount as at the end of Dec. '84 against the credit limits of rupees one crore and above sanctioned by the Andhra Bank to the industrial units registered in Andhra Pradesh was Rs. 3082.34 lakhs.

(c) and (d) The banks sanction credit limits as per the overall policy framework laid down by the Govt. and RBI. The banks provide only need-based finance irrespective of the category of borrower. The banks have been asked to increase the flow of credit to priority sector and weaker sections and the performance of Andhra Bank has been as follows :-

(Percentage to total advances as at the end of March, 1985)

	Target	Achievement
Advances to Priority Sector	40%	40.3%
Advances to Weaker Sections	10%	13.3%

**Uniform rates for issue of bank drafts**

731. SHRI KAMAL PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has come to any conclusion with regard to uniform rates for the issue of bank drafts; and

(b) if so, the details thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Reserve Bank of India has not issued any guidelines to banks with regard to uniform rates of commission for issue of bank drafts.

(b) Does not arise.

**Purchase of stationery by Nationalised Banks**

732. **SHRI KAMLA PRASAD SINGH :** Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 7044 on 17 May, 1985 regarding purchase of stationery by nationalised banks and state :

(a) the reasons as to why the provisions of the Home Ministry's Order dated 14 July, 1981 making obligatory on Government bodies to purchase items of stationery, electrical and sanitary and other items from Kendriya Bhandar is not applicable to public sector banks and LIC and such other organisations; and

(b) details of steps taken to ensure compliance by them of the Order with a view to check the likely irregularities/unfair practices/malpractices in the purchase of aforesaid items?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The circular of July 14, 1981 issued by Ministry of Home Affairs relates to 'local purchases' and is, therefore, of relevance to organisations whose requirements of stationery etc. are met from centralised purchases of Govt. Public sector banks are not covered in this Scheme. Besides, the banks resort to bulk purchases of stationery

items after observing the formalities laid down in the guidelines of Reserve Bank. Central Government Employees Consumer Cooperative Society Ltd can also submit tenders to meet the stationery requirements of banks when such tenders are invited.

(b) Does not arise.

**Protection to Excise and Income Tax Officials on duty**

733. **SHRI HANNAN MOLLAH :** Will the Minister of FINANCE be pleased to state :

(a) how Government propose to give protection to Excise and Income Tax Officials on duty in view of Surat excise raid case;

(b) whether Government are thinking of exemplary punishment to the concerned manufacturers of Surat as a preventive to similar episodes;

(c) if so, the details thereof; and

(d) if not, the reasons thereof?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Chief Secretaries of various States have already been requested to ask District/Police authorities to extend full cooperation to the Customs, and Central Excise staff by way of sparing and deploying adequate armed police personnel to assist them in their operations against smugglers and tax evaders. Police assistance whenever necessary for providing adequate protection to excise and income-tax officials while on raids, is taken.

(b) to (d) Six persons have been arrested for contravention of the provisions of Central Excise law, while 128 persons were arrested by the police in connection with violence against Central Excise Officers. After completion of the investigations which are in progress appropriate penal action under the provisions of relevant laws will be taken.

**Steps to unearth black money**

734. SHRI R. M. BHOYE :

SHRI SHANTI DHARIWAL :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken some effective steps recently to unearth black money; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government is fully committed to take vigorous measures against tax evaders and rise of black money. All possible measures to check circulation and prevent further proliferation of black money, including administrative legislative and institutional are being taken from time to time.

**Change in terms and conditions of Class III and IV L.I.C. Staff**

735. SHRI THAMPAN THOMAS :

Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 904 on 17th May, 1985 regarding agreement between the L.I.C. management and representatives of L I C. Unions and state :

(a) whether the understanding reached between the Management and the employees Unions on the 11th April, 1985 has changed the terms and conditions of service of Class III and IV;

(b) if so, what are the major changes made in terms and conditions of services; and

(c) whether the principle of benefits once given cannot be withdrawn was adhered to in these changes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Based on the understanding reached between the LIC Management and the representatives of the 'Employees' Unions, Government issued a Notification on 11-4-1985, altering the terms

and conditions of service of Class III & IV employees.

(b) and (c) The salient features of the changes made in the terms and conditions of service are as under :

(i) Upward revision of scales of pay from 100 to 332 points of All India Consumer Price Index Numbers.

(ii) For every four Index points above 332, DA @ 1% of pay for Class III and @ 1.2% of pay for Class IV employees, subject to a maximum of Rs. 15.80.

(iii) Increase in the quantum of House Rent, City Compensatory and Hill Allowances.

(iv) Increase in ceiling on total emoluments from Rs. 2750 to Rs. 3500 per month for Class III and from Rs. 1600 to Rs. 2100 per month for Class IV employees.

(v) Increase in the quantum on terminal benefits like Provident Fund and Gratuity.

Benefits of House Rent, City Compensatory and Functional Allowances to existing beneficiaries, who were deemed to be ineligible due to revised terms and conditions of service, were protected.

[Translation]

**Procedure in advancing of loans by Nationalised Banks**

736. SHRI SHANTI DHARIWAL :  
SHRI VISHNU MODI :

Will the Minister of FINANCE be pleased to state :

(a) whether the prescribed procedure for the allotment of loans is not being strictly followed by the nationalised banks while advancing loans to the industries;

(b) if so, the number of industries against which there are outstanding amounts of bank loans and are to-day in the category of sick industries;

(c) whether according to present indications, the amount of loans advanced by the nationalised banks to the said sick industries is likely to be written off;

(d) if so, the details regarding the amount of loans advanced by the banks to such sick industries;

(e) whether Government propose to conduct any enquiry into the matter; and

(f) if so, when and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The nationalised banks are expected to strictly follow the prescribed norms and guidelines issued by Reserve Bank of India (RBI) from time to time while making advances to industries. The banks have also laid down procedures for sanction of loans at the different tiers of their organisation. The adherence to the set procedures and instructions by Branches is monitored by the Head Office/Controlling Offices of the banks. RBI also conducts regular inspection of the commercial banks, including nationalised banks, to ascertain, inter alia, whether the prescribed procedures are being followed by them. There is no information to indicate that the nationalised banks, generally, are not strictly following the procedures prescribed for advancing loans to industries.

(b) to (f) As at the end of June, 1984, out of the industrial units assisted by nationalised banks and the State Bank of India and its Associates, 82,968 units were reported to be sick with outstanding bank credit of Rs. 3143 86 crores. There is no indication that the entire or a sizeable amount outstanding against sick industrial units would be written off. No enquiry into the

matter by Government is considered necessary.

#### Losses in National Textile Corporation

737. SHRI SHANTI DHRIWAL : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have been receiving representations from the local people regarding increase in losses in the National Textile Corporation's mills in Rajasthan;

(b) if so, whether Government have taken any action in this regard so far; and

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

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Representations have been received from time to time regarding working of National Corporation's mills in Rajasthan.

(b) and (c) The performance of the mills under NTC is being reviewed by the Government from time to time. Some of the important steps taken or being taken to improve the performance of these mills are as follows :—

- (i) Arrangements are being made for time procurement of cotton from different available channels.
- (ii) Working capital has been replenished to make up for cash losses.
- (iii) To overcome the power shortage, self generating capacity has been provided.
- (iv) Cost control methods have been introduced for reduction in cost at all levels.
- (v) Management of the subsidiaries is being strengthened for better management of available resources.

- (vi) Efforts are being made for reducing the non-operational administration expenses. The financial results of April and May 1985 indicate substantial reduction of losses from the average monthly losses during 84 85.

**Utilisation of inoperative deposits of customers lying in nationalised and scheduled banks**

738. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) the amount of deposits lying such accounts of the customers in nationalised scheduled banks as have been inoperative for a long period;

(b) whether Government have decided to utilise this amount for development works in the country; and

(c) if so, the details in this regard and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The amount of Deposits lying in inoperative accounts of the customers in scheduled banks (including nationalised banks) as at 31.12.1983 was Rs 3563.41 lakhs.

(b) and (c) The balances held in inoperative accounts form part of overall deposit resources of Banks and hence the question of their separate utilisation for development work in the country does not arise.

[English]

**Meeting of West Bengal Industry Minister with Minister of Finance**

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

(a) whether an-all party delegation of MLAs of West Bengal headed by the West Bengal Industry Minister met him recently in New Delhi ;

(b) whether they held discussion with him and handed over a memorandum ;

(c) if so, the salient features of the said memorandum ; and

(d) steps so far taken by him thereon ?

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

(c) Salient features of the Memorandum include the role to be played by Industrial Reconstruction Bank of India (IRBI), banks and financial institutions in revival of sick and closed units, review of policy on protection of dues in the case of nationalisation of an industrial unit, reconsideration of freight equalisation policy, crisis in railway wagon industry, nationalisation of jute industry and revival of textile units, reopening of closed tea gardens in Darjeeling, modernisation and expansion of Durgapur Steel Plant, etc.

(d) As the points raised in the Memorandum concern various Ministries/Organisations, the contents of the Memorandum have been circulated to the concerned Ministries/Organisations for due examination and necessary action.

**Steps to Improve Quality Coal supplied to Talcher Fertiliser Plant**

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

(a) whether attention of Government has been drawn to the news item in the 'Telegraph' of 16 June, 1985 wherein it has been stated that the production in the Talcher Fertiliser Plant is likely to be affected if steps are not taken to improve the quality of coal being supplied by the Central Coalfields Limited ;

(b) whether quality of coal is expected to deteriorate further after one or



two years which is being supplied from the South Blanda and Nandira -Mines ; and

(c) if so, what precautionary measures are under operation in this regard ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a) to (c) In the News item which appeared in the 'Telegraph' of 16th June, 1985 under the caption 'IMF aid for Talcher Sought' there is no mention about the quality of coal being supplied to Talcher Fertiliser plant. However, a press report has appeared in this regard in the 'Business Standard' of 18th June, 1985. The matter was discussed in an inter-ministerial meeting held on 28-5-1985 which was attended among others by the representatives of the fertiliser plants. Contacts have been made by the FCI management with the coal company to secure the quality of coal required by the fertiliser plant and there is an improvement in the quality of coal supplies from the existing sources namely South Blanda and Nandira Mines.

FCI and coal companies are in constant touch for the purpose of meeting the quantity and quality requirements of coal of the plant within the acceptable limits.

In the mining process thick stone bands are likely to be encountered in

future for which additional means of wet or dry washing will have to be adopted to maintain quality. FCI has appointed CEMPDIL, Ranchi, as their consultant for a study on coal supplies to the fertiliser plant and to recommend long term measures to improve the quality and quantity of coal supplies to the plant.

**Area under opium cultivation in Rajasthan**

741. SHRI JUJHAR SINGH : Will the Minister of FINANCE be pleased to state :

(a) the area under opium cultivation in Rajasthan, District-wise ;

(b) whether the area under opium cultivation in Jhalawar District is very much lower than in the past few years and that there is a demand from cultivator's to increase the area and to accommodate more cultivators to improve their economy ; and

(c) whether Government propose to consider to pay better incentive price to cultivators to check opium smuggling in the area ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The district-wise area under opium poppy cultivation in Rajasthan during the years 1982-83, 1983-84 and 1984-85 was as under :

District	Area under Opium-poppy cultivation		
	1982-83	1983-84	1984-85
Kota	1779.08	1419.64	1425.64
Bundi	3.05	1.92	1.92
Jhalawar	2082.19	1689.77	1708.71
Chittorgarh	5354.22	4229.60	4255.00
Udaipur	182.54	160.19	1.0.05
Bhilwara	245.75	196.75	201.81
Banswara	1.56	1.17	1.17

(b) While the area under opium-poppy cultivation in Jhalawar District declined from 2082.19 hectares during 1982-83 to 1689.77 hectares during 1983-84, it increased to 1708.71 hectare during 1984-85. There is a demand from cultivators to increase the area and to accommodate more cultivators

(c) The question of the price of opium payable to cultivators is examined by the Annual Departmental Narcotic Conference, keeping in view the income from poppy crop as compared to the income from other cash crops cultivated in the poppy-growing areas, the international market situation for opium, etc. Accordingly, for the crop year 1985-86 the question of the price of opium payable to cultivators will be examined, at appropriate time, keeping all the relevant factors in view.

**Setting up of second Steel Plant at Daitari  
in Orissa during Seventh Five Year  
Plan**

742. SHRI GIRIDHAR GOMAN-  
GO :  
SHRI S.M. GURADDI :  
SHRI CHINTAMANI JENA :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the steps taken by his Ministry for setting up second steel plant at Daitari in Orissa during the Seventh Five Year Plan ;

(b) when the proposal was cleared by the Planning Commission ;

(c) the reasons for delay in execution of Project during Sixth Plan ; and

(d) the funds provided by his Ministry to start the Project and provision made during the financial year 1985-86 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) The Feasibility Report for the first phase of the Daitari Steel Plant in Orissa prepared by MECON has been received

by the Project Authorities. The notification for the acquisition of land has been issued by the State Government. Soil investigations have been completed—as also studies on the availability of water. Some other studies on provision of infrastructure facilities for the proposed plant are under way.

(b) Investment decision in respect of the plant has not yet been taken. This will be done only after obtaining the views of various appraising agencies including the Planning Commission.

(c) Delay in the execution of the Project has been mainly due to the need to identify a cost effective technology as an alternative to the traditional blast furnace technology.

(d) During the current financial year a provision of Rs. 100 lakhs has been made for the Project.

**Supply of G.I. pipes to Orissa**

743. SHRI GIRIDHAR GOMAN-  
NGO : Will the Minister of STEEL,  
MINES AND COAL be pleased to  
state :

(a) whether Government of Orissa requested his Ministry to supply the G.I. pipes for sinking tube wells in the year 1984-85 and 1985-86;

(b) if so, the details of the indent made by the Orissa PHEO and supplied by the steel plants so far; and

(c) the steps taken by his Ministry to supply the raw material to Orissa PHEO for sinking drinking water tube wells on priority basis in these years ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c) No request has been received from Government of Orissa for supply of G.I. pipes for sinking tube well in the year 1984-85 and 1985-86. G.I. pipes are not manufactured in the integrated steel plants. Production and supply of G.I. pipes are not looked after by the Ministry.

**Export in Sixth Plan Period**

744. SHRI CHITTA MAHATA : Will the Minister of COMMERCE be pleased to state.

(a) the total export of the country in the Sixth Plan period; and

(b) the target export of the country in the Seventh Plan period and steps proposed to be taken to increase the export in the current Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) According to the provisional data, India's overall exports during 1984-85, the final year of the Sixth Five Year Plan period amounted to Rs. 11297.4 crores. On this basis, India's total exports in the Sixth Five Year period (1980-85), at current prices, were Rs. 44594 crores.

(b) The Seventh Five Year Plan is in the process of formulation and hence the export target for Seventh Five Year Plan period is yet to be finalised.

**Mobilisation resources from agriculture sector**

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

(a) whether Government have decided to mobilise more resources from agriculture sector and reforms in direct and indirect taxes will form part of the Government's proposed long term fiscal policy; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Taxation of agricultural incomes lies within the purview of the State Governments. There is no proposal, at present, specifically designed to mobilise more resources from agricultural sector. The outlines of a Long Term Fiscal Policy are in the process of formulation.

**Foreign exchange earning through of power grade tea**

746. SHRI GURUDAS KAMAT : Will the Minister of COMMERCE be pleased to state :

(a) what have been the minimum export prices of lower grade tea during 1983-84 and 1984-85;

(b) what have been the foreign exchange earnings through export of lower grade tea during these two years, years wise;

(c) whether the minimum export price of tea has recently been revised by Government; and

(d) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (d) Separate minimum export prices have not been fixed for different grades of tea. Further there was no minimum export price for tea during 1983-84. During 1984-85 minimum export price was initially fixed at Rs. 35/- per kg. for North Indian teas and Rs.33 per kg. for South Indian tea bought in auction. With effect from 11th March, 1985 the minimum export price for both North and South Indian teas was reduced to Rs. 31/- per kg. The minimum export price was further reduced to Rs. 26/- per kg. with effect from 29th April, 1985.

Figures of foreign exchange earnings for exports of teas grade wise are not maintained.

The revisions in minimum export prices were necessitated by the downward trend of international prices.

**Representation against high duty on export of coffee**

747. PROF. P.J. KURIEN :  
SHRI V.S. VIJAYARAGHAVAN :

Will the Minister of COMMERCE be pleased to state ;

(a) whether the coffee growers have represented against the high rate of duty being charged on the coffee which is exported;

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

(c) whether the same rate of export duty is charged on coffee exported to the quota countries as well as the Soviet Union;

(d) if so, the reasons thereof; and

(e) the steps being taken to change it?

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

(b) to (e) Export duty on coffee has been reduced from Rs. 720/- per quintal to Rs. 570/- per quintal on 29th April, 1985 and further reduced to Rs. 415/- per quintal on 10th June, 1985. Duties of such nature are generally levied at uniform rates irrespective of destination of export.

#### Trend of exports

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

(a) what has been the rate of increase in exports during the past three years;

(b) the names of items whose export has declined during this period; and

(c) the steps being taken to boost the export of these items?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Export have registered an increase of 114.1 per cent in 1982-83, 10.8 per cent in 1983-84 and 20.2 per cent in 1984-85 as compared to the preceding year.

(b) Commodity-wise provisional export statistics are available for 1982-83, 1983-84 and April-December, 1984,

The exports of Coffee and Coffee substitutes, Oil cakes, Marine Products, Coir and Coir manufactures registered a continuous decline during the period mentioned above.

(c) Policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying the production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of policy available to Government are being utilised for this purpose and adjusted as and when necessary.

#### Action plan to involve public sector in Export Business

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

(a) whether an action plan has been formulated to involve the public sector in the export business; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) No, Sir. However, state trading organisations in the public sector such as STC, MMTC and PEC are engaged in the export business.

#### Implementation of scheme of workshed-cum-housing scheme for Handloom weavers

750. SHRI SODE RAMAIAH : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have decided to implement a centrally sponsored project called "Workshed-cum-Housing Scheme for handloom weavers" ; and

(b) if so, the details of the project and the centres selected for implementation of this scheme?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Yes Sir.

(b) The scheme is centrally sponsored with a proposed budgetary allocation of Rs. 950.00 lakhs during 7th Plan, with a view to cover 50,000 worksheds and houses. The State Govt. have been addressed letters requesting them to recommend model units and designs keeping in view the overall cost of the scheme, for consideration of HUDCO. The scheme envisages House & workshed with a cost estimate of Rs. 6,000/- and Rs. 3,000/- for Rural and Rs. 12,000/- and Rs. 3,000/- for Urban Houses and Workshed respectively. HUDCO shall provide a loan of Rs. 3,000/- and Rs. 9,700/- for Rural and Urban housing, to be matched with equal contribution of Rs. 1500/- and Rs. 1,000/- each by Centre and State for rural and urban areas respectively. The spill over of Rs. 300/- in case of urban housing shall be contributed by the beneficiary.

The scheme also provides for construction of worksheds to be attached to the newly constructed house or to be attached to existing unit, if space permits. Rs. 3,000/- which is the approved cost for construction of worksheds, will be in the form of grant to be shared equally by Centre and States.

All the State Governments have been addressed letters whereby they have been requested to prepare project/schemes for Rural as well as Urban, House-cum-Worksheds and Worksheds to be attached to existing dwelling units. Each scheme should at least cover 50 units of Urban houses and 20 units of Rural houses in a particular Town/village. Special relaxation will however, be given to projects for hilly and tribal areas, on merit. While selecting venues, the State Government have been requested to emphasise on areas of handloom concentration.

The Central contribution to the scheme shall be in form of Grant-in-aid to the State Governments.

[Translation]

Special cell for complaints about Indian engineering goods

751. SHRI VISHNU MODI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that the Association of Indian Engineering Industries has decided to set up a special cell to attend to the importers' complaints about the standard of Indian engineering goods imported by them;

(b) if so, how Government propose to help this Association in maintaining the level and standard of engineering goods exported from the country; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) With a view to deal with problems and complaints regarding quality of engineering goods the Association of India's Engineering Industry has set up a quality Assurance Board.

(b) and (c) Government always welcomes any effort made by the Industry for self regulation of quality of our exports and provides all possible assistance wherever necessary.

[English]

Renovations and Expansions of Textile Mills taken over by NTC in Beawar and Bijay Nagar in Rajasthan

752. SHRI VISHNI MODI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total capital invested by Government on the renovations and expansions of the textile mills taken over by N.T.C. in Beawar and Bijay Nagar in Rajasthan and the mill-wise and year-wise break up thereof ;

(b) whether these mills have been running in losses since they were taken over;

(c) if so, whether Government have conducted any enquiry into this matter;

(d) if so, the outcome of the enquiry; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) As on 31st March, 1985, modernisation/renovation expansion schemes worth Rs. 701.25 lakhs have been implemented in the three textile mills under NTC situated in Beawar and Bijay Nagar in Rajasthan. The mill-wise and year-wise break-up is given in the statement-I below.

(b) the profits/losses suffered by the three units since 1974-75 are given in the statement II below. The improvement in April & May 1985 is also indicated therein.

(c) to (e) The performance of the mills under National Textile Corporation is being reviewed constantly by the Govt. from time to time and effective

steps taken to improve its performance. Some of the important steps taken/are being taken to improve the performance of these mills are as under :—

- (i) arrangements are made for timely procurement of cotton from different available channels;
- (ii) to overcome the power shortage, self-generating capacity has been increased;
- (iii) working capital has been replenished to make up for cash losses;
- (iv) selective modernisation programme strategies have been adopted for result-oriented gains;
- (v) cost control methods have been introduced for reduction in costs at all levels; and
- (vi) efforts are being made for reducing the non-operational administrative expenses.

Statement-I  
Profit & Loss position of NTC Mills in Rajasthan

(Rs. in Lakhs)

Year	Bijay Cotton Mills, Bijaynagar	Mahalaxmi Mills, Beawar	Edward Mills, Beawar
1974-75	—34.52	—26.92	—1.54
1975-76	—24.74	—74.50	—63.05
1976-77	—11.49	—31.87	—37.68
1977-78	—18.10	—61.33	—74.35
1978-79	—26.63	—48.02	—32.84
1979-80	+20.04	—43.35	—41.58
1980-81	+1.19	—41.57	—59.96
1981-82	—57.74	—41.54	—36.66
1982-83	—31.52	—24.51	—73.99
1983-84	—62.78	—58.19	—77.97
1984-85	—99.81	—164.99	—196.98

Average monthly loss during 84-85	8.33	13.75	16.42
Net loss in April, 1985	4.49	9.57	11.32
Net loss in May, 1985	4.42	7.41	10.25

**Statement-II**

Statement showing the yearwise investment for modernisation/Renovation/Expansion of Edward Mills, Mahalaxmi Mills and Shree Bijay Cotton Mills for the last 5 years

Amount (Rs. in Lakhs)

Year	Edward Mills Beawar	Mahalaxmi Mills Beawar	Shree Bijay Cotton Mills Bijay Nagar
Prior to 6th Plan Period (1974-75 to 1979-80)	120.69	117.11	128.27
1981-81	37.80	17.58	330.62
1981-82	92.58	15.48	59.95
1982-83	11.02	4.10	7.78
1983-84	2.91	2.84	26.46
1984-85	4.84	10.26	10.96
Total	269.84	167.37	264.04

**Rise in Prices after Presentation of Budget**

753. SHRI AMAL DATTA :  
SHRI S M. BHATTAM :  
SHRI B. K. GADHVI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the retail prices are rising steadily since the presentation of Union Budget although the wholesale prices have stabilised to some extent;

(b) if so, measures undertaken by Government to arrest the situation;

(c) the results achieved so far, if any, out of the said measures;

(d) whether Government are satisfied with the results;

(e) if so, the basis therefor; and

(f) if not, what other measures are to be taken to save the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (f) Retail prices as reflected in the Consumer Price Index for Industrial Workers (CPI) increased by 0.2% in March, by 1.4% in April and 1% in May 1985. The movement of CPI generally follows the movement of wholesale Price Index (WPI) but with a time lag. As noted by the Hon'ble Members, the rate of increase in the

WPI has stabilised to some extent which should also have a favourable impact on the CPI with a time lag.

Government is closely monitoring the price situation and has taken a number of steps for effective demand and supply management including strengthening of public distribution system, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control. The Central Government has advised the State Governments to take strict action against traders including in profiteering, hoarding and blackmarketing. It may be noted that during the current financial year the Wholesale Price Index (WPI) has registered an increase of 4.5 per cent upto 13th July against 6.3 per cent in the corresponding period of 1984-85. In fact this is the lowest increase during the last 7 years during this period.

**Pre-taken over Liabilities Regarding  
taken over Units**

754. SHRI AMAL DATTA :

SHRI BASUDEB ACHARIA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering to take a decision soon on the desirability of the clause on pre-taken over liabilities regarding taken over units;

(b) whether he assured this to an all-party delegation of MLAs of West Bengal recently in New Delhi;

(c) if so, the details thereof; and

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

THE MINISTER OF STATE IN  
THE MINISTRY OF FINANCE  
(SHRI JANARDHANA POOJARY) :  
(a) to (d) According to the current policy of the Government, in cases of nationalisation of industrial units taken over under the Industries (Development and Regulation) Act, 1951, the entire pre take over dues, including interest,

of banks and financial institutions are required to be fully protected by the Government nationalising the unit. The policy relating to protection of dues, including the pre take over dues, is being reviewed. A delegation of Members of the West Bengal Legislative Assembly met the Union Finance Minister recently and has submitted a Memorandum which, inter alia, seeks the removal of the condition of protecting the pre take over dues.

**Survey regarding Coal reserves in  
Gujarat**

755 SHRI AMARSINH RATHAWA :  
Will the Minister of STEEL, MINES  
AND COAL be pleased to state :

(a) whether any survey has been conducted in Gujarat to find coal reserves;

(b) if so, the finding thereof;

(c) the steps being taken to extract coal from these areas; and

(d) the details of other minerals which have been found in Gujarat during survey and the measures being taken to explore them ?

THE MINISTER OF STEEL,  
MINES AND COAL (SHRI VASANT  
SATHE) : (a) to (c) As per survey conducted by Oil and Natural Gas Commission, about 63,000 m.t. of coal reserves have been discovered at depths between 1000-1800 metres, in cambay basin in Gujarat. Coal India Limited have, at present, no plans for exploiting the coal seams at such great depths.

(d) Reserves estimated in respect of major mineral deposits in Gujarat are as follows :—

	Million tonnes
1	2
Lignite	165.02
Manganese ore	2.96
Lime Stone	10.792



1	2
Dolomite	245.31
Copper ore	7.57
Lead-Zinc ore	7.44
Bauxite	90.34
Phosphorite	0.50
Gypsum	7.20
Bentonite	43.08
Silica sand	8.22
Graphite (up-to 20% fixed Carbon)	2.04
Fire-clay	44.82
China clay	67.43
Fluorite	8.35

Regarding measures for exploration during 1984-85 field season, Geological Survey of India was engaged in assessment of mineral potentialities of Kui-Chitrasapi Belt of Banaskantha district and Investigation of Tin-Tungsten and associated minerals in Sabarkantha and Panchmahal districts. Geological Mapping is also being carried out in different parts of Gujarat.

#### Crisis in Handloom Sector in Kerala

756. SHRI K. KUNJAMBU : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the handloom sector in Kerala is facing a crisis due to non-availability of yarn and other raw materials at reasonable rates; and

(b) if so, the steps being taken to ensure the supply of these items at reasonable rates ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir,

(b) Does not arise.

#### Wheat Export Deals

757. DR. G. VIJAYA RAMA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether it is correct that India has finalised wheat export deals and if so, the details thereof;

(b) what are the countries where wheat is to be exported and at what price;

(c) whether these export prices are higher or lower than domestic price, including storage prices and storage losses; and

(d) whether there are any plans to diversify production due to wheat surplus in the country and in the world ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) Food Corporation of India has entered into a contract for supply of 5 lakh tonnes of wheat to USSR. Besides this, a quantity of 1 lakh tonnes of wheat is being supplied as aid to the drought affected African countries.

(c) International price trend is duly taken into account while negotiating deals for export of wheat.

(d) No, Sir.

#### Raise in Leather Export Targets

758. DR. G. VIJAYA RAMA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have decided to raise leather export targets in view of high leather exports during 1984-85 and if so, details thereof;

(b) whether the Council of Leather Exports is not in favour of upward revision of leather export targets and the reasons thereof; and

(c) whether it is a fact that despite high export, Bharat Leather Corporation have suffered heavy losses during the past three years and if so, the details of losses and reasons thereof ?

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

The targets for 1985-86 have been revised as follows :

	(Rs. Crores)
1. Semi-processed leather	60
2. Finished Leather	220
3. Leather Footwear	35
4. Footwear components	210
5. Leather goods and Manufactures	50
Total	605

(b) No, Sir.

(c) No, Sir. According to the Ministry of Industry, Department of Industrial Development, the losses have been decreasing with the increase in quantum of exports every year.

#### Raid on Art Silk Industry in Surat

759. SHRI MODH. MAHFOOJ ALI KHAN :

SHRI INDRAJIT GUPTA :

SHRI SODE RAMAIAH :

Will the Minister of FINANCE be pleased to state :

(a) whether the officials of the Directorate of anti-evasion were assaulted and injured, some of them seriously when a raid was launched on the art silk industry in Surat recently ; and

(b) if so, the details thereof stating the value of the unaccounted processed cloth recovered during the raids and the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) During the course of searches conducted by the Directorate of Anti Evasion (Central Excise) at the premises of 16 factories processing art silk fabrics and 40 shops at Surat on 24th May, 1985, central excise officers conducting the searches were assaulted and injured in the textile market and in the premises

of 11 factories. Fabrics valued over Rs. 650 crores approximately not accounted for in the central excise records and a number of incriminating documents were seized during the searches, which continued till 31st May, 1985. Six persons were arrested under the provisions of the central excise law.

#### Uniform Wage structure for employees of public sector undertakings

760. SHRI S.M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering proposals for a uniform wage or salary structure for employees working in public sector undertakings ;

(b) whether any such proposals were made by the employees organisation ; and

(c) at what stage the matter stands ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No concrete proposals are under consideration of the Government of India.

(b) No, Sir.

(c) Question does not arise in view of (a) & (b) above.

#### Financial soundness of Tea Trading Corporation of India

761. SHRI S.M. BHATTAM : Will the Minister of COMMERCE be pleased to state :

(a) the financial soundness of the Tea Trading Corporation of India :

(b) the extent and magnitude of business transacted by the same;

(c) whether it is running into losses for the last four years and if so, to what extent; and

(d) the total investment so far made in this Corporation and what is

its business turn over and present economic viability ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) :** (a) to (d) Prior to 1980 the Tea Trading Corporation of India had been making profits. However, since 1980-81 the Corporation has been incurring financial losses. The estimated accumulated losses upto 31st March, 1985 were Rs. 12 67 crores. The turnover of the Corporation in 1984-85 is estimated at Rs. 46 crores. The paid up share capital of the Corporation in 1984-85 is Rs. 8.14 crores.

**Proposal to hand over four Nationalised tea units to private or other Organisation**

762. **SHRI S.M. BHATTAM :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering any proposals for giving the recently nationalised (in April, 1985) four tea units on lease to private or some other organisation; and

(b) the reasons for such rethinking and what is the final decision taken in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) :** (a) No, Sir.

(b) Does not arise.

[Translation]

**Dearness allowance [to Central Government in Himachal Pradesh**

763. **SHRI K.D. SULTANPURI :** Will the Minister of FINANCE be pleased to state :

(a) the criteria followed in granting dearness allowance to the Central Government employees in Himachal Pradesh;

(b) whether Government propose to grant allowance to the Central Govern-

ment employees working in the hilly regions proportionate to those given to the employees of the State Government; and

(c) if so, by what time ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Central Government employees working in various states including Himachal Pradesh are entitled to Dearness Allowance on uniform Central Government rates.

(b) No, Sir.

(c) Question does not arise.

**Number of smugglers and tax Evaders whose premises were raided**

764. **SHRI K.D. SULTANPURI :**  
**SHRI D.B. PATIL :**

Will the Minister of FINANCE be pleased to state the State-wise details regarding the number of anti-social elements like smugglers and tax evaders in the country on whose premises raids were conducted during the past one year alongwith the number of such raids conducted and the amount of black money recovered from them ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** A Statement showing number of raids conducted against smugglers and tax evaders during the last one year (1-4-1984 to 31-3-1985) throughout the country, under Direct taxes Acts, Customs Act and Central Excise Act and the assets seized under Direct Taxes Acts, value of contraband goods seized under Customs Act and amount of Central Excise duty sought to be evaded under Central Excises and Salt Act is given below. State-wise figures are not maintained and are not readily available,

**Statement**

Acts	No. of Raids/ Searches con- ducted during 1984-85	Value of assets/Con- traband goods seized/ Central Excise duty evaded (Rs. in lakhs)
Direct Taxes Acts	4345	2507.59 (approx.)
Customs Act	20521	2625.41 (approx.)
Central Excises & Salt Act	5484	7982.00 (approx.)

**Note : 1 :** Figures are provisional. Figures of number of raids and value of contraband goods seized under Customs Acts do not include raids/searches conducted for detection for undervaluation in customs appraising cases.

**Note : 2 :** The figures under Central Excises and Salt Act relate to number of cases detected and the estimated amount of evasion of Central Excise duty, and include figures of raids and searches.

[English]

**Soil subsidence of Raniganj Town  
due to unplanned extraction  
of Coal**

**765. SHRI AJIT KUMAR SAHA :**  
Will the Minister of STEEL, MINES  
AND COAL be pleased to state :

(a) whether Government are aware of the fact that Raniganj town has been officially declared unsafe because of the soil subsidence problem owing to unplanned extraction of coal;

(b) whether Union Government have received any scheme from the West Bengal Government to save the town;

(c) if so, when and the salient points raised on the said scheme;

(d) the present position of the said scheme;

(e) whether Union Government propose to take up this scheme now; and

(f) if not, the reasons therefor ?

**THE MINISTER OF STEEL,  
MINES AND COAL (SHRI VASANT  
SATHE) :** (a) Yes, Sir.

(b) to (f) A pilot study project for stabilisation has been drawn up by Asansol-Durgapur Development Authority, which has been sanctioned by the Government of India under Science and Technology grants at a total revised cost of Rs 44.84 lakhs. The project is under implementation and studies have been initiated at Ramjiba colliery. A developed panel of area about 220 metres × 120 metres has been chosen for conducting the study. The project area will be isolated by means of dams and it is to be filled up by pumping water from available sources. Sand filling in the isolated water filled workings will be done through bore holes. Systematic studies will be made as to the performance and efficiency of these measures.

**Closure/Lock-outs/Retrenchment in  
Jute Mills**

**766. SHRI AJIT KUMAR SAHA :**  
Will the Minister of SUPPLY AND  
TEXTILES be pleased to state :

(a) whether Government are aware of the refusal of jute mills to buy raw jute from the Jute Corporation of India;

(b) if so, whether Government rules out the possibility of closures, lock-outs, retrenchment by mills owners on the plea of raw materials;

(c) if so, the action proposed to be taken against the mill owners;

(d) the time by which such actions are to be initiated; and

(e) if no action is proposed to be initiated, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (e) Although Jute Corporation of India, on behalf of National Jute Manufactures Corporation, offered for sale three time, excess raw jute belonging to NJMC, at ruling market price, to mills in the private sector, there was virtually no response from the mills to those offers.

It may be mentioned that the recent closure look-out of jute mills is not only on account of shortage of raw material and its high prices but unfavourable trading conditions, financial stringency of the mills, labour disputes etc. are also contributory factors. With the expectation of a bumper jute crop during the current jute season 1985-86 and a declining trend in raw jute prices and relatively high jute goods prices it is felt that further closure of jute mills should not take place this year on account of any raw material shortage but on the contrary this may hasten the process of re-opening of closed mills.

The reason stated for closure of jute mills is generally industrial disputes. Under the Industrial Disputes Act, the State Government is the appropriate authority for dealing with such matters. It is understood that bipartite and tripartite conciliation proceedings are already in an advanced stage in the case of a number of jute mills and these mills may reopen shortly.

#### Vacancies in top level posts in public undertaking

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

(a) whether several top level posts are lying vacant in several public undertakings since long;

(b) if so, the details thereof; and

(c) the reasons for not filling the posts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) According to available information out of 210 public enterprises, 38 posts of Chief Executives and 46 posts of Functional Directors are vacant in Central Public Enterprises. The Public Enterprises Selection Board (PESB) have already made recommendations in respect of 20 posts of Chief Executives and 30 posts of Functional Directors. The Statement below gives details.

(c) The recommendations of the PESB are processed by the administrative Ministry/Department concerned and appointments are made only with the approval of the Appointments Committee of the cabinet. Delays occur where persons selected take time or fail to join or in cases where persons with specialised skills have to be spotted.

#### Statement

#### Vacancies of Chief Executives (Full-Time Chairman/Managing Director) in 210 Central Public enterprises (As on Date).

S. No.	Name of the enterprise	Date of vacancy	Remarks
1.	2.	3.	4.
1.	Damodar Cement & Slag Ltd.	22.9.83 )	Appointment orders
2.	Hindustan Newsprint Ltd.	18.1.85 )	issued. Appointees
3.	National Newsprint and Papers Mills Ltd.	21.4.85 )	yet to join.

1.	2.	3	4.
4.	Trade Fair Authority of India	1.11.83 )	Kept in abeyance pending contemplated reorganisation of the enterprises.
5.	Biecco Lawrie Ltd.	18 2 84 )	
6.	Scooters India Ltd.	7.4.84 )	
7.	Bharat Brakes & Valves Ltd.	1.5.84 )	
8.	Hindustan Prefab Ltd.	1.6.84 )	
9.	Tannery & Footwear Corpn. of India Ltd.	14.8.84 )	
10.	Engineering Projects India Ltd.	17.1.85 )	
11.	National Textile Corpn. (DP&R) Ltd.	7.5.84 )	
12.	Mandya National Papers Mills Ltd.	31.10.84 )	
13.	North Eastern Regional Agricultural Marketing Corpn. Ltd.	7.11.84 )	
14.	Indian Road Construction Corpn. Ltd.	1.1.85 )	Recommendations of the PESB have already been made.
15.	Bengal Chemicals & Pharmaceutical Ltd.	21.1.85 )	
16.	Cycle Corporation of India	31.1.85 )	
17.	Jute Corporation of India.	31.1.85 )	
18.	National Projects Construction Corpn. Ltd.	1.3.85 )	
19.	Metal Scrap Trading Corpn. Ltd.	1.4.85 )	
20.	Tea Trading Corpn. of India Ltd.	15.4.85 )	
21.	Tungabhadra Steel Products Ltd.	15.4.85 )	
22.	North Eastern Electric Power Corporation Ltd.	1.5.85 )	
23.	National Textile Corporation (Gujarat)	27.5.85 )	
24.	Indo Burma Petroleum Co. Ltd.	1 6.85 )	
25.	State Farms Corpn. of India	13.6.85 )	
26.	Hospital Services Consultancy Corporation Ltd.	New post )	
27.	Engineers India Ltd.	1.6.84 )	
28.	Delhi Transport Corpn. Ltd.	5.7.84 )	
29.	International Airports Authority of India.	19.10.84 )	
30.	Rajasthan Drugs & Pharmaceuticals Ltd.	1.1.85 )	
31.	Hindustan Antibiotics Ltd.	18.1.85 )	
32.	Goa Shipyard Ltd.	30 3.85 )	
33.	Maharashtra Antibiotics & Pharmaceuticals Ltd.	12.4.85 )	Under consideration of the PESB.
34.	Andaman and Nicobar Islands Forests Development Corpn. Ltd.	29.5.85 )	
35.	Nagaland Pulp & Paper Mills Ltd.	9.6.85 )	
36.	Rural Electrification Corpn. Ltd.	14.6.85 )	
37.	Modern Food Industries Ltd.	24.6.85 )	
38.	Fertiliser Corporation of India.	16.7.85 )	

## Vacancies of Functional Directors in 210 Central Public Enterprises

Sl. No.	Name of the enterprise	Date of vacancy	Remarks
1	2	3	4
1.	Director (Finance), Fertilizers and Chemicals (Travancore) Ltd.	1.12.84 )	
2.	Director (Marketing & Diversification), Braithwaite and Co. Ltd.	Post kept in abeyance revived )	Appointment orders issued. Appointees yet to join.
3.	Director (Personnel), Eastern Coalfields Ltd.	1.2.82 )	
4.	Director (Finance), Kudremukh Iron Ore Co. Ltd.	24.8.84 )	
5.	Director (Personnel), Heavy Engineering Corporation	1.12.84 )	
6.	Director (Finance), Bharat Coking Coal Ltd.	1.3.85 )	
7.	Director (Technical), Scooters India Ltd.	4.1.84 )	
8.	Director (Engineering), National Projects (Construction Corp. Ltd.	16.4.84 )	Post kept in abeyance.
9.	Director (Production), Tannery & Footwear Corporation of India	19.11.84 )	
10.	Director (Finance), Petrofils Cooperative Ltd.	22.10.84 )	Recommendations of the PESB have already been made.
11.	Director (Marketing), Projects & Equipment Corporation	23.1.85 )	
12.	Director (Finance), National Mineral Development Corpn.	11.4.85 )	
13.	Director (Marketing), Indian Drugs & Pharmaceuticals Ltd.	10.4.85 )	
14.	Director (Mining Operations), Hindustan Zinc Ltd	14.4.85 )	
15.	Member (Finance), International Airports Authority of India	1.3.85 )	
16.	Director (Personnel), National Jute Manufacturers Corpn. Ltd.	10.5.84 )	
17.	Director (Personnel), Western Coalfields Ltd.	5.1.85 )	Recommendations of the PESB have already been made.
18.	Director (Operations), Hindustan Copper Ltd.	12.1.85 )	
19.	Director (Commercial & Marketing), Bharat Electronics Ltd.	20.2.85 )	
20.	Director (Finance), Hindustan Organic Chemicals Ltd.	30.3.85 )	
21.	Director (Projects), Engineers India Ltd.	1.6.85 )	
22.	Director (Chemicals), IBP Co. Ltd.	New post )	
23.	Director (Oil), IBP Co. Ltd.	New post )	

1	2	3	4
24.	Director (Production), Bharat Earth Movers Ltd.	New post	)
25.	Director (Marketing), Bharat Earth Movers Ltd.	New post	)
26.	Director (Personnel), Bharat Earth Movers Ltd.	New Post	)
27.	Director (Personnel), Gas Authority of India Ltd.	New post	)
28.	Director (Medical Services), Hospital Services Consultancy Corpn. of India Ltd.	New post	)
29.	Director (Personnel), Andrew Yule and Co Ltd.	New post	)
30.	Director (Engineering), Metallurgical & Engineering Consultants (India) Ltd.	New post	)
31.	Director (Marketing) —do—	New post	)
32.	Director (Projects) —do—	New post	)
33.	Director (Personnel), Bongaigaon Refinery & Petrochemicals Corpn. Ltd.	New post	)
34.	Director (Marketing), Mining & Allied Machinery Corpn. Ltd. <sup>1</sup>	1.9.83	)
35.	Director (Planning), Andrew Yule & Co. Ltd.	9.7.84	)
36.	Director (Purchase & Sales), Cotton Corporation of India	22.9.84	)
37.	Director (Technical), Electronics Trade & Technology Development Corpn. Ltd.	11.11.84	)
38.	Director (R&D), Bharat Earth Movers Ltd.	8.2.85	)
39.	Director (Systems & Projects), Instrumentation Ltd.	13.85	)
40.	Director (Construction), Rashtriya Ispat Nigam Ltd.	1.4.85	)
41.	Director (Production), Instrumentation Ltd.	Post held	)
		in abeyance revived..	)

Under consideration  
of the PESB



1	2	3	4
42.	Executive Director (Liner Services), Shipping Corporation of India	17.4.85	)
43.	Director (Personnel), Neyveli Lignite Corporation Ltd.	1.5.85	)
44.	Director (Commercial), Mazagon Dock Ltd.	30.6.85	)
45.	Director (Field Engineering), Computer Maintenance Corpn.	1.7.85	)
46.	Director (Finance), Hindustan Fertilizer Corpn.	8.7.85	)

**Role of financial institutions to ensure proper functioning of companies**

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

(a) whether it is a fact that Life Insurance Corporation of India, General Insurance Corporation, Industrial Development Bank of India, Industrial Finance Corporation of India and other Government financial institutions own half of corporate sector in the country;

(b) if so, the details thereof; and

(c) role being played by financial institutions for ensuring proper functioning of companies in the private sector ?

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

(b) Does not arise.

(c) The financial institutions ensure proper functioning of the companies assisted by them through inspection of the companies by officers of the institutions and appointment of nominee Directors on the Board of Directors of the companies. On the basis of scrutiny of progress reports and feed-back from nominee Directors, the institutions take

up the issues with the companies concerned for taking suitable corrective measures for improving the working of the companies

**Streamlining of functioning of overseas branches of public sector banks**

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

(a) whether it is a fact that Central Bank of India's London Branch is also in the red;

(b) if so, the details thereof; and

(c) steps being taken to streamline the functioning of Overseas branches of public sector banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Since in larger public interest maintaining public confidence in the smooth functioning of the public sector banks is considered essential, disclosure of working results of individual branches of banks for specified periods is not considered desirable.

(c) Reserve Bank of India have taken a number of steps to streamline the functioning of overseas branches of public sector banks. Briefly they are :—

- (i) Introduction of a comprehensive revised reporting system of quarterly returns showing position of assets and liabilities of overseas offices in respect of overseas branches to get detailed feedback on various aspects of their operations on an ongoing basis.
- (ii) Periodical meetings by Deputy Governor, Reserve Bank, with senior executives of Head Offices of the banks concerned regarding supervision of foreign branches.
- (iii) Setting up of a consultative forum for cooperation and coordination amongst foreign branches of different Indian banks.
- (iv) In addition to inspection of foreign branches being made more frequent, controlling offices in India at the Head Offices of these banks are taken up by the Reserve Bank of India for inspection.
- (v) Issue of directives/advice to the banks on various operational aspects. Banks have also been asked to fix accountability of staff in all cases of serious lapses and irregularities.

#### **Indo-Vietnam co operation in Steel Sector**

770. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that India and Vietnam have decided to co-operate in the steel sector; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) The possibility of co-operation with

Vietnam in the Steel Sector is at present under exploration.

#### **Supply of soft coke to West Bengal**

771. SHRI NARAYAN CHOUBEY: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Coal India Ltd., has made recently a drastic cut in supply of soft coke to the State of West Bengal;

(b) whether Coal India Ltd., promised to supply 100,000 tonnes of coal in May, 1985 but actually supply was only 40,000 tonnes of soft coke to West Bengal;

(c) if so, the reasons therefor;

(d) whether Government are aware that supply of soft coke to coal dumps in Calcutta and other centres in the State is most irregular;

(e) if so, the reasons therefor and the arrangements Government propose to make for regular supply of soft coke to the dumps in the State?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) Coal India Limited had offered to supply 75,000 tonnes of soft coke per month to West Bengal. Accordingly for the month of May, 1985 Coal India Limited offered 75,000 tonnes of soft coke to West Bengal against which 51,400 tonnes were lifted by them. In addition Coal India Limited had also offered 25,000 tonnes of natural soft coke to West Bengal for the same month but the lifting was only to the extent of 11,000 tonnes.

There is a seasonal fluctuation in production of soft coke in summer and monsoon months. The requirement also declines during this period. As such for the month of July 1985, CIL has offered 58,000 tonnes of soft coke and 25,000 tonnes of natural soft coke to the State Government.

(d) and (e) Soft coke is supplied to West Bengal dealers, depot holders

either through the stockyards or directly from the collieries. In case of any dislocation in supplies from the stockyards, allocation of soft coke directly on the collieries is increased. Soft coke is primarily moved to West Bengal by road but to augment supplies, Rail movement is also arranged from time to time.

**Areas declared unsafe for Habitation by Director General of Mines Safety**

722. SHRI NARAYAN CHOUBEY :  
SHRI PURNA CHANDRA MALIK :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Director General of Mines Safety has declared the towns of Raniganj, Barkar, Kultu and Jameria and other 24 villages in the district of Burdwans as unsafe for habitation;

(b) if so, when the same declaration was made;

(c) the action taken by Government since then for safety and security of the people of the area; and

(d) the reasons for declaring these areas unsafe and who are responsible for such a situation ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) Since 1950, Director General, Mines Safety has declared certain areas in the district of Burdwan as unsafe for habitation including those mentioned in the question. West Bengal Government under Act promulgated in October, 1979 prohibited construction in 25 areas which include Raniganj, Jameria etc.

(d) These areas have been declared unsafe because of :

1. Existence of old workings with full height extraction and wide galleries, multi seam and multi section workings at shallow depths.

2. Existence of developed seam extracted by the stowing.
3. Areas are standing over small coal pillars/stocks which may also be waterlogged.
4. Size of pillar left is not known because off set plans of abandoned workings are not available.
5. The feasibility of stabilisation of workings below these areas is not only difficult but its effectiveness is also doubtful.

**Jute production in Sixth Five Year Plan**

773. SHRI AMAR ROYPRADHAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the quantity of jute production in the Sixth Five Year Plan;

(b) the quantity of jute purchased by the Jute Corporation of India in the same period; and

(c) the reasons for not purchasing the full jute produced in the same period by the Jute Corporation of India ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b) The quantity of raw jute/mesta produced in the country during Sixth Five Year Plan and the quantity of raw jute/mesta procured by Jute Corporation of India during the same period is as under :—

Year (July-June)	Production*	Quantity in lakh bales of 180 Kgs. each
		Procurement by JCI
1980-81	82.00	10.60
1981-82	74.00	17.61
1982-83	63.00	8.60
1983-84	66.00	8.39
1984-85	73.00	10.16

\* As estimated by trade/Industry/JCI.

(c) The JCI is primarily responsible for undertaking price support operation in the interest of jute growers i.e. it undertakes to purchase the entire quantity of raw jute offered to it at the minimum statutory price fixed by the Government. The JCI also undertakes commercial operation for meeting the requirements of NJMC Mills and State owned and cooperative mills on agency purchase terms and for private sector mills as and when they place tenders with it against guaranteed terms of payment.

#### Raw jute price ceiling

774. SHRI AMAR ROYPRADHAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have decided about raw jute price ceiling in the country; and

(b) if so, the details thereof and the reaction of the jute producing States thereto ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b) The Government fixed statutory maximum prices of different varieties and grades of raw jute, and mesta for delivery in Calcutta and various up-country markets in different jute and mesta growing States for a short period from 7th June to 15 July, 1985. Maximum price of W-5 grade of raw jute ex-other states at Calcutta was fixed at Rs. 600 per quintal and that of TD-5 grade of West Bengal origin at Rs. 595 per quintal. Price of W-5 grade of raw jute at up country markets in Assam, Meghalaya and Tripura was fixed at Rs. 488.50 per quintal. The fixation of maximum price was welcomed by Chief Minister of West Bengal at a meeting since jute was no longer with the growers at that time.

[Translation]

#### Check on export of Frogs

775. SHRI VILAS MUTTEMWAR : Will the Minister of COMMERCE be pleased to state :

(a) Whether it is a fact that due to export of frogs and their legs due to which there is an acute shortage of frogs in the country resulting in adverse effect on the environment; and

(b) if so, the concrete steps taken by Government to check to the export of legs of frogs ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) Live frogs are exported only on production of legal Procurement Certificate from the State Chief Wild Life Warden. There is no evidence to the effect that exports of frogs and froglegs result in the acute shortage of frogs in the country.

The various measures for conservation of resources taken by Government include banning of processing of froglegs during the 4 months of breeding season in a year, banning of export of froglegs of count more than 80 per Kg., classification of frogs as wildlife under Wild Life (Protection) Act, 1972 and putting a ceiling on exports of froglegs from 1983-84 licencing year.

[English]

#### Unearthing of network of people indulging in conversion of money into foreign currency

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

(a) whether Government recently found a network of people engaged in converting large sum of money into foreign currency and smuggling it abroad financing the training and arming of terrorists; and

(b) if so, the details thereof ?

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

(b) Does not arise.

**Export Quota of High yielding variety of cotton to cotton growers' marketing federation of Maharashtra**

777. SHRI SHARAD DIGHE : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that Government sanctioned export quota of only 65,000 bales of high yielding variety of cotton to the Cotton Growers' Marketing Federation of Maharashtra (the chief agency of Government of Maharashtra for operating Cotton Monopoly Scheme) when Government of Maharashtra had requested to sanction export quota of at least three lakhs bales; and

(b) if so, the reasons thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b) After assessing the demand and supply position and price trend of cotton in the country as a whole, Government of India have released so far 2.95 lakh bales of long and extra long staple cotton for export during the current cotton seasons. Out of this, a quantity of 0.95 lakh bales of long and extra long staple cotton has been allowed from Maharashtra. The above quantity of 2.95 lakh bales released for export has been divided among various exporting agencies on the basis of production and availability of the surplus varieties and extent/area of operations etc.

**Request from state governments to enhance additional central assistance**

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

(a) whether the Union Government have received request from State Governments to enhance the present percentage (70 per cent) of additional Central assistance on account of externally aided projects to the 100 per cent of the aid disbursed; and

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

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

(b) No change is contemplated in the existing policy under which 70% of the aid disbursed on the externally aided projects is passed on to the State Governments as additional Central assistance.

**Closure of Textile Mills due to new Textile Policy**

779. SHRI SHARAD DIGHE : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) how many textile mills would require partial or full closure as a result of the new textile policy announced by Government; and

(b) the steps Government propose to take in case of such mills to protect the interest of the labour ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) As a consequence of the new Textile Policy the production of cloth is expected to go up leading to increase in employment. It is expected that the mills will avail of the provisions in the new textile policy to improve their performance. In spite of this, if certain mills fail to achieve viability and have to close down wholly or partially this cannot be attributed to the Policy.

(b) The new Textile Policy contains adequate safeguards for protecting the interests of the workers. These safeguards also include the provision of relief for an interim period out of a rehabilitation fund to be created, especially for the workers of the textile industry.

**Action plan to phase out freight equalisation scheme**

780. SHRIMATI GEETA MUKHERJEE :

SHRI INDRAJIT GUPTA :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Minister of State for Steel some time ago stated before the Bengal National Chamber of Commerce that an "Action Plan" was being drawn up to implement the decision earlier adopted in principle to phase out the freight equalisation scheme for iron and steel items;

(b) if so, whether such an "action plan" has already been drawn up and the salient points thereof; and

(c) if not, the time by which it will be drawn up ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) In reply to a letter from the President, Bengal National Chamber of Commerce & Industry I had stated that a plan of action was being worked out to gradually phase out freight equalisation scheme in respect of iron and steel.

(b) and (c) Yes, Sir. An 'action plan' has been drawn up. The modalities of the withdrawal of freight equalisation scheme are being worked out in consultation with the other concerned Ministries. While working out the modalities of abolition, care is being taken to ensure that consumers/industry located away from the integrated steel plants are required to bear only minimum extra cost as and when the scheme is phased out.

#### Loose tea retail prices

781. SHRIMATI GEETA MUKHERJEE : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that retail loose tea prices have again started sharply moving up so much so that in the last week of May and the first week of July CTC broken and fannings shot up by Rs. 3 per kg. and common CTC were sold by over Rs. 5 per kg. higher than that of the previous week (last week of May) in Calcutta markets:

(b) whether this rise in consumer tea prices are taking at a time when the

auction prices of common tea have gone down to the level of 1983 consequently the packet tea prices in many cases have gone up by Rs. 16 per kg. compared to 1983;

(c) if reply to (a) and (b) are in the affirmative, what remedial measures are being taken by Government to bring down the price of tea for the consumers; and

(d) whether reduction in tea prices through the Tea (Marketing) Control Order is one of such measures contemplated ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) There is no statutory control over the retail prices of tea. It is not feasible under the present circumstances to check localized short term price variations of particular grades of tea. However Government has sought to have a check on average prices of teas consumed in the domestic market primarily by increasing production, regulating tea exports and increasing the availability of tea in auctions through the Tea Marketing Control Order. Discussions are also held with the trade on a continuing basis for achieving the same end.

Record increases in production and auction sales have resulted in reduction of prices in the auctions. As a sequel to this, retail prices of packet teas of common brands have been reduced in the past two months. The differential between retail prices and auction prices for these brands in July, 1985 is now comparable to the differential in July, 1983 as can be seen from the figures given below :—

	Rs. per kg.	
	July, 1983	July, 1985
Average CTC Auction prices at Calcutta.	22.62	26.17 (upto 1st week of July).
<b>BASIC PRICES OF</b>		
(a) Red Label (500 Mg. Pack)	31.15	33.85
(b) As I Dust (500 Mg. Pack)	29.05	29.70
(c) Yellow Label (500 Mg. Pack)	31.05	33.87
(d) Golden Dust (500 Mg. Pack)	28.90	29.62

(These prices exclude 4% dealer commission and 7% local taxes).

The loose tea trade in Gujarat and Maharashtra had also announced reduction from price levels prevailing upto March, 1985. The trend of retail prices is under constant review, and further reduction can be expected when the bulk of North Indian production enters the market in the coming months.

#### Packing of bulk tea with jute products

782. SHRIMATI GEETA MUKHERJEE : Will the Minister of COMMERCE be pleased to state :

(a) whether Government ever examined any proposal for substituting wood with jute products for packing bulk tea for the internal markets;

(b) whether it is true that such a substitution, if possible, can on the one hand protect the forest resources and on the other, expand market for jute goods which is one of the important necessities for the jute industry; and

(c) if answer to (a) be in negative whether Government propose to examine it now ?

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

(b) Yes, Sir.

(c) Does not arise.

#### Income Tax Raids

783. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) the number of major raids conducted by Income-tax, Customs and

Excise duty officials for violation of the provisions of the relevant laws in 1983, 1984 and first six months of 1985 involving total amount in each of the years;

(b) the amount actually came to Government coffers finally as a consequence of these raids;

(c) the number of people prosecuted; and

(d) the particulars of first 20 top names of the individuals or companies against whom such prosecutions were launched from the point of view of money involved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c) A Statement showing number of raids conducted by the Income-tax, Customs and Central Excise authorities for violation of the provisions of the relevant laws and the amount of assets seized under Income-tax, value of contraband goods seized under Customs Act and the amount of Central Excise duty sought to be evaded under Central Excise Act; and the number of prosecutions launched under these acts, during the years 1983, 1984 and first six months of 1985 respectively, is given vide Statement-I below.

(b) The net amount which actually coming to government coffers finally as a consequence of these raids under respective laws would be known only after the cases are adjudicated by proper authorities.

(d) The particulars of first 20 top names of assesseees under the direct taxes and the approximate amount of concealment involved by them is given in Statement-II below.

## Statement—I

Year	No. of raids/ searches	Value of assets/ contraband goods seized/and Central Excise duty sought to be evaded.	No. of prosec- ution launched
<b>Direct Taxes Acts</b>		(Rs. in lakhs)	
1983-84 (Financial Year)	4332	2799.12	1756
1984-85 (F.Y.)	4345	2507.59	2111
1985-86 (F.Y.) (upto 30.6.85)	1246	653.93	19
<b>Customs Acts</b>			
1983 (Calander Year)	19791	1277.00	1615
1984 (—do—)	19095	1827.00	1830
1985 (—do—) (upto 30.6.85)	10423	2043.00	969
<b>Central Excise &amp; Salt Act</b>			
1983 (Calander Year)	6173	5515.99	46
1984 (—do—)	5433	6448.96	80
1985 (—do—) (upto 30.6.85)	3051	5759.00	178

NOTE : I Figures for F.Y. 1985-86 and for Calander Year 1985 are Provisional.

II The figures under Customs Act do not include raids/searches conducted for detection for under valuation in customs appraising cases.

III The figures under Central Excises and Salt Act relate to number of cases detected and the estimated amount of evasion of Central Excise duty and includes figures of raids/searches.

## Statement—II

Sl. No.	Name of the assessee	Approximate amount of concealment involved
1	2	3
1.	M/s. Barai Oil Industries, Gujarat	Rs. 1.16 crores
2.	Shri O.P. Gupta, Delhi	1.09 Crore
3.	Shri Ratanlal K. Didwania, Bombay	More than 1 crore
4.	M/s. National Hotel Group of cases, Coimbatore	37 Lakhs
5.	Smt. Usha Gupta, Ludhiana	34 Lakhs
6.	Shri P.C. Gupta, Ludhiana	30 Lakhs
7.	M/s. Bombay Marine Engg. Work Ltd., Bombay	28.8 Lakhs
8.	Shri Jatindra K. Chowkshi, Bombay	23.85 Lakhs
9.	Smt. Hema Malini, Bombay	22 lakhs
10.	Shri Balbir Chand Maini, Ludhiana	18.12 Lakhs
11.	M/s. S.M.K. & Sons and M/s. S.M.K. Agency, Madras	18 Lakhs



1	2	3
12.	Shri Anil Kumar Didwania, Bombay	15 Lakhs
13.	Shri Vijay S. Sarvagod, Bombay	15 Lakhs
14.	Shri Amjad Khan, Bombay	15 Lakhs
15.	Shri Sajjan Kumar Sraf, Calcutta	13.3 Lakhs
16.	M/s. Sovasaria Motors Parts & Accessories, Shillong	12.4 Lakhs
17.	M/s Asha Trading Company, Bombay	12.76 Lakhs
18.	Sh. Kunwar Manek Lal Shah, Gujarat	12.64 Lakhs
19.	Shri Dhamji Kalyanji Chotaliya, Gujarat	11.3 Lakhs
20.	Km. Jayapradha & her Brothers, Madras	More than 11 Lakhs

**Import of synthetic sugar by cold drink and confectionary firms**

784. SHRI BALASAHEB VIKHE PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that many cold drink and confectionary firms have been permitted to import synthetic sugar for their products;

(b) if so, the quantum of import of such sugar during the last three years, year-wise—firm-wise;

(c) how can such imports be permitted when India is not able to sell her own sugar to foreign countries; and

(d) what is the present surplus stock of sugar for export and for home consumption separately ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b) No, Sir.

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

(d) There is no surplus stock of sugar at present for export.

The stocks of sugar with the sugar factories as on 7.7.1985 were of the order of 28.30 lakh tonnes to be utilised for internal consumption.

**Fall in profitability of Nationalised Banks**

785. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the profitability of the nationalised banks, at least of a good number of them, are falling despite increase in deposit;

(b) the names of the banks where this phenomenon has come to light;

(c) the rate of profitability of each of the above banks in their operation within the country as also outside;

(d) how much non-profitability can be attributed to non payment of loans by State undertakings and how much due to frauds; and

(e) what steps are being taken to deal with the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The information relating to the published profits of each of the 20 nationalised banks for 1983 and 1984 as furnished by the Reserve Bank of India is given in the statement below. It may be seen from the statement at Annexure that only in respect of six banks there has been a decrease in profits in 1984 as compared to 1983. The names of

the six banks are Bank of Baroda, Bank of Maharashtra, Central Bank of India, Dena Bank, New Bank of India and United Bank of India.

(c) The form of Balance Sheet and Profit & Loss Account, prescribed in the Banking Regulation Act, 1949, requires the banks to publish accounts of their corporate operations on an aggregate basis. No separate accounts are, therefore, published in respect of operations of specific groups of branches of banks

(d) Various factors affect the profitability of nationalised banks. It is not practicable to apportion the overall impact to different factors.

(e) The question of improving the profitability of nationalised banks has

been under continual review of the Government and the Reserve Bank of India. The banks have been advised to give special attention to efficient cash and funds management; reduce their operating costs and improve the quality of lending; reduce expenditure on publicity and payment of overtime to their staff; reduce drastically non-performing advances by activating recovery machinery; etc. Certain concessions under the Income Tax Act have also been granted recently to the banks by the Government. Government has also decided to strengthen the capital base of the nationalised banks by subscribing to their share capital. The Reserve Bank of India has also increased the rate of interest on food credit and on the cash reserve ratio balances.

#### Statement

Name of the Banks	Published Profits (Rs in crores)	
	1983	1984
1. Allahabad Bank	1.70	1.80
2. Andhra Bank	2.48	2.64
3. Bank of Baroda	8.60	7.01
4. Bank of India	5.11	5.30
5. Bank of Maharashtra	1.93	1.20
6. Canara Bank	4.96	5.51
7. Central Bank of India	3.99	3.06
8. Corporation Bank	0.93	1.10
9. Dena Bank	1.20	0.81
10. Indian Bank	1.40	1.41
11. Indian Overseas Bank	4.73	4.82
12. New Bank of India	0.72	0.26
13. Oriental Bank of Commerce	0.72	0.52
14. Punjab & Sind Bank	0.62	0.65
15. Punjab National Bank	8.53	9.01
16. Syndicate Bank	4.94	5.08
17. Union Bank of India	2.90	3.11
18. United Bank of India	1.36	1.18
19. United Commercial Bank	2.36	2.35
20. Vijaya Bank	0.05	0.06

**Export of Indian wheat to foreign countries facing undercutting and reduction of prices**

786. SHRI BALASAHEB VIKHE PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that export of Indian wheat to foreign countries neighbouring countries is facing difficulty of under-cutting and heavy reduction of prices by some western wheat producing countries;

(b) if so, the details thereof; and

(c) if not, whether we have been able to establish firm supply contracts with any country and if so the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c) There is stiff competition in the international market for export of wheat. Food Corporation of India has entered into a contract with Exporthkleb, Moscow, on 9.4.1985, to supply 5 lakh tonnes of wheat to USSR. A quantity of 1.26 lakh tonnes has already been shipped against this contract to USSR upto 15.7.1985. Further, against a quantity of 1 lakh tonnes of wheat to be supplied as aid to the drought affected African countries, a quantity of 72,903 tonnes has already been shipped.

**Remittances from Indians Abroad**

787. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a sudden spurt in remittances from Indians abroad;

(b) if so, the rate of inflow during the last four months-monthwise;

(c) the plausible reasons for this; and

(d) what impact, if any, it will have on smuggling ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) No precise information about remittances received exclusively from Indians abroad is available since details of remittances of Rs. 10,000/- and below are not required to be reported to the Reserve Bank of India by the Authorised Dealers under the current rules. However, monthwise figures of quick and provisional estimates of non-export receipts for the past five months of the current year are as below :—

January	: Rs. 866.18 crores
February	: Rs. 748.31 crores
March	: Rs. 889.68 crores
April	: Rs. 571.31 crores
May	: Rs. 693.82 crores

(Latest available)

The above figures represent gross non-export receipts passing through authorised dealers on account of shipping receipts, insurance receipts, dividend receipts, tourism receipts etc. besides four heads of receipts relevant to the term 'inward remittances' namely (i) family maintenance, (ii) savings of non-residents, (iii) migrant transfer and (iv) money order receipts.

(d) It is difficult to quantify the impact of increase or decrease in remittances from abroad on smuggling.

**Commissioning of Pelletisation Plant of Kudremukh at Mangalore**

788. SHRI V.S. KRISHNA IYER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the time by which the pelletisation plant of Kudremukh and Mangalore is proposed to be commissioned;

(b) the time by which the shipments of pellets are proposed to be exported;

(c) the countries to which these pellets are proposed to be exported; and

(d) the estimated cost of this plant ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** (a) The Pellet Plant, Mangalore is expected to be commissioned by the end of September, 1985.

(b) Trial shipment of pellets is expected to start in November, 1985.

(c) M/s Kudremukh Iron Ore Company Limited have signed a Memorandum of Understanding with M/s PTKS, Indonesia for supply of pellets. Possibility of exporting pellets to other countries is also being explored.

(d) The sanctioned cost of the Pellet Plant is Rs. 103.50 crores,

**Shifting of Production of Low-Priced Cloth from Mill Sector to Handloom Sector**

789. **SHRIMATI KISHORI SINHA :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have shifted the onus for producing low-priced cloth from the mill sector to handloom sector;

(b) whether this would raise the cost of production of this variety of cloth;

(c) the additional subsidy Government would have to bear as a result of this change over; and

(d) what are the other implications of this decision including its impact on employment in handloom sector ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) The Textite Policy enunciated in June, 1985 seeks to transfer the production of controlled cloth from the mill sector to the handloom sector by the end of the 7th Plan.

(b) This step is not likely to result in raising the cost of production of this variety of cloth.

(c) Since the rate of subsidy for janata cloth and NTC controlled cloth in respect of dhóties and sarees is the same there will no additional subsidy as a result of this change over.

(d) The implications of this decision are as follows :—

(i) More sustained employment to the under employed and unemployed weavers; and

(ii) Production of cheaper varieties of cloth in keeping with the local consumer preferences.

**Customs Seized Goods of M/S. Titli Exports Pvt. Ltd. New Delhi**

790. **DR. G. S. RAJHANS :** Will the Minister of FINANCE be pleased to state:

(a) whether goods worth lakhs of M/s. Titli Exports Pvt. Ltd. New Delhi have been detained by the customs authorities during the last week of June 1985;

(b) whether it is a fact that M/s. Titli Exports Pvt. Ltd., New Delhi has been found violating the import-export licence; and

(c) if so, the details of the investigations made and further steps Government propose to take against M/s. Titli Exports Private Limited, New Delhi ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Cotton powerloom ready-made garments, valued at Rs. 99,000/- belonging to M/s. Title Exports Private Limited, New Delhi, have been seized by Customs authorities at a cargo warehouse at Palam Airport, on 22.6.1985, for suspected violation of Export (Control) Order, 1977 and Customs Act, 1962.

(c) The investigation in the case is in progress and further action will be taken on completion of the investigation.

**Export of Fake Goods by M/s Aero Traders (P) Ltd., New Delhi**

791. Dr. G. S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that M/s. Aero Traders (P) Ltd., New Delhi has been found exporting the fake goods in place of original goods as reported in "The Hindustan Times" dated 26th June, 1985.

(b) if so, what action has been initiated by Government so far;

(c) whether Government propose to cancel the import-export licence to this firm; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) M/s. Aero Traders (P) Ltd., New Delhi was found to have exported a consignment of X-Ray tubes valued at Rs. 2,88,000/- against a forged shipping bill during June, 1985. On discovering the forgery, delivery of the goods was withheld through M/s. Air-India and the consignment was called back for examination. They were found to be as per declaration but were seized for alleged forgery of documents.

(c) and (d) Investigation in the case is in progress and further action as appropriate will be taken in the matter in consultation with the Chief Contoller of Imports and Exports.

**[Seizure of Confiscated Goods at International Airports**

792. Dr. G. S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether the customs authorities at major international airports in the country have seized a large number of confiscated goods, gold and drugs etc. during the last 3 months;

(b) if so, the details of the items seized and persons arrested in these connections;

(c) the steps contemplated by Government to keep a strict vigil on such smuggling activities; and

(d) the further action taken by Government against the arrested persons in these cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) & (b) Details of major items seized by the Customs authorities during the period April-June, 1985 at the major international airports in the country and the number of persons arrested in this connection are given below :—

(Value : Rs. in lakhs)

Gold	Watches	Textiles	Dangerous drugs
700.08	25.89	87.97	32.07
Currency	Others	Total Number of persons arrested	
55.33	68.26	969.60	295

Figures are provisional.

(c) The drive against smugglers has been intensified. The preventive and intelligence machinery of the Customs department has been reinforced in terms of manpower and equipment. In addition, appropriate anti-smuggling measures are taken in close co-ordination with the concerned Central and State Government authorities. The trends of smuggling and seizures are kept under constant review for taking appropriate remedial action as warranted.

(d) Stringent action is taken against smugglers both departmentally as well as through prosecution in courts. In appropriate cases, the preventive detention under the COFEPOSA Act is also resorted to.

[Translation]

**Export of wheat to Pakistan**

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

(a) whether Government are considering proposal to export wheat to Pakistan;

(b) if so, the quantity of wheat likely to be exported and terms and conditions thereof; and

(c) whether any agreement with Pakistan has been reached in this connection ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c) Efforts to export wheat to Pakistan are continuing. No contract has, however, been entered into for export of wheat to Pakistan.

**Discussions with Pakistan to check smuggling of narcotics**

794. SHRI CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have had discussions with Pakistan to check the smuggling of narcotics ; and

(b) if so, the salient features thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Modalities to check smuggling of narcotics were discussed at the second meeting of India-Pakistan Joint Commission held from the 2nd to 4th July, 1985 at New Delhi.

(b) It was agreed that the respective intelligence and enforcement agencies of the two countries would mutually exchange, for appropriate action, information regarding seizures of narcotics, persons arrested and other

relevant details and develop intelligence on suspected narcotics smugglers operating between Pakistan and India through sea-ports airports and land routes.

[English]

**Steps taken to increase export from Orissa**

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

(a) the names of the items which are being exported from Orissa;

(b) the amount of those items exported from Orissa during the years 1983-84 and 1984-85;

(c) whether there is an increase in the export from Orissa during the year 1984-85, if so, by how much; and

(d) what steps are being taken by Government to increase the export from Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (d) State-wise export statistics are not compiled. Export Promotion measures are formulated product-wise for the country as a whole.

**Increase in Coal Prices**

796. SHRI CHINTAMANI JENA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether since nationalisation coal prices have been revised as many as six times;

(b) the coal price in 1974 and the present coal price per tonne;

(c) whether Government propose to raise the price of coal and if so, how much;

(d) whether Government received any representation from the coal consuming industries association against the hike of coal price in the country;

(e) if so, the details thereof; and

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

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) In 1974 the average pit-head price of coal produced by Coal India Limited was Rs. 47.50 per tonne and that by Singareni Collieries Company Limited was Rs. 50.50 per tonne. The present average pit-head price of coal produced by Coal India Ltd. and Singareni Collieries Co. Ltd. is Rs. 183.00 and Rs. 192.00 per tonne respectively.

(c) to (f) Some representations from the consuming sectors have been received against the anticipated increase in coal prices. However, no decision has so far been taken in this regard.

[*Translation*]

**Schemes funded under United Nations Development Programme**

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

(a) the names of the schemes funded by the United Nations Development Programme in progress in the country at present; and

(b) the amount provided under the above programme for these schemes and progress thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The relevant details are given in the statement laid on the Table of the House [Placed in Library. See No. LT—1240/85].

**Insurance amount payable as a result of air crashes and floods etc.**

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

(a) the breakup of the amount of insurance money that became payable during 1984-85 as a result of air crashes, floods, arson, riots and cyclones respectively;

(b) percentage of the persons out of those involved in these accidents, riots and natural calamities in whose cases insurance money was paid and those who were insured ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The break-up of the total insurance claims payable during 1984-85 is as under :—

Nature of accident	Amount (In crores of rupees)
Air-crashes	168.07
Floods/cyclones	63.56
Riots	103.10

(b) Compensation claims are payable to 93% of the persons involved. The actual payments of compensation in respect of 307 passengers of Air India's "Kanishka" has to be determined after taking into account various factors viz. earning capacity, age, etc. of the deceased passengers. The remaining 7% belong to the Air India and Indian Airlines crew members who do not have any accident insurance cover with the GIC. These carriers have self-insurance scheme for their employees. GIC's subsidiaries are not liable to pay any accident claim in respect of persons involved in riots, floods, cyclones, etc., unless they had taken out personal accident insurance covers separately. Information regarding the number of persons who had taken out personal accident policies and who were involved in such calamities is not readily available.

[*English*]

**Rural Banks in Districts**

799. SHRI RAM PYARE PANIKA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to cover all the districts in the country by the rural banks, if so, what is the target;

(b) the concept of these rural banks; and

(c) how much amount has been invested so far for the implementation of this scheme in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Regional Rural Banks have been established as low cost institutions essentially to meet the credit gap in rural areas. These banks provide finance to a restricted clientele consisting of small and marginal farmers, landless labourers, artisans and small entrepreneurs having an annual income of not more than Rs. 6500. As at the end of Sixth Five Year Plan 183 regional rural banks covering 322 districts were set up. It is proposed to set up 106 new regional rural banks during the Seventh Plan period.

(c) The paid-up share capital of each regional rural-bank is Rs. 25 lakhs which is contributed by the Government of India, State/U.T. Government and sponsor bank in the ratio of 50 : 15 : 35. Thus, the contribution to the share capital of 183 regional rural banks by each of the above equity subscribers is as under :

	Rs. in lakhs
Central Government	2287.50
State/UT Govt.	686.25
Sponsor Bank	1601.25
	Total : 4575.00

**Modernisation of 13 Textile Mills in Bombay**

800 SHRI RAM SWARUP RAM :  
SHRI MURLIDHAR MANE :

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

(a) during recent past Government have taken over 13 textile mills in Bombay region;

(b) whether Government contemplates to run the units for viability;

(c) if so, steps being taken to have such right and title on these units, so that required modernisation can be immediately done to run all the units viably; and

(d) whether Government contemplates adequate enactment before takeover of sick/closed units to avoid legal battle with the previous owners in respect of ownership thereby disturbing both running of the units and drive of modernisation for viability ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Yes, Sir.

(b) and (c) Yes, Sir. During the month of June 1985, three out of the 13 taken over textile undertakings showed net profits. Modernisation of the units would be undertaken after nationalisation. Government are examining the Possibilities of action in this regard.

(d) As far as possible all aspects including modalities of take-over are considered whenever Government takes a decision to take-over a unit.

**Non-availability of cheap yarn to weavers in Nanipur and adjoining States**

801. SHRI N. TOMBI SINGH : Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether Government are aware that the handloom weavers in Manipur and adjoining States are on the verge of collapse because they are unable to get cheap yarn;

(b) if so, the steps being taken to remove the said handicap;



(c) whether Government would consider sending a high level study team to Imphal for a comprehensive report on the subject; and

(d) if so, when ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir. No such instance has been brought to the notice of the Government.

(b) to (d) Do not arise.

Approval to M/s. C. J. International Hotels Ltd. for securing a Euro-Dollar loan

802. SHRI S. M. GURADDI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 5143 on 3rd May, 1985 regarding approval to M/s. C. J. International Hotels Ltd., for securing a Euro-dollar loan and state:

(a) whether M/s. C. J. International Hotels Ltd., has created mortgage deed; and

(b) if not, the action taken against the Company for violation of the directives of the lead Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the information furnished by the Lead Bank of the Consortium, the Contributory English Mortgage Deed in favour of the Financial Institutions and Banks was executed by the Company on the 12th June, 1985.

(b) Does not arise.

Grant of Iron ore mining leases in Andhra Pradesh

803. SHRI E. AYYAPU REDDY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the number of mining leases in respect of iron ore granted in State of Andhra Pradesh;

(b) the total quantity of iron ore exported in the year 1984-85; and

(c) whether Government are withholding the renewal of iron ore mining leases in Andhra Pradesh and if so on what ground ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) During the year 1984-85 on receipt of recommendations of the Govt. of Andhra Pradesh, the Central Government approved grant of six mining leases for iron ore in that State.

(b) Iron ore exports during 1984-85 have been 25.32 million tonnes, (Provisional)

(c) No, Sir.

#### Frauds in Banks

804. SHRI E. AYYAPU REDDY : Will the Minister of FINANCE be pleased to state :

(a) the number of fraud cases causing loss to the banks detected during the financial year from 1st April, 1984 to 31st March, 1985;

(b) the approximate amount involved in all these bank frauds;

(c) the number of cases in which the accused are chargesheeted before criminal Courts; and

(d) whether there is any such investigating machinery to detect, investigate and prosecute cases involved in frauds in Banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Information regarding fraud cases reported to Reserve Bank of India by 28 public sector bank during the financial year from 1st April 1984 to 31st March 1985, irrespective of the date of occurrence and the amount involved therein, is as under :—

No. of frauds	Amount involved (Rs. in crores)
2339	40.25 approx.

The Reserve Bank of India has reported that the amount involved in frauds does not necessarily represent the amount of loss to the banks since the banks will have securities with them to cover advances made by them. Besides, banks file civil and criminal suits to seek appropriate relief.

(c) Information regarding the number of cases in which the accused are chargesheeted before criminal courts is not readily available. However, as per available information, 100 employees of public sector banks have been convicted during the years 1982, 1983 and 1984 (upto 30.6 84) for their involvement in frauds.

(d) All banks have internal inspection and vigilance machineries. The inspectors inspect all branches at periodical intervals. The vigilance machineries of the banks also carry out inspection/investigation when irregularities come to their notice. Whenever a fraud is detected by a bank or brought to its notice, the bank takes up a preliminary investigation and based on the findings, decides to conduct a thorough investigation departmentally or hands over the case to the local police/CBI. On the basis of departmental/CBI/police investigations, banks award punishment to their staff or launch prosecution against those who are found to be responsible for the frauds or whose lapses/negligence facilitated the commission of fraud (s).

#### Opening of new regional rural banks in Madhya Pradesh

805. SHRI PRATAP BHANU SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have cleared few new Regional Rural Banks in Madhya Pradesh to be opened during the current financial year; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Government have approved a proposal for setting up a regional rural bank to cover districts of Gwalior and Datia in Madhya Pradesh during the current financial year. The Central Bank of India, the sponsor bank for this regional rural bank, has been asked to take further necessary action in the matter.

#### Giving of credit by banks towards housing loans

806. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised banks are not expected to give more than one percent of the total credit towards housing loans;

(b) whether it has come to the notice of Government that this direction is coming in the way of faster expansion of housing programme; and

(c) if so, whether Government propose to raise this limit to at least three percent ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) According to the existing guidelines issued by Reserve Bank of India on housing finance, scheduled commercial banks are expected to grant loans to the extent of 0.5% of the total advances as on particular date of the previous year for house construction activities to the eligible category of borrowers. At present there is no proposal with the Government to raise the share of advances of housing finance in total credit.

#### Decision by special cell on excise matters of M/s Indian Tobacco Co.

807. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to State :

(a) whether Government have started taking decisions on excise matters of Indian Tobacco Company Ltd, by the special cell set up for finalisation of various excise matters of the company;

(b) if so, the details thereof; and

(c) if not, when the work is likely to be started ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) The cases relating to certain show cause notices issued to M/s. I.T.C. Ltd. regarding the determination of assessable value of cigarettes manufactured by them had been assigned to the Director General of Inspection and Audit Customs and Central Excise, New Delhi, for adjudication. Final replies to the show cause notices have not been received from the company. Further, there is a direction by the Karnataka High Court that no final order is to be passed in the case relating to the Collectors-rate of Central Excise, Bangalore, until disposal of the writ petition filed by M/s ITC Ltd., or further orders of the Court.

**Import of short staple cotton to meet the shortage**

808. **SHRI HARIHAR SOREN :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there is shortage of short staple cotton in the country;

(b) if so, whether Government propose to import short staple cotton to meet the shortage;

(c) the name of the country from which short staple cotton will be imported; and

(d) the total bales of short staple cotton proposed to be imported in 1985-86 ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND**

**TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) to (d) According to the latest assessment made by the Cotton Advisory Board, there is likely to be some shortage of short/medium staple cotton during the current cotton year. It has, therefore, been decided by Government to import one lakh bales of medium staple cotton through cotton Corporation of India during the current cotton season. The country/countries from where cotton will be imported will depend upon the availability of cotton suitable to our requirements, prices etc.

**Measures to check textile smuggling**

809 **SHRI HARIHAR SOREN :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken some steps to check textile smuggling into the country;

(b) if so, what specific steps have been taken thereof;

(c) if not, the steps proposed to be initiated to check textile smuggling into the country; and

(d) the details thereof ?

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

**Indo-Vietnam Agreement for Co-Operation in Steel Sector**

810. **SHRI CHINTAMANI PANIGRAHI :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any bilateral agreement was signed during the recent visit of the Vietnamese Minister for machinery and metallurgy to explore the possibilities of co-operation in Steel Sector;

(b) if so, whether the possibilities were explored to export steel to that country; and

(c) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) No, Sir.

(b) and (c) Do not arise.

**Plan of Action to Improve Trade Ties with China**

811. SHRI CHINTAMANI PANIGRAHI : Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry has set up any high level Committee to consider prospects of trade and to work out a "Plan of Action" to improve trade ties with China in view of the "Open door policy" adopted by that country.

(b) if so, whether the committee has submitted its report in regard to trade prospects with that country; and

(c) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c) The Ministry of Commerce has not notified the setting up of a high level committee to consider prospects of trade with China. However, an informal group of appropriate organisations has been set up to exchange views on enlarging trade with China.

**Coal Deposits in Orissa**

812. SHRIMATI JAYANTI PATNAIK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether an estimate has been made regarding the coal deposits in Orissa;

(b) if so, the total quantum of coal deposited in the various coalfields in Orissa;

(c) the steps taken for the proper utilisation and production of coal in Orissa; and

(d) the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) and (b) A total reserve of 29,535 million tonnes of coal have been estimated in coalfields of Orissa by Geological Survey of India. of these, 11,145 million tonnes are in IB Valley coalfield and 18,390 million tonnes in Talcher coalfields.

(c) and (d) To meet the Coal demand, apart from existing mines, six coal mines are under formulation for Talcher coalfield and 3 for IB Valley coalfield.

**Textiles Production Targets in Different Sectors**

813. SHRIMATI JAYANTI PATNAIK Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the target set for the production of textile in Seventh Plan in organised sector, powerloom sector and handloom sector;

(b) the target set and actually produced in these sectors in Seventh Plan;

(c) the amount proposed to be invested in these sectors in the above Plan period; and

(d) the details of the export performance of textile in 6th Plan and expected to be exported in Seventh Plan ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The expectation of cloth production in the terminal year 1989-90 of the 7th plan in the organised mill sector including powerlooms and handloom sector is given below :

Mill sector, including	
Powerlooms	...9900 million metres
Handloom sector	...4600 million metres.

(b) The actual production of cloth during the first 5 months of the first year (1985-86) of the 7th Plan has not been compiled and hence, information is not available.

(c) The 7th Plan outlay for the mill sector including powerlooms and handloom sector is yet to be finalised.

(d) A statement is given below.

#### Statement

The following Table gives the data on exports of all textiles (cotton textiles handloom textiles, readymade garments and knitwear of all fibres, man-made textiles, woollen carpets (machine-made and hand-knotted), other woollen textiles and silk textiles during each year of the Sixth Five Year Plan :

Year	Exports (Value in Rs. Crores)
1980-81	1150.58
1981-82	1374.65
1982-83	1413.58
1983-84	1494.18
1984-85	1799.52

The working group on VIIth Plan had estimated in July, 1984 that exports from mills and powerlooms will reach 873 million metres and for handlooms will reach 277 million metres by 1989-90. Besides, 50 million metres of non-cotton and 100 million metres of blended mixed fabrics are expected to be exported. It is expected that as a consequence of the new textile policy, exports of larger amounts should be feasible.

#### Malpractices in Supply of Cheap Controlled Cloth to Weaker Sections

814. SHRI CHINTAMANI  
PANIGRAHI :  
SHRI AMARSINH  
RATHAWA :

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

(a) whether it is a fact that malpractices by some traders are taking place in the supply of cheap controlled cloth to the weaker sections of the society;

(b) if so, the steps taken by Government to streamline cheap cloth sale

and prevent large scale diversion of controlled cloth to the black market;

(c) the arrangements made in supplying the cheap cloth to the rural poor; and

(d) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Some instances of unauthorised diversion of controlled cloth have come to the notice of Government.

(b) to (d) The distribution of controlled cloth is primarily the responsibility of State Governments. However, with a view to streamline its distribution and prevent diversion, the State Governments have been requested to give adequate publicity regarding arrivals of controlled cloth with retailing agencies as well as to introduce proper systems of inspection and verification. The State Governments have also been requested to strengthen and expand the distribution arrangements especially in the rural areas.

#### New Textile Policy

815. SHRI S. G. GHOLAP : Will be the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the Textile Workers Union has opposed to the new Textile Policy; and

(b) if so, the grounds on which the Union has opposed it ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir.

(b) Does not arise.

#### Policy for construction of houses and townships for coal workers

816. SHRI MAHENDRA SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the norms and the policy laid down for construction of houses and township for coal workers;

(b) the details of the construction work undertaken by the Ministry in each State, place-wise, during the last three years; and

(c) whether any scheme has been formulated in accordance with that policy for the planned development of Parasia and Khanan in Chhindwara district and whether there is any scheme for next five years in this regard so that planned development of this mining area is ensured and the workers provided with facilities like other areas?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) The guidelines issued by the Bureau of Public Enterprises are followed by the Coal Companies in the matter of construction of houses and townships for coal workers. Housing satisfaction as envisaged in the National Coal Wage Agreement-III is sought to be attained.

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

(c) Yes, Sir. A programme for construction of houses and provision of other welfare facilities drawn up by the Western Coalfields Limited, covers the Parasia and Khanan areas in Chhindwara District also. An integrated water supply scheme has been sanctioned to be taken up in collaboration with Madhya Pradesh Government. The scheme will cover not only the miners' population in these areas but will also cater to the needs of the nearby villages.

**Target for production of Janata Cloth**

817. SHRI KALI PRASAD PANDEY : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether some targets have been assigned to various States for the production of Janata cloth;

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

(c) the measures taken to see that the said targets are achieved?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Yes, Sir.

(b) A statement is enclosed.

(c) The State Governments have been requested *inter-alia* to take the following steps to achieve the target :—

(i) Revival of dormant looms.

(ii) Introduction of improved looms.

(iii) Adequate supply of raw materials.

(iv) Regular monitoring of the production programme.

**Statement**

State-wise allocation of controlled cloth (Janata Cloth) for the year 1985-86 in Handloom Sector.

(Figures in Million Sq. Mts.)

Sl. No.	Name of the State	Targets of production.
1.	2	3
1.	Andhra Pradesh	40.00
2.	Assam	3.00
3.	Bihar	50.00
4.	Gujarat	8.00
5.	Karnataka	22.00
6.	Kerala	2.00
7.	Madhya Pradesh	20.00
8.	Maharashtra	55.00
9.	Orissa	30.00
10.	Rajasthan	2.90
11.	Tamil Nadu	45.00
12.	Tripura	3.00
13.	Uttar Pradesh	100.00
14.	West Bengal	36.00
15.	Pondicherry	0.10
<b>Total</b>		<b>417.00*</b>

\*3.00 Million Square Metres in reserve for new participants.

[Translation]

Foreign exchange earned through  
export during 1985

818. SHRI LALA RAM KEN :  
Will the Minister of COMMERCE be  
pleased to state :

(a) the total quantum of exports  
made from India during 1984 and the  
foreign exchange earned therefrom; and

(b) the areas where there is scope  
for increase in export and fresh measures  
being taken to increase exports ?

THE MINISTER OF STATE IN  
THE MINISTRY OF COMMERCE  
(SHRI P. A. SANGMA) : (a) Accord-  
ing to the provisional data available  
from DGCI&S, India's exports during  
the financial year 1984-85 amounted to  
Rs. 11297.4 crores.

(b) There is scope for growth in all  
of India's principal exports. Policy  
measures are being continuously evolved  
for increasing India's exports. These  
include measures for increasing and  
diversifying the production, making  
our exports more competitive, finding  
new markets for our products and pro-  
cessing commodities for higher value  
realisation. Different instruments of  
policy available to Government are  
being utilised for this purpose and  
adjusted as and when necessary.

12.00 hrs

[Translation]

MR. SPEAKER : Yes, what has  
happened Tewaryji, what do you want  
to say ?

[English]

PROF. K. K. TEWARY : Mr.  
Speaker, Sir...*(Interruptions)*. Mr.  
Datta, you are wasting your breath  
unnecessarily. I have been called ..  
*(Interruptions)*. Sir, the whole House  
will join me in expressing concern at a

very serious development. There has  
been a nuclear agreement between China  
and America...*(Interruptions)*.

MR. SPEAKER : We are discussing  
this subject on the 29th. It is slated for  
discussion on 29th itself.

PROF. K.K. TEWARY : Is it, Sir ?

MR. SPEAKER : Yes.

PROF. K. K. TEWARY : Thank  
you, Sir.

MR. SPEAKER : I have always told  
this august House that whatever subjects  
you have given, when we sit together,  
we find out which priority should be  
given. If there is any subject about  
which you want to be specific or which  
you feel is more important, then you  
come to me and I will do it.

SHRI AMAL DATTA : Sir, the  
video tapes of the P. M.'s Press Con-  
ference may kindly be made available  
to us...*(Interruptions)*

MR. SPEAKER : You can get it,  
it is easily available. There is no pro-  
blem.

PROF. MADHU DANDAVATE :  
That is available in the library.

MR. SPEAKER : It is available,  
you can make use of it.

SHRI AMAL DATTA : It is not  
available, Sir. I am talking about this  
for a very serious reason. The news-  
papers have reported that the P. M.  
said in Rajya Sabha yesterday that  
transcript is not accurate, it is only  
the video tape *(Interruptions)*

MR. SPEAKER : It is already  
there, no problem...*(Interruptions)*

SHRI AMAL DATTA : Not the  
video tapes.

MR. SPEAKER : Everything is  
available. I think this is a closed  
chapter. There is nothing new in this.  
Why are you trying to waste the time  
of the House?...*(Interruptions)*

SHRI V. SOBHANADREESWARA RAO : Sir, cotton is still with the farmers. The Cotton Corporation of India is not purchasing it in Andhra Pradesh... *(Interruptions)*,

MR. SPEAKER : We are taking it up. This is today's Calling Attention—remunerative prices to the agriculturists. I have already done it. What are you trying to find out ?

SHRI V. SOBHANADREESWARA RAO : We have given a notice under Rule 193, Sir. Please consider it.

MR. SPEAKER : Where is the time ?

SHRI V. SOBHANADREESWARA RAO : Next week, Sir.

MR. SPEAKER : Where is the time ? Tell your Members who are present in the Business Advisory Committee... *(Interruptions)*

MR. SPEAKER : What do you want now ? Why are you standing, all of you ? What is the problem ?

*[Translation]*

SHRI RAM PYARE PANIKA ; (Robertsganj) : Mr. Speaker, Sir, You are aware that in Andhra Pradesh 6 Harijans... *(Interruptions)* Harijans are being murdered at several places.

MR. SPEAKER : I have already stated,

*(Interruptions)*

SHRI RAM PYARE PANIKA : Mr. Speaker, Sir, it is a very serious matter.

*(Interruptions)*

*[English]*

MR. SPEAKER : We are taking it up—

*[Translation]*

Sit down.

*(Interruptions)*

*[English]*

PROF. K. K. TEWARY : It is a very serious matter, Sir. This should be debated on the floor of the House .. *(Interruptions)*

*(Interruptions)\*\**

MR. SPEAKER : I have not allowed them...

*(Interruptions)\*\**

MR. SPEAKER : Please sit down...

*(Interruptions)\*\**

MR. SPEAKER : Let me say. Why cannot you listen properly ? Mr. Panika, please sit down...

*(Interruptions)\*\**

MR. SPEAKER : Order. Mr. Panika, sit down. What are you trying to prove here ?

Gentleman, sit down. Hon. Member, sit down. What is this ? Sit down all of you. What I want to say is that when I have given a promise on the floor of the House that we are going to discuss, then what is the problem ? Time and again the whole House rises. Why should you do it ? I have given you my understanding. We have discussed it in the Business Advisory Committee. We are going to discuss it. Why should you make this hullabaloo ? Why are you trying to transgress ?...

*(Interruptions)*

MR. SPEAKER : Mr. Panika, sit down...

*[Interruptions]*

*[Translation]*

M. SPEAKER : Does it behove you to do all this ?

*[English]*

You go out and have quarrel there outside, not in this House...

*(Interruptions)*

**\*\*Not recorded.**



*(Interruptions)*

*[Translation]*

MR. SPEAKER : I am talking about all the States and not about a particular State :

*(Interruptions)*

MR. SPEAKER : We are doing everything. Why do you not listen to what I have said ? You could not understand what I have said.

*(Interruptions)*

*[English]*

PROF. K.K. TEWARY : Sir, what is your ruling ?

MR. SPEAKER : My ruling is that we are going to discuss this problem.

PROF. K.K. TEWARY : Andhra ?

MR. SPEAKER : Not especially Andhra, everything.

*(Interruptions)*

MR. SPEAKER : How can we distinguish one from the other ?

*(Interruptions)*

*[Translation]*

MR. SPEAKER : Let all the Members of Parliament enlighten me on one thing. All of you are elected Members. It is the responsibility of all of us to respect every gentleman whether he is poor whether, he is a Harijan or whether he belongs to a backward class. It is our duty to do so. Then why should all of us not work together ? If somebody suffers somewhere it does not mean that others feel happy about that. The distress is felt everywhere whether one is in Bihar or Andhra or elsewhere. This behaviour will not serve the purpose.

*[English]*

Whether it is communal or anything else, we must be against it. We must fight the evil at all places wherever it occurs. Everywhere we must be against

it. Wherever man has become beast—some of us—we must control those people. We must put them on the right perspective and on right footing. That is what we want to do.

*[Translation]*

This is the country of Bapuji.

*(Interruptions)*

*[English]*

PROF. MADHU DANDAVATE : Sir, they should be clubbed.

MR. SPEAKER : Yes, they should not only be clubbed, but also crushed.

SHRI LALIT MAKEN : Sir, yesterday I raised a matter under Rule 377.

MR. SPEAKER : That is all right. No questions.

SHRI LALIT MAKEN : Let me complete.

MR. SPEAKER : No question.

SHRI LALIT MAKEN : Sir, I want an assurance

MR. SPEAKER : No assurance. No questions about amendment, you are to move it yourself. Ask the Government or you have to move it yourself.

*[Interruptions]\*\**

MR. SPEAKER : Not allowed.

*(Interruptions)\*\**

MR. SPEAKER : Nothing goes on record. I have not allowed him.

*(Interruptions)\*\**

MR. SPEAKER : You had been given an opportunity yesterday to say, and you have said.

SHRI LALIT MAKEN : I raised the matter. I want an assurance.

MR. SPEAKER : That is all right. That is finished. That is up to the Minister.

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\*\*Not recorded.

**SHRI LALIT MAKEN** : Sir, it is a very serious issue.

**MR. SPEAKER** : Might be.

*(Interruptions)\*\**

**MR. SPEAKER** : I am not allowing him.

**SHRI BASUDEB ACHARIA** : Sir, can't Supreme Court judgment's implications be discussed here ?

**MR. SPEAKER** : No, I would not allow.

**SHRI BASUDEB ACHARIA** : Sir, it is regarding implication of a Judgment.

**MR. SPEAKER** : No, sorry.

**SHRI LALIT MAKEN** : Sir, you are not taking it seriously.

**MR. SPEAKER** : There is no question that I am not taking it seriously. That is not the question. The question is that of rules. You have to move your private amendment Bill and I have allowed you under Rule 377.

**SHRI LALIT MAKEN** : Sir, I am asking the Government.

**MR. SPEAKER** : You ask the Government, not me. You asked to be allowed and I have allowed you. That is all. And now you are free to move an amendment.

**SHRI LALIT MAKEN** : Mr. Speaker, Sir, why doesn't the Government take an initiative ? Here the Government can come forward.

**MR. SPEAKER** : You have put it under Rule 377. That is all.

**SHRI LALIT MAKEN** : But you can direct the concerned Ministry.

**MR. SPEAKER** : No, I cannot.

**SHRI LALIT MAKEN** : It is a very important issue. You can give directions.

**MR. SPEAKER** : No.

What do you want to say ?

*[Translation]*

**SHRI VISHNU MODI** : I have given notice of a Calling Attention motion, I met you this morning also. The condition of the onion growers of Rajasthan is very pitiable.

*[English]*

**MR. SPEAKER** : That is all right. You come and see me.

*[Translation]*

The calling Attention motion on agricultural prices is slated for discussion. The Minister is sitting here. He will look into it. If the onion growers do not get remunerative price for their produce, what will they do ?

*(Interruptions)*

**MR. SPEAKER** : I have told the Minister to look into it.

*(Interruptions)*

*[English]*

**MR. SPEAKER** : He will look into it.

*[Translation]*

**SHRI NARESH CHANDRA CHATURVEDI** : Mr Speaker, Sir, I would like to point out that a press conference report of a tantrik has appeared in the Daily *Rashtradoot* published from Jaipur.....

*(Interruptions)*

**MR. SPEAKER** : Please give it in writing.

**SHRI NARESH CHANDRA CHATURVEDI** : I have given notice of a Calling Attention Motion. It has been said in it that Soniaji is involved in the assassination of Shrimati Indira Gandhi.

*(Interruptions)*

**MR. SPEAKER** : Please give in writing.

*(Interruptions)*

*[English]*

**MR. SPEAKER** : I will see.

*(Interruptions)*

12.08 hrs.

**PAPERS LAID ON THE TABLE***[English]*

**Annual Report of the Coal Mines Provident Fund Organisation, 1983-84 and statement showing reasons for delay in laying the papers.**

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : I beg to lay on the Table—**

- (1) A copy of the Annual Report (Hindi and English versions) of the Coal Mines Provident Fund Organisation for the year 1983-84 along with Audited Accounts.
- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.  
[Placed in Library. See No. LT—1161/85]

**Statement re : Textile Policy Annual Report, Annual Accounts and Review of the Central Silk Board for the year 1983-84 and statement showing reasons for delay in laying the papers**

**THE MINISTER OF STATE IN THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : I beg to lay on the Table—**

- (1) A statement (Hindi and English versions) on the Textile Policy.  
[Placed in Library. See No. LT-1162/85]
- (2) (i) A copy of the Annual Report (Hindi and English versions) of the Central Silk Board, Bangalore, for the year 1983-84, under section 12-A of the Central Silk Board Act, 1984.
- (ii) A copy of the Annual Accounts (Hindi and English versions) of the

Central Silk Board, Bangalore, for the year 1983-84 together with Audit Report thereon, under sub-section (4) of section 12 of the Central Silk Board Act, 1984.

- (iii) A copy of the Review (Hindi and English versions) by the Government on the working of the Central Silk Board, Bangalore, for the year 1983-84.

- (3) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT-1163/85.]

**Report of the Comptroller and Auditor General of India, 1983-84—Union Government Railways) under Article 151(1) of the Constitution. Report on the working of the various Banks such as Punjab National Bank, Syndicate Bank etc. etc.**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table—**

- (1) A copy of the Report (Hindi and English versions) of the Comptroller and Auditor General of India for the year 1983-84—Union Government (Railways) under article 151 (1) of the Constitution.  
[Placed in Library. See No. LT-1164/85.]
- (2) A copy of the Appropriation Accounts, Railways, for the year 1983-84, Part I—Review (Hindi and English versions).  
[Placed in Library. See No. LT—1165/85.]
- (3) A copy of the Appropriation Accounts, Railways, for the

year 1983-84—Part II—Detailed Appropriation Accounts (Hindi and English versions).  
[Placed in Library. See No. LT 1166/85]

- (4) A copy of the Block Accounts (including Capital Statements comprising the Loan Accounts), Balance Sheets and Profit and Loss Accounts, Railways, for the year 1983-84 (Hindi and English versions).

[Placed in Library. See No. LT-1167/85]

- (5) A copy each of the following Reports (Hindi and English versions) under sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970—

- (i) Report on the working and activities of the Central Bank of India for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1168/85]

- (ii) Report on the working and activities of the Bank of India for the year ended the 31 December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1169/85]

- (iii) Report on the working and activities of the Punjab National Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. 1170/85]

- (iv) Report on the working and activities of the Bank

of Baroda for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. 1171/85]

- (v) Report on the working and activities of the United Commercial Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. 1172/85]

- (vi) Report on the working and activities of Canara Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. 1173/85]

- (vii) Report on the working and activities of United Bank of India for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1174-85]

- (viii) Report on the working and activities of Dena Bank for the year ended the 31st December, 1984 along with Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1175/85]

- (ix) Report on the working and activities of the Syndicate Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1176/85]

- (x) Report on the working and activities of the Union Bank of India for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1177/85]
- (xi) Report on the working & activities of the Allahabad Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1178/85]
- (xii) Report on the working and activities of the Indian Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1179/85]
- (xiii) Report on the working and activities of the Bank of Maharashtra for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1180/84]
- (xiv) Report on the working and activities of the Indian Overseas Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1181/85]
- (6) A copy each of the following Reports (Hindi and English versions) under sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980. :-
- (i) Report on the working and activities of the Andhra Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1182/85]
- (ii) Report on the working and activities of the Corporation Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1183/85]
- (iii) Report on the working and activities of the New Bank of India for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1184/85]
- (vi) Report on the working and activities of the Oriental Bank of Commerce for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Reports thereon.  
[Placed in Library. See No. 1185/85]
- (v) Report on the working and activities of the Punjab and Sind Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.  
[Placed in Library. See No. LT-1186/85]

- (vi) Report on the working and activities of the Vijay Bank for the year ended the 31st December, 1984 along with the Accounts and the Auditor's Report thereon.

[Placed in Library. See No. LT-1187/85]

- (7) A copy each of the Annual Reports (Hindi and English versions) of the State Bank of India and its seven subsidiary banks viz State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Indore, State Bank of Mysore, State Bank of Patiala, State Bank of Saurashtra and State Bank of Travancore for the year ended the 31st December, 1984 along with Accounts and the Auditor's Report's thereon. [Placed in Library. See No. LT-1188/85]

Annual Report and Review on the working of the Tea Trading Corporation of India Limited, Calcutta for the year, 1982-83 and a Statement showing reasons for delay in laying papers on the Table.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & SUPPLY (SHRI P. A. SANGMA) : I beg to lay on the Table—

- (1) A copy each of the following papers (Hindi and English Versions) under sub-section (1) of section 619A of the Companies Act, 1956 :—
- (i) Review by the Government on the working of the Tea Trading Corporation of India Limited, Calcutta, for the year 1982-83.
- (ii) Annual Report of the Tea Trading Corporation of India Limited Calcutta, for the year 1982-83 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

(Placed in Library. See No. LT-1189-85).

12.09 hrs

#### MESSAGE FROM RAJYA SABHA

[English]

SECRETARY-GENERAL : Sir, I have to report the following message received from the Secretary-General of Rajya Sabha :-

"In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Coal Mines (Conservation and development) Amendment Bill, 1985, which has been passed by the Rajya Sabha at its sitting held on the 25th July, 1985,"

#### COAL MINES (CONSERVATION AND DEVELOPMENT) AMENDMENT BILL, 1985 (AS PASSED BY RAJYA SABHA)

[English]

SECRETARY-GENERAL : Sir, I lay on the Table the Coal Mines (Conservation and Development) Amendment Bill, 1985, as passed by Rajya Sabha.

(Interruptions)

[Translation]

MR. SPEAKER : Why are you wasting my time ?

(Interruptions)

SHRI NARESH CHANDRA CHATURVEDI : Sir, at least listen to the complete news....

(Interruptions)

[English]

SHRI INDRAJIT GUPTA : Large number of members have given notice for discussion under Rule 193 on the question about the necessity for the Government to bring forward an amendment...

MR. SPEAKER : For what ?

SHRI INDRAJIT GUPTA :...to Article 311 (2) of the Constitution, you please consider.

[Translation]

MR. SPEAKER : Alright, you do it...*(Interruptions)* I have never stopped any body.....*[Interruptions]* Guptaji, I have never stopped you also...

[English]

SHRI INDRAJIT GUPTA : Notices are given. Discussion can be held. Members on all sides are interested in it.

[Translation]

MR. SPEAKER : I have never prevented you from raising it.

[English]

That is why I have amply made it clear.

SHRI INDRAJIT GUPTA : Who has made the suggestion ? You made the suggestion, and we have given notices accordingly.

MR. SPEAKER : That is all right. That is open, I will put it before the Business Advisory Committee

No problem. For me there is no problem. I told Mr. Maken also. I tell you also. The problem is not mine now. The problem is that of the House,

Now, Shri Malik ...

SHRI DHARAM PAL SINGH MALIK : Mr Speaker, Sir...

*[Interruption]*

MR. SPEAKER : The House must realise what our rules are. If you want flagrant violation of the rules, how am I going to run it ? You must help me. You rather obstruct me. I don't know why. I am open to you every time. I have nothing which I will try to bar from this House. It is only a question of unnecessarily wasting the time. This could be more usefully spent for productive purposes. Why should you do it like this ?

SHRI LALIT MAKEN : There are some issues which are much more important than time.

MR. SPEAKER : When I have heard you and I have explained to you Mr. Maken, you are again trying to misbehave. That is all.

SHRI LALIT MAKEN : We are here to raise the point...

MR. SPEAKER : It is all right. But I have given you the limit and the liberty to raise your point. I did it yesterday. You cannot over-ride the rules.

SHRI LALIT MAKEN : I am not over-riding the rules. I simply want an assurance ..

MR. SPEAKER : You are now doing it Presently you are doing it.

SHRI LALIT MAKEN : Mr Speaker, Sir, you can give a direction to the concerned Minister...

MR. SPEAKER : I cannot. There is no direction from the Speaker.

[Translation]

Shri Dharam Pal Singh Malik, you may speak now.

*(Interruptions)*

*(English)*

SHRI NARAYAN CHOUBEY : Mr. Maken, you raise it in the Congress Parliamentary Party.

*(Interruptions)*

MR. SPEAKER : The hon Members should not talk.

(Translation)

SHRI DHARAM PAL SINGH MALIK : You may speak.

(Interruptions)

[English]

MR. SPEAKER : What do you do with these people ? Now, what do I do with these people ? Can you do something with these people ? They are talking like this...

(Interruptions)

MR. SPEAKER : Mr. Choubey, you can go outside and talk to him. You can have a wrestling match with him—not in the floor of the House.

SHRI NARAYAN CHOUBEY : You should give us some time also.

MR. SPEAKER : I am not giving any time. That is what I am saying. You are taking away my time.

SHRI NARAYAN CHOUBEY : He has also taken ..

MR. SPEAKER : Yes, he is also taking. If you want to have a verbal duel you can go outside and have it. Who are you wasting the time of the House ? You are both becoming irresponsible.

(Interruptions)

MR. SPEAKER : I will have to ask the Marshal to take you both out. That is what I am going to do.

SHRI LALIT MAKEN : Emergency has not been declared and you are concerned about that...

(Interruptions)

MR. SPEAKER : Mr. Maken, will you behave yourself ?

[Translation]

You can go outside and talk to him...

[English]

—not in the House. It is not a debating place for both of you.

MR. MALIK,

12.18 hrs.

CALLING ATTENTION TO  
MATTER OF URGENT PUBLIC  
IMPORTANCE.

Recent fall in prices of agricultural produce and steps taken by Government to ensure remunerative prices to agriculturists.

[English]

SHRI DHARAM PAL SINGH MALIK (Sonepat) : I call the attention of the Minister of Agriculture and Rural Development to the following matter of urgent public importance and I request that he may make a statement thereon —

The recent fall in the prices of agricultural produce and the steps taken by the Government to ensure remunerative prices to the agriculturists for their agricultural produce including raw jute, tobacco, paddy, coconut, wheat, etc.

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT (S. BUTA SINGH) Sir, Hon'ble Members have mentioned about the recent fall in prices of agricultural produce including raw jute, tobacco, paddy, coconut, wheat, etc. However, a review of the price situation between April and 13th July, 1985, for which latest wholesale prices index numbers are available, reveals that the prices of rice have risen continuously and the price index which was 272.4 in April increased to 287.4 on 13th July. The prices of wheat, barring a seasonal decline, have gone up after May and the latest index is 216.9 compared to 208.6 in May. The price



indices for bajra and maize have also been rising continuously during this period while for jowar there is a mixed trend.

2. Hon'ble Members are aware that raw jute prices had gone up to unusually high levels during 1984-85 following the fall in production. The index number of raw jute prices went up from 262.3 in February 1984 to 695.8 in April, 1985. The price of raw jute for W 5 grade in Calcutta reached Rs. 975 per quintal in January, 1985. Clearly this high price is untenable and continuation of such high price will not be in the interest of the farmers. This year the jute crop prospects are considered to be good and as a result, prices have started coming down. Even then, the index number of raw jute prices as on 13th July, 1985 is higher at 352.4 as against 280.8 in July, 1983. The present level of prices is also well above the remunerative support price declared by the Government. As regards tobacco, it is observed that the price index had risen since January 1985 except in the month of June when it registered some decline. However, the latest index number as on 13th July, 1985 is 196.5 as against 181.3 at the end of July, 1984.

3. In respect of oilseeds, it is observed that the index numbers of wholesale prices had declined in May and June but has since improved by the week ending 13th July, 1985. During this week, the index numbers stood at 294.3 as compared to 292.6 in the month of April, 1985. A similar trend is noticed in the case of rapeseed and mustard which came to the market from the month of March. The index numbers of wholesale prices declined from 241.9 in March 1985 to 231.8 in June 1985. However, the prices have since picked up and as on 13th July, 1985 the index stood at 241.3.

4. There has been some concern about the behaviour of coconut prices in recent months. Hon. Members are aware that in the last Session, I had mentioned that Kerala unfortunately suffered from an unprecedented drought in 1982, the effect of which on the

coconut crop was felt in 1983 and 1984. Because of fall in production, prices ruled at a very high level till December 1984. From January 1985, with the prospect of a better crop, the price started coming down from the unusually high levels reached in 1983 and 1984. In Cochin market, the price of coconut per thousand nuts was Rs. 1950 on 28th April, 1985 which came down to Rs. 1600 on 28th June but has again risen to Rs. 1800 on 12th July, 1985. The present price level of coconut at Cochin and Alleppey is higher by 33 per cent and 27 per cent respectively compared to the prices in 1982.

5. I had mentioned on earlier occasions in this House that the agricultural price policy of the Government is primarily directed towards ensuring remunerative prices to the producers and safeguarding their interest. In every season, Government announces support prices for this purpose and to ensure that the growers get remunerative prices for their produce, support purchases are organised through a number of public sector and cooperative agencies. Hon'ble Members will be happy to note that during the current marketing session a record quantity of rice of 9.77 million tonnes has been procured up to 19.7.1985 by the Food Corporation of India and State Government agencies. In wheat also, the procurement this season of 10.3 million tonnes (up to 19.7.85) has already surpassed the last year's record level of 9.3 million tonnes. Expecting better harvest of raw jute this year, Jute Corporation of India has been alerted to enter the market in a significant manner. In order to help the coconut growers in Kerala, who are largely small and marginal farmers, Government of Kerala have also initiated measures for marketing support through Kerala State Cooperative Marketing Federation. The Federation, which started purchases from 27th June, 1985 had purchased 5012 quintals of copra by 9th July, 1985 in order to stabilise the price of copra at reasonable level.

6. Government has also initiated a scheme for providing market support.

to rapeseed and mustard and other commodities, which is operating through the NAFED as a Central agency and State Cooperative Marketing Federations as the State agencies. For rapeseed and mustard, instructions have been issued to State Governments to alert their Cooperative Marketing Federation to enter the market when the price falls below the support level. The market intervention operations in this commodity are being carried out in the States of Rajasthan, Gujarat, Madhya Pradesh, Haryana and Uttar Pradesh. As on 24th July, 1985, a quantity of 76,120 tonnes has been purchased by NAFED as price support operation. Prior to this, support operations were also carried out in respect of soyabean in Madhya Pradesh.

7. I can assure the House that the Government is fully alive to the needs of the farmers and will spare no efforts to see that they receive remunerative price for their produce. In fact, Government is already organising marketing support through Central and State agencies in a number of commodities. Through these efforts, I am sure we would be able to provide the required support to the farming community.

**SHRI E. AYYAPU REDDY** (Kurnool) : Sir, not a single sentence has been said about cotton.

**MR. SPEAKER** : They can ask that.

[*Translation*]

**SHRI DHARAM PAL SINGH MALIK** : Mr. Speaker, Sir, the hon. Minister has directly or indirectly conceded in his statement that there has been fall in the prices of tobacco, oil-seeds and coconut, the reason might be import, drought or any other factor.

India is predominantly an agricultural country and about 80 per cent of the people live in villages whose main occupation is agriculture. The formula adopted by the Government for fixing the prices of agricultural commodities is not at all realistic. Many

factors are not taken into account while fixing the prices of agricultural commodities. The prices of foodgrains should be fixed after taking into account the cost of agricultural inputs like tractors etc. and the cost of cultivation.

Government must ensure remunerative price to the farmers for their produce in *mandis*. I would like to point out that whatever minimum price has been fixed has become the maximum price for some time past because nobody sells or purchases at a price higher than that. In India, it is only the agricultural commodities the prices of which are fixed by some body else. A shopkeeper himself fixes the prices of the goods that he wants to sell, but the prices of agricultural commodities are fixed by the purchaser. Government did try to fix their minimum prices, but the farmer did not get the desired benefit. As I said earlier, it has rather become the maximum price, and the farmers do not get a higher price than that.

I would like to say that when the cost of living goes up, the salaries of the Government employees are also raised proportionately. The farmer should also get the benefit in the same ratio. The prices of agricultural produce must also increase accordingly.

You might remember that in 1939 and 1940 the price of wheat was Rs. 2 or Rs. 2.50 per maund. This price rose up to Rs. 8 per maund in 1942 during the Second World War. Now in 1985 its price is Rs. 154 per quintal, i.e., Rs. 60 per maund. I mean to say that the price of wheat, which was Rs. 8 per maund in 1942 has increased 8 times, i.e., it is being sold at Rs. 60 per maund in 1985. Now, if we look at the salaries, we shall find that the salary of a State Government employee, which was Rs. 25 per month in 1939 has gone up to Rs. 800 to 900 per month in 1985. His salary has thus increased 32 times, whereas the prices of agricultural produce have increased only 8 times,

12.26 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

Now, let us come to tractors. Before 1947 there were no tractors. Tractors came in 1948. At that time a Massey Ferguson and Fourson Major were considered very good tractors. Their price was Rs. 6000 per tractor. But in 1985 the price of the same tractor is Rs. one lakh. In this way its price has increased 16 times. Similarly, in 1948 the price of wheat was Rs. 10 per maund whereas today it is Rs. 60 per maund. Thus, you will see that there has been a steady increase in the prices. The Governments budget on agriculture is far less than the subsidy it provides. I would like the hon. Minister to state the amount allocated for subsidy and the amount allocated for agricultural purposes other than irrigation every year. Is it not less than the amount of subsidy ?

Government have fixed the price of wheat at Rs. 154 per quintal whereas the minimum price of Rs 200 per quintal was recommended by the agricultural experts. Government should accept the recommendation of the scientists nominated by it and fix the prices accordingly.

The seeds are very costly. When they are with the farmer, they are very cheap, but when he purchases them for sowing purposes, their price goes up 8 to 10 times, which results in loss to the farmer.

In 1947-48, a labourer used to get a wage of four annas per day. Today, he gets Rs. 16 to 17 per day, in other words his wage has increased 64 times. I do not mean to say that I am against the employees or the agricultural labourers. I would like to say that if the wages of a labourer or Government employee have increased due to increase in the cost of living, the farmer should also be given his due benefit. If other persons are given the benefit of increase in the general price index, the same benefit should be extended to the farmer also.

Besides, the public distribution system should be strengthened. Essential commodities should be sold at subsidised rate for the benefit of the poor harijans. Today, the position is that the farmer grows foodgrains for others but he himself faces starvation. That is why the farmer is feeling discouraged. He can be encouraged only if he gets a remunerative price for his produce. If he is encouraged, he will produce more.

The prices of essential commodities purchased by the farmer are soaring high, whereas the prices of his produce are going down, particularly when the produce is in his possession. He suffers a lot there by, The poor farmer is kept in the dark. It is the other people who derive the benefit by exploiting him.

The hon. Minister has just stated that the prices of oilseeds have fallen due to their import. Can we not manage through indigenous production without resorting to import of oil seeds, so that their prices do not fall and the farmer also gets a remunerative price ? The prices of the agricultural commodities should be fixed keeping in view the labour involved and the prices of the commodities required by him.

With these words, I conclude and thank you.

S. BUTA SINGH : Mr. Deputy Speaker, Sir, the hon. Member has given many suggestions. Such suggestions have been given by the hon. Members of the House from time to time and it has been the constant endeavour of Government to ensure remunerative prices to farmers in the form of support and procurement prices, keeping in view the suggestions of the Members. The hon. Member in the first instance referred to the mode of fixation of the prices of the agricultural produce. He said that the prices of agricultural produce were fixed by somebody else.

Mr. Deputy Speaker, Sir, you are well aware of the principle of demand and supply which determines the prices

in the market. The Agricultural Prices Commission was appointed to ensure remunerative prices and justice to the farmer and to ensure that he was not exploited. The Commission was directed to follow certain guidelines while fixing the prices of agricultural produce. It is, therefore, wrong to say that the prices of agricultural produce are fixed by somebody else. The Commission consists of experienced persons having full knowledge about agriculture. Senior scientists and experts are appointed on it, who have got experience in agriculture. These very people fix the prices.

The Commission, while fixing the support price or the procurement price, take a comprehensive view—

[English]

—of the entire structure of the economy—not only of the agricultural sector but of the entire structure of the economy of a particular commodity but a number of other factors are also indicated like the cost of production, changes in the input prices, input and output price parity, trends in the market prices, the forces of demand and supply, the inter-crop price parity, the effect on the industrial costs structure, the effect on the general price level, the effect on the cost of living, the international market price situation, the parity between the prices paid and the prices received by the farming sector. Not only that, after taking into consideration all these factors, the Commission further goes into the cost of cultivation which is taken into account and which includes the paid-out costs such as hired human labour, the bullock labour, the machine labour and the rent paid for the lease of the land, cash and kind expenses, fertiliser prices, prices of manures, pesticides, irrigation charges including cost of diesel and electricity for operation of pump sets, etc. Besides the cost of production imputes the imputed value of family labour. The cost also covers the depreciation of the farm machinery and building. As such the cost of production consists not only the paid out costs but also the imputed value of their assets including land and

family for which the farmers do not incur cash expenses. The estimates of the cost of production are taken into consideration before fixing the support or procurement prices.

As I just now mentioned, they also examine the inter-commodity price parity, the inter-sectoral price parity, the input-output price parity the party between the price received and the price paid for the consumption of goods by the farmer. All these factors are taken into consideration before arriving at a final recommendation to the Government of India by the costs and accounts services of the Agricultural Prices Commission and then their recommendation is also again referred to State Governments and the State Governments give their opinion on those recommendations and at the final stage the price for a particular commodity in a season is fixed by the Government of India.

Having said all that, I need not go into the early 1940 prices mentioned by the hon. Member because they are hardly relevant to the present situation. You cannot just pick out of reference and in isolation the prices of 1940 and compare them to the present-day prices. The whole scenario has changed with the developments that have taken place. Things have rapidly developed. The same acre of land which used to produce a particular quantity of a given crop in the '40s produces much more to-day. I remember when we were children, there were certain crops which we do not find to-day. Better crops have come, more paying crops have come, most high-yielding varieties of the same crop have come and the whole situation has changed in the agricultural sector and we are proud that in India our farmers, with the help of our scientists and the extension services and the Universities, are now in a position not only to stand on their legs but they are doing better. Of course, the ideal situation is yet to arrive. The farmers have to be given a better deal but the present state of our Indian agriculture is far ahead of most of the developing countries & can be compared to any developed country in the world,

[S. Buta Singh]

I take the suggestions of the hon. Member which he has made during the course of his supplementaries and we will see that his suggestions are given due consideration.

**SHRIMATI GEETA MUKHERJEE (Panskura)** : There is a little difficulty with regard to this call attention because many items are lumped together. For example, there is jute which is ruled by the Textile Ministry and the other agricultural goods by the Agriculture Minister. Therefore, I would request you to give a little time and also see to it that the Minister for Textile takes part in the debate because otherwise our problem will remain.

**S. BUTA SINGH** : Sir, I am here to answer questions on jute. The Minister for Textiles is also very much here.

**SHRI INDRAJIT GUPTA** : If you take care of everything, nothing like it.

**SHRIMATI GEETA MUKHERJEE** : Sir, before I go to jute which is a big concern of West Bengal and also neighbouring State of Bihar to some extent and which occupies a very important part of our economy, I would like to put supplementaries on other things.

First of all I say that I do not agree with the intention that all that can be done for giving remunerative prices to the peasants is being done by the Government. In support of my contention I first of all want to point out to para 3 of this very statement where it deals with oilseeds. It makes clear : Oilseeds come to the market from the month of March. Then it claims : That prices had declined in May and June but have since improved by the week ending 13th July, 1985.

Sir, the crop came in March. In the four months from March to June everything was out of the peasants' household. Then in July there is price rise. Is that called giving remunerative prices to the peasants? Am I to believe it?

What was the government doing in these four months when the peasants sold it?

Coming to coconut you have claimed that the prices went down but then now they are up in the Cochin market. What I hear is that the prices did go up for a few days only. Again they fell. During the Budget Session the Agriculture Minister here said that they are not going to declare any support price for coconut. But the Chief Minister of Kerala is assuring that he has taken it up with the Central Government and the Central Government has agreed to declare a support price. I would like to know whether the Central Government would really declare a support price for coconut which is very much needed because Rs. 1,800.00— even if that is the price ruling even now which, I think, it is not—is not the remunerative price?

About tobacco I only want to put one specific question. Tobacco prices have increased a little but then the minimum export price which is declared by the Government and the minimum support price between the two there is a difference of Rs. 230 to Rs. 250.

At present, the export price is Rs. 600 per quintal. The difference between the support price and the export price is from Rs. 230 to Rs. 250. Let us assume the figure of Rs. 250. Now, it is the growers who are deprived of this margin because they get the support price at much lower rate and the exporters get Rs. 600 per quintal. I would like to know that in view of this whether the Government would reconsider the support price of tobacco so that the gap could be cut down and a larger slice be given to the producers. What is the Government's reaction on this?

Now, Sir, I come to jute. Sir, here in paragraph 5 of the statement, the Government has mentioned that they are expecting better harvest of raw jute this year. The Jute Corporation of India has been allowed to enter the market in a significant manner. Then,

they said earlier on 13th July, 1985 that the index number concerning raw jute is higher that is, the price is at Rs. 352 etc. etc. They say that there is nothing to worry. First of all, I want to make it clear that when we left Calcutta on 20th instant or so, in the Cooch-Bihar market, the raw jute was being sold at Rs. 100 per quintal whereas the Government itself has prescribed statutory minimum price of Rs. 223 per quintal. This may not be the situation now and it might have improved a little. But then one must understand that it is still much below the statutory price declared by the Government. I would like to know how the claim that has been made by the Government about instructing the JCI in this regard can be sustained. They knew very well that this jute season is going to bring a bumper crop of jute because of last year's high price etc.

Now, Sir, let me tell you that this year about 1.2 crore bales of jute will be available according to the press report and other reports. This figure includes the jute coming from Bangladesh in an invisible manner. Now, if this figure of 1.2 crore bales have to be cared for, then I would submit that our domestic requirement would be 75 lakh bales. That means there will be a huge surplus of this commodity. Now, to protect the farmers, there is no other way but to have a buffer stock of jute to be built up through the J.C.I. Let us see how the J.C.I. would act in this season. The jute season began from 1st July officially because during that time itself, in North-Bengal jute starts coming in the market. Here I have a copy of the Notification issued by the Jute Commissioner, Calcutta, dated the 9th July 1985. Here is the photo copy of that Notification where they have declared the minimum price fixed. Jute season has begun from 1st July and on the 9th July the Jute Commissioner issues a notification what will be the price. Then the Board meets on the 12th about fixing up the target of purchase, then the target of purchase will go to Delhi, and then the Reserve Bank will have to give the money, etc.

etc. Even now, if the Government would move quickly say before August, nothing like that really. But upto now, as far as the setting up of the machinery is concerned, nothing has happened. The Jute Commissioner says that 25 per cent will be bought and the Minister states that 33 per cent will be bought. When Sir? Will it be after the principal jute markets are totally flooded? Will it be after the prices go to rock-bottom? Only then will the Jute Corporation think about clearing all these things? Is this the promptness on the part of the Government? So, firstly, what is the expected purchase that they want to make? What are they thinking about creating a big buffer stock? Will the money be sanctioned for this? What do they think really is the remunerative price? I challenge that the price fixed in this regard by the Jute Commissioner is not at all remunerative. Rs. 248 in Calcutta plus some taxes, say Rs. 300, is not a remunerative price at all for the jute growers. Why should the jute growers be paid that little? Let me tell you this. This is the *Daily Telegraph's* report on 30 June. The Birla Jute Industries has shown a net profit of Rs. 4.9 crores in the year ended March 31, 1984. If the jute barons, the highest of the all-mighties, the Birlas can make this, why should our jute growers suffer in this bad way? Our demand is that a minimum remunerative price of Rs. 600 should be fixed for jute and this, as a support price, has to be given to the growers. We request the hon. Minister that very serious measures for setting up the entire machinery for saving the peasants be taken up. Our jute growers are in distress. The entire jute industry will be in distress again for the third year, as generally is the situation.

S. BUTA SINGH: Hon. Deputy Speaker, the hon. member has raised the issue of 5 crops. I will start with oilseeds. She mentioned that the commodity started arriving in the market in the month of March. I was giving the figures for July and in my statement, I have shown that the prices have stabilised. But she forgot to tell the

[S. Buta Singh]

House as to how this has come about. As soon as we received the report in the month of March—end of March and beginning of April—that the prices of oilseeds, mustard and others are below the support price fixed, we issued instructions immediately to the States concerned. Also, through our own agency, NAFED, we entered the market and started purchasing the oilseeds, effecting a trend of marked improvement in the States which are producing rapeseed and mustard. The result is that in the States of Rajasthan, Gujarat, Madhya Pradesh, Haryana and Uttar Pradesh, the price at the moment is higher than the support or the procurement price.

**SHRI NARAYAN CHOUBEY :**  
That is but natural !

**S. BUTA SINGH :** It is natural, because we entered the market. If we had not entered the market, the prices would not have gone up. *(Interruption)* Perhaps, the hon. Members must appreciate that for the first time such a prompt action was taken by the Government of India, and by the State Governments, and the farmers were saved from making a distress sale of the oilseeds.

I am also happy to inform the hon. House that this time, the production of oilseeds is very encouraging. I am seriously thinking of suggesting the banning of import of edible oil, so that our own farmers could get a better price.

The hon. Member mentioned about coconut Yes,<sup>6</sup> in the case of coconut also, prices declined; and the Government of Kerala did face a situation in which copra prices had gone well below the market price—in Andhra Pradesh as well as Kerala. Although there was no provision because these plantations stand on a different footing than the ordinary crops—rubber, cardomom, pepper and arecanut are crops which are governed by the Ministry of Commerce—here I did not stand on formality. As soon

as the Government of Kerala approached us saying that the farmers are in distress, I allowed the State Government to go in for purchase.

I am again happy to inform the House that at the intervention of the Kerala State Cooperative Marketing Federation, the Corporation started purchasing copra at a slightly higher price than the market price, in order to stabilize the price of copra at a reasonable level.

The operations were started from the 27th June, and by 9th July, they had procured 5012 quintals of copra valued at Rs. 63 lakhs. The market operations are going on Kerala in 60 centres spread all over the State. This has helped in stabilizing the price of copra, and eventually that of coconut.

**SHRIMATI GEETA MUKHERJEE :**  
My question was about support price.

**SHRI SURESH KURUP (Kottayam):**  
The Chief Minister of Kerala is repeatedly saying that the Central Government has assured to give support price for coconut. What is the position ?

**MR. DEPUTY SPEAKER :** Mr. Suresh Kurup, if you had wanted to ask a question, you should have mentioned it earlier. Otherwise, everybody would rise.

**S. BUTA SINGH :** There has to be a policy for this category of crops. But as I informed the House, I did not stand on formality, I immediately came to the rescue of the Kerala Government, and I told the Kerala Chief Minister to go ahead, and said that we would try to help the State Government... *(Interruptions)* So far, there is no scope, I said that this was a separate category. For this kind of crops, there is no support price. So, by going in for the purchase of copra, the Government of Kerala has been able to stabilize the price. Now, as stated by the hon. Member, prices have picked up, and farmers are satisfied.

**SHRI SURESH KURUP :** Who says the farmers are satisfied ?

**S. BUTA SINGH :** About jute also, the hon. Member has spoken. The Jute Corporation makes arrangements for undertaking price support operations. The Corporation has about 183 purchase centres in all the jute-growing States, besides having 240 centres operated by the cooperatives. During 1983-84 and 1984-85, the Corporation did not undertake any support price operations because obviously the ruling price was much higher than the support price. Even to-day, when the hon. Member is very rightly trying to highlight the problems of jute growers—my sympathies are with the jute growers—even at this moment, the price in the market is higher than the support price fixed. We will not be found wanting. As soon as the price declines further...

**SHRI INDRAJIT GUPTA :** Further from what ?

**S. BUTA SINGH :** It means the support price.

**SHRI INDRAJIT GUPTA :** Below the support price ?

**S. BUTA SINGH :** Even at the support price. When it comes to the support price, we will definitely enter the market. Support price is meant for this. (*Interruptions*) The philosophy behind the support price is that is considered to be a level at which the farmer will not go into distress. At the moment, my information is that the market price...

13.00 hrs.

in Calcutta is higher than the support price fixed by the Government, and at the same time, in consultation with my hon. friend, the Minister for Textile, we have made a stand-by arrangement and the Corporation is going in for commercial marketing, and we are in favour of creating buffer market. Let the hon. members not give this impression to the growers.

**SHRI AMAR ROYPRADHAN :** What about JCI ?

**S. BUTA SINGH :** As soon as it feels that growers need help of the JCI, they will go in for; and the Minister for Textile says that he has already given instructions that as soon as it touches the level, minimum support price plus 25 per cent, they will go in for purchase, and we are ready. Let me tell you JCI will be in full readiness to purchase the crops as soon as that level comes, and we will not let down the growers in West Bengal suffer.

About tobacco, the hon. members had mentioned that there is a gap between the export price as well as the procurement price. It is bound to be there. For export, the hon. members must know tobacco has to be processed; it has to be graded. So, naturally, the support price has to be different from the picked up, graded and processed tobacco.

**SHRI V. SOBHANADREESWARA RAO :** Only Rs. 300 is sufficient, but you are selling it at Rs. 600 difference.

**S. BUTA SINGH :** I would like more tobacco to be exported; that is why their price has been fixed attractive. I would like more and more quality of tobacco to be produced and exported. This difference will continue to be there; it is in the process itself. The support price in Andhra Pradesh is Rs. 9.75 per kg; in Karnataka, it is Rs. 11.50 per kg. Now, a new system has been started in Andhra Pradesh. The farmer has been saved from the middleman. The Government of India has in cooperation with the State Government already started auctioning of tobacco on public platforms. In Andhra, although the support price was Rs. 9.75, through auction it came to Rs. 10.30 per kg., and in Karnataka, it was Rs. 11.50 and it came upto Rs. 13 per kg. From here you will yourself make out that farmers in Kerala and Karnataka are not deprived and they are supported by adequate measures by the Government of India through the public platform auction system.



**SHRI V. SOBHANADREESWARA RAO** : The minimum support price can be increased and that is the request of the farmers. Still it is Rs. 200/.

**S. BUTA SINGH** : Every year, the Prices Commission goes into the revision of the prices, whether upward or downward, taking into account the various factors which I have mentioned in my reply to the first question; and we will wait for the Prices Commission for the tobacco for the next crop, and then we will be able to inform the House how best we can increase the support price for tobacco.

The hon. lady member has mentioned about four crops. I have tried to give as much information as I have in my possession. I will welcome the hon. lady member to suggest more about jute because the State from which she comes is the major jute growing State, and we are looking for better quality, for better seeds to improve quality and also the productivity of jute in our country.

**MR. DEPUTY SPEAKER** : The House stands adjourned for lunch to meet at 2 P.M.

13.05 hrs.

*The Lok Sabha then adjourned for Lunch till Fourteen of the clock.*

*The Lok Sabha re-assembled after Lunch at seven minutes past Fourteen of the Clock*

[**MR. DEPUTY SPEAKER** in the Chair].

**CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE—Contd.**

Recent fall in prices of agricultural produce and steps taken by Government to ensure remunerative prices to agriculturists

[*Translation*]

\***SHRI AJIT KUMAR SAHA** (Vishnupur) : Mr Deputy Speaker, Sir, we

\*The speech was originally delivered in Bengali.

all know that agriculture is the cornerstone of our economy. But the farmers who build this economy are the most deprived and exploited class. When they take their produce to the market, they do not get the proper and remunerative price for that. On the other hand when they go to the market to purchase the commodities of their daily need, they have to purchase them at a high price. This way the poor farmers are being exploited both ways and their condition is very miserable. Here in his statement the hon. Minister has said that the Government is alive to the needs of the farmers and will spare no efforts to see that they receive remunerative price for their produce. Some time back our hon. Prime Minister Shri Rajiv Gandhi said in Bombay, I am quoting from the 'Statesman' dated 18th February 1985, "The Prime Minister, Mr Rajiv Gandhi, today assured farmers that the Congress (I) would fix remunerative for their produce and ensure availability of cheaper fertilizers and seeds." Sir, these sort of assurances have been given again and again. In spite of that what is the condition of farmers today? After this statement of the Prime Minister, when the price of potato started falling and it touched as low as Rs. 15 a quintal, we demanded during the last budget session of Parliament that Government should start procurement of potato crop and make arrangement for its export. But the Government did not come forward to save the poor potato growers. On the other hand the Central Government is giving hundreds of crores of rupees as subsidy to the multimillionaire owners of sugar mills, jute mills etc. and helping them to export their products. But they did not grant any subsidy to save the potato growers.

In reply to a question a few days back in this House, the Minister for Fertilizers and Chemicals, Shri Virendra Patil justified and supported the grounds advanced by the tyre manufacturers for increasing the prices of tyres and tubes viz. the rise in the price of inputs etc. But Sir, the cost of the inputs of the farmers like, seeds, diesel, fertilizers,

pesticides etc. has also gone up manifold. But the price of the produce of the farmers has not increased proportionately. He is not getting remunerative price for his produce. The hon. Minister and the Government is silent on this issue. We know the character of this Government. They always work in the interest of the rich industrialists and big and rich farmers.

Sir, the hon. Minister has stated in this statement, "The price of the raw jute for W5 grade in Calcutta reached Rs. 975 per quintal in January, 1965. Clearly, this high price is untenable, and continuation of this high price will not be in the interest of the farmer." But I fail to understand this statement of the hon. Minister. If the farmers get a higher price for his produce, how can it be 'not' in the interest of the farmers? I shall be obliged if the hon. Minister explains what he means thereby. We know that it is very happy thing if the poor farmers get a better price for their produce.

Now, Sir, I am coming to jute. Last year the jute crop was poor and jute was not easily available in the market. On this pretext, many jute mills in West Bengal declared lock outs saying that raw jute was not available. But, as pointed out by Smt. Geeta Mukherjee a short while ago the Birla Jute mills earned a profit of some crores of rupees even after buying raw jute at a high price in the market.

Now, the jute mill owners are raising another bogey that the Central Government has granted licences for manufacture of synthetic bags in place of jute bags in view of shortage of jute. Some are also being imported. On this pretext also they are trying to declare lock outs in several jute mills. This year the jute crop has been very good. Some quantity is also smuggled in from Bangladesh etc. In view of this, to protect the interest of our farmers and jute growers, I demand that our farmers should be given a remunerative price for their jute. The J.C.I. should send its agents to all jute growing areas, in

every village etc. to prevent any exploitation. The Govt. should fix the price of jute at the time of sowing itself. The farmers should know before hand at what price per quintal the Government will purchase their jute. The JCI should purchase at least 50% of the jute produced by the farmers and they should create a buffer stock with that. So that the mill owners may not close down their mills and declare lockout on the pretext of non-availability of jute, as is being done at present. We want to know what steps the Government propose to take in this regard.

In the statement of hon. Minister has tried to project that the wholesale price index has gone up very high. But what is the period of this increase? It is after April to July at all places. The price index has gone up after 4 months. Has these higher prices gone to the farmers? The farmers sold their produce immediately. Many of them had to resort to distress sale. They raised the crop at a high cost and hard labour. But they get a much lower price. But the hon. Minister says that the wholesale price index is very high. Who reaping the benefit? The farmers are not the only sufferers. All ordinary man, low category employees etc. whoever has to go to the market, face the difficulties. All consumer goods of daily need are in the hands of the wholesalers and middlemen. In today's 'Times of India' there is an article under the heading 'mounting strain on family budget'. This shows that poor people in every walk of life is a victim of rising prices. Sir, Rao Birendra Singh, the Food Minister in the last Parliament said some time back that this type of price rise after this sort of budget is almost unprecedented: But in today's statement the Government is trying to show through wholesale price index that the farmers are getting just and remunerative price for their produce. This way an effort is being made to hoodwink the people. The real picture is being concealed from the people. This is the character of this Government.

Sir, I want to say a few more things

[Shri Ajit Kumar Saha]

regarding jute. The jute that we produce, has remained of the same traditional variety over the years. There has been no effort at all at research and development to produce better varieties of jute or to introduce high yielding varieties, so that superior quality could be produced which could be used for producing finer things and not restricted to production of gunny bags alone. Our research centres had given various proposals from time to time in this connection but no noteworthy steps have been taken by Government to try them. No thinking appears to be there to effect any improvement in the varieties or yield of our produce. Our neighbouring countries like China, Malaysia, Indonesia etc. are producing much superior varieties of jute. In our country the height of the jute plants is hardly 3 feet but these countries are growing plants which are 18 feet high and they are yielding much finer quality of jute. With that they are producing various types of finer products and selling them in the international market. In our country the Government has no plans even to that end. Our farmers are not getting remunerative price for jute alone but also for tobacco, oilseeds, etc. Therefore, I will urge the Government to fix the price of these products in the sowing season itself which will benefit the farmers and they will be able to decide which crops to sow and thereby will be assured of a remunerative price for their produce.

[English]

THE MINISTER OF AGRICULTURE AND RURAL DEVELOPMENT (SHRI BUTA SINGH) : First of all I would like to offer a small clarification. Earlier, prior to the question of an hon. Member, I had said that we are thinking of advising a ban on import of edible oil. But actually what I meant was that we will restrict the import to the minimum required by our country. Import, of course, will be there to regulate the market and also to meet the consumer requirements. To that extent only import will be allowed,

The hon. Member, Shri Ajit Kumar asked me a question : How do I consider that high price will not be in the interest of the growers ? As you know, high prices always tend to affect the processing units and naturally on this pretext the units are likely to be closed down. Secondly, the world market will be flooded with synthetic substitutes, if we have to go by high prices for our raw jute. It is a world-wide phenomena. People even attempted synthetic tea and synthetic coffee simply because their prices had gone up very high.

Similarly it is in that broader context that I am saying this. It is not that I am insensitive to the growers interest. Growers must get maximum price; they must get the remunerative price. But I said it in the overall interest of the commodity itself and the growers themselves. That is why I said 'it will not be in the larger interest of the growers'.

Sir, the hon. Member naturally asked a question about potato and jute. He knows that this year potato growers suffered due to a very unusual situation. When the crop arrived there was a decline in price. Potato growers all over the country had to face a situation...

SHRI NARAYAN CHOUBEY :  
Every year they suffer.

S. BUTA SINGH : Every year the Government of India tries to help. This time what was done is this. Instead of waiting for this kind of trend to set in the market, we issued an instruction to the State Cooperative marketing agencies and also through our own agencies. There used to be a directive earlier. These perishable commodities like potato and onion are not automatically covered by procurement or support price. We had given standing instruction to all the States where potato and onion is grown that they should immediately start intervening when they felt that price of potato and onion and things like that fell below the intervention price and the farmer will have to be helped.

In this season although there was no support price fixed for commodities like potato and onion, their prices fell down. Then, as I said, we intervened in the market. With the consultation of the State Governments, this year, the intervention price for potato was fixed at Rs. 50 per quintal and Rs. 60 per quintal for onion in Maharashtra. Upto the end of May the purchase of potato has been of the order of 33,478 tonnes. The Statewise break up is like this : Punjab 5088 tonnes ; Uttar Pradesh 18,716 tonnes ; Himachal Pradesh 960 tonnes ; West Bengal 8,714 tonnes. The total is 33,478 tonnes. The very purpose of intervention was not to purchase the whole of the commodity. It was to give a support to the farmer. As soon as the price in the local mandis came above support price naturally our purpose was not to purchase the entire commodity ; our purpose was to see that the farmer does not have to sell below the intervention price in distress. You know, these are highly perishable commodities. It is very difficult to store them. When they arrive it becomes a problem for the farmer. We shou'd have the fastest possible transportation system where we can pick up the commodities from one corner of the country and take them to the other corner. Only when perhaps the growers' interest could be saved. I remember earlier we had special trains for apple, for potato and for perishable commodities. This time in the field of onion the Maharashtra State agency purchased 1,98,000 quintals in 1985, on the support price of Rs. 60 per quintal. This is how the Government of India through the corporation of the State Governments was able to help the farmers and growers of potato and onion in various States. There was a difference. In West Bengal the State Government had asked for higher price. But it was very difficult for us to have a different price in one State and another different price in another State. But we did offer to West Bengal Government that to the extent that we have committed to the other Governments we will make up the loss. In case the State feels that they would be able to offer some little better price than the price fixed on the All India

basis, we had no objection. I am happy to inform the House that the State Government in West Bengal did come forward to help the growers in that State and the growers were saved from distress.

Sir, about jute the hon. Member rightly pointed that whenever there is a rise in production the growers suffer and when there is a shortfall in production the prices go up and also at the same time the private mill owners make money out of it. Jute is a very very old crop and these fibre crops like jute, and cotton have a tendency of high fluctuations in prices at the end product level because their market is world over and the processed commodities are sold at a much higher price than the raw commodities.

PROF. N.G. RANGA : In Andhra huge stocks of cotton are unsold.

S. BUTA SINGH : I am prepared to answer that question, but at the moment I am attempting to meet the query of the hon. Member on jute. About this fibre crop, the jute, when the weather was unfavourable and conditions had affected the realisation of the target level of production, this year the progress of jute is rated good. In respect of cotton, a record production of 83 to 85 lakhs bales is expected during the year 1984-85.

Mr. Deputy-Speaker, Sir, the hon. Member mentioned about the wholesale price index. The price of raw jute was ruling above the support level during 1983. These prices shot up to an unusually high level during 1984 due to reduced availability of raw jute. The index number of the wholesale price of raw jute stood at 254.4 at the end of January 1984. When I compare the wholesale price index, I agree with the hon. Member that at the time of arrival in the mandis the price is much lower and when we report here after two or three months, the index has already gone up. But, Sir, my comparison is not with the gap of three months. What I am trying to compare is the last year's price index at the same time with the price index of the same period

[Shri Buta Singh]-

this year. Last year, in 1984, as I mentioned, the index stood at 254.4, whereas in February 1985 the index had gone as high as 695.5 at the end of February. Since then the prices have shown signs of easing and have come down to 352.4 on 13th July 1985 in the expectation of a good crop. Even then, this is much higher than what prevailed in January 1984 and before. The fall in prices may be due to the imposition of ceiling prices announced by the jute mills together with the stringent measures to control stocks with the trade. But, Sir, as I mentioned a little while before in answer to a question by Shrimati Geeta Mukherjee, in cooperation with my colleague, the Minister for Textiles, the Jute Corporation of India is kept in readiness to enter the market and also to create buffer-stocks in case the growers' interest is adversely affected.

Sir, I agree with the hon. Member that there is scope for improving the quality of the crop itself, improving the yield of the crop itself. In the last season I remember we were in great difficulty in obtaining even the seeds and we had a tough time with Bangladesh; they were not prepared to give us the seeds. But now I have already issued instructions to the ICAR to create more nurseries in other parts of the country where even the nurseries are not affected by the vagaries of weather and I understand that even the jute seedlings can be produced even in Rajasthan. So, we are trying to develop better quality of crop through improved seeds and also the productivity could be increased. This is all I have to say in reply to the hon. Member.

**SHRI INDRAJIT GUPTA (Basirhat) :** Sir, before I come to the question on jute which unfortunately I am also mainly concerned with, much has already been said on the subject. So I would be brief. But before I come to that, just a word about coconut. I want to know from the Minister whether it is a fact or not that substantial quantities of coconut oil are being imported from

abroad. We would like to know what is the figure. Some concrete data about the figure should be given to us. What are the quantities of coconut oil which have been imported and at what price from abroad? They are importing copra also. In any case, as far as I know, the requirements of coconut oil in our country are partly domestic and partly industrial. For domestic purposes, it is mainly used in Kerala. I don't think in other States they use it. In other States, they hardly use coconut oil for cooking. But it is used in Kerala, of course. The domestic requirement is quite limited because of this. The industrial use of coconut oil is also there. But I gather that the production in our own country is quite sufficient to meet both these types of requirements. I want to know, if it is true, why coconut oil is being imported from abroad because obviously, this is the factor which is contributing to the depression of prices of coconut in Kerala. The Government should tell us whether they propose to continue to import coconut oil or whether in the interest of coconut growers, they are going to stop this import, which apparently is not necessary at all, excepting in the interest of some vested interests.

As far as jute is concerned, I must make one observation. I hope the Minister is familiar with the modalities of our jute cultivators. The same process is going on for 100 years or more. He is talking about what happens when the crop comes to the market, to the mandis. But he must know about jute that there is a special characteristic of this trade. Much of this raw jute is sold long before it comes to the market. It does not come to the market at all. It is sold at the door-step of the cultivators by means of some contract, not a written contract of course, or by means of an understanding.

**MR. DEPUTY-SPEAKER :** This is for many crops, not only for jute.

**SHRI INDRAJIT GUPTA :** You can enlighten me about other crops.

**S. BUTA SINGH :** Most of the horticulture market is like that.

**SHRI INDRAJIT GUPTA :** That means, what? That means, he is not holding the power at all. The moment the raw jute is ready, the crop is ready, he has to sell it then and there. Otherwise he does not have the wherewithal to subsist or to keep his family alive. If there is a strong cooperative system or something, which I regret to say is not there, it might be possible for the jute farmers to get together and to hold on to their crop for a while and bargain for a better price. But they are not in a position to do that at all. Most of these crops, a good part of this crop is sold before the crop is ready. And through these middlemen, traders and agents of the mills who go from village to village, a very low price is fixed. The temptation for the grower is that he will be immediately paid in cash—that is what they offer to him—the moment his produce is ready.

What I want to say is that this minimum support price which is announced from Delhi by the agricultural Prices Commission has very little meaning for that jute cultivator in the interior of the jute growing districts of Bengal or Bihar, Andhra Pradesh and so on, where he is in his village. Even I know that in West Bengal many of these jute cultivators do not even come to know at what price the Government is prepared to buy, if he takes his jute from his house to the nearest market where the Jute Corporation of India will be functioning. The Jute Corporation of India does not function in a very dynamic way, I am afraid. First of all, it is necessary that the growers should be extensively informed by all possible means, whether it is by radio or by means of leaflets and all that. They must be informed on a wide scale as to what is the price which is being fixed by the Government and what price the J.C.I. is prepared to pay. Obviously, the J.C.I. will not go from house to house of the farmers. The nearest mandi, the nearest market where they are operating must be informed to

the farmers that if he brings his commodity there, then the J.C.I. is prepared to buy and will buy at such and such price.

This mechanism, as far as I know, does not function in the majority of the jute-growing areas of West Bengal and the Government should take more active steps in this regard.

Secondly, it is not known on what basis the Agricultural Prices Commission has fixed the price. Of course, the hon. Minister has said that so many factors are taken into account while calculating what the price should be. The hon. Minister also said, if I understood him correctly, that before the price is finally fixed, the State Governments are also consulted and their opinion is taken as to what the minimum support price should be. If that is the case, I would like to know from the hon. Minister what was the opinion of the West Bengal Government at the time when this price was fixed this year at Rs. 223-230? What did they suggest? Obviously, nobody expects that last year's prices will continue. That was an abnormal year, absolutely abnormal in the whole history of the raw jute industry. There are some special reasons for it into which I am not going now. Anybody know that those conditions are not prevailing this year. The prices are coming down very fast. But, what was the price when the State Governments of West Bengal, Bihar, Orissa, Andhra Pradesh and Assam suggested before the Agricultural Prices Commission took the final decision? There are different varieties of jute, of course, and different prices have to be fixed. But I would like to know to what extent the opinion of the State Governments was taken into consideration before this price was fixed.

The hon. Minister mentioned the price which is ruling in Calcutta. Calcutta price had nothing to do with the farmers. The price of raw jute at Calcutta does not apply to the farmers. This jute is being sold in Calcutta by the

[Shri Indrajit Gupta]

middlemen and traders who have already purchased from the farmers.

So, the trend this year is very dangerous, unless some timely measures are taken. What has the hon. Minister said in his statement ?

“The jute Corporation of India has been alerted to enter into the market in a significant manner.”

I must say it is a very diplomatic statement. “Has been alerted,” that means it has not entered into the market and, “in a significant manner,” what is the meaning of that significance? I would also like to know this.

This year we are expecting a bumper crop of 80-85 lakh bales, more than is actually required by the industry and up to now in the history of the jute Corporation, they never got more than 10-15% maximum of the available jute. The rest of it, 85% or 75%, has always been left available in the open market for the jute mills mainly, to buy through their middlemen and traders and so on. This “alerting of the JCI to act in a significant manner this year”, does it mean anything more than that ? I do not know. It is because the hon. Minister for Textiles told a deputation of Members of Parliament recently that the Jute Corporation may buy this year up to 33% of the jute which is available.

**SHRI CHANDRA SHEKHAR SINGH :** It will be anywhere between 25-33%.

**SHRI INDRAJIT GUPTA :** Please tell us what is meant by “significant manner.” It should be confirmed at what actual price they are going to buy because a certain part of their purchases are earmarked for the nationalised jute mills that is, the National Jute Manufacturers Corporation. I have no objection to that. But it means that the bulk of their purchases may go only to these

five or six mills and they are prepared even to pay a little more than the minimum support price for them.

Perhaps the price that was being mentioned is the minimum support price plus Rs. 25. That is perhaps meant only for the NJMC Mills supplies. I do not know about the rest. When will this operation begin and is there a target ? Shall we take it that the target as definitely fixed and allowed to the JCI Ltd. is 25-33% of the available jute ?

Are any new purchasing Centres going to be opened ? Please tell us how many and where. Have you got the godown capacity to carry this jute because JCI always tells us that they are suffering from incapacity of storage space.

In spite of your requests and entreaties and so on, some of these mills will continue to remain closed. They do not bother very much about it. If it suits their own business considerations, they can keep those mills closed ! Then at least you see that the godowns of those mills in Calcutta are utilised for shoring the jute which is purchased by the JCI; in case you have not got your own shortage space you should requisition the godowns of these closed mills and use them for keeping the jute.

About the new crops having come with high-yielding varieties and all that, it does not apply to jute at all. Upto now, as I know, the same old primitive methods of cultivation are there; no high-yielding variety has come.

The interesting thing which I want to conclude with is this. While the prices of raw jute are going down and about 20 mills are still closed—17 or 18 or 20 mills are closed—the figures show that the production of jute goods in the mills, that means in the mills which are open and running, is going up. May I just offer a brief quotation from today's Calcutta *Statesmen*, from the market reports, the City News, which they publish every week; it says :

"The buying support....."

He is talking about buying of jute goods manufactured jute goods.

"The buying support is steadily escalating from domestic as well as foreign sources. It is noticeable that the cement and sugar industries have been buying fairly large quantities of bags. The demand for Hessian and yarn has been improving from countries like USA, UK and West Asia".

So, the situation is not as gloomy as the millowners want to make out. And the production figures show that, in the case of Hessian, the production in May was 7200 tonnes and in June it has gone up to 18,000 tonnes; in the case of sacking, the production in May was 26,100 tonnes and in June it has gone up to 30,000 tonnes. This is at a time when 20 mills are lying closed and there is no production at all there.

Then the *Statesman* says :

"The indication is that the business circles are envisaging acceleration in the foreign offtake during the coming months."

This is the situation, and this Government cannot force these people to open their mills! Most of these mills are not closed due to industrial disputes. I want to repudiate this idea which is being put around. There are three or four mills where the mills were closed on the plea of industrial disputes between employers and workers. But what about the rest of the mills which are closed? There is no industrial dispute there. They have been closed by the employers, and now pressure is being put to make the raw jute prices go down further. That is why we are pleading with the Government that the Jute Corporation of India should not delay any further; the announcement must be made; it must be broadcast to the growers, and the Corporation should

enter the market and start buying. Otherwise, the conspiracy of the millowners, as we have seen always in the past, will succeed in pushing the prices of raw down, and the Government will intervene at a time when it is already too late.

S. BUTA SINGH: Sir, I must thank my senior colleague, hon. Member Shri Indrajit Gupta, for educating me over the methods of cultivation in jute. It is true that I am very new in this Department, but my background is from a village—of course, not in jute. I know, in Punjab, only a few years back, the crop used to meet the same fate as jute is meeting in West Bengal now. Actually the cause lies with the State Government. If we in Punjab, Haryana and Maharashtra have been able to save the growers from the middlemen, I find no reason why a socialist State under Marxists should allow this kind of large scale exploitation of the growers at the hands of middlemen and arthiyes. It is high time that the Marxist Government addressed themselves to this task. It is a shame when I hear that the crop is purchased when it is ripe...

SHRI INDRAJIT GUPTA: The trouble is that the Socialist State is surrounded by non-socialist States who are also growing jute.

S. BUTA SINGH: Now, as the Hon'ble Member has mentioned, it is a fact that sufficient publicity is not given to various measures taken by the Government to help the growers especially in the price factor. It should be announced and I am sure after this suggestion, I will definitely convey it to my colleague, the Minister for Information and Broadcasting for giving more time to educate the farmers on various aspects of jute crop and other crops also. This is a very vital aspect because here the farmers are cheated by the middle men. For other crops like coconut, arecanut, rubber, there are State Cooperatives. Coconut has got big publicity; it has got a big lobby; it makes and unmakes the Chief Ministers.



(S. Buta Singh)

Whereas as regards the jute, perhaps the rope is not very strong. Cotton and sugar are very strong, they are very dominant in their respective zones. Sir, in regard to Jute, I agree with the Hon'ble Member and I have already informed the House that from the ICR side, we are trying to develop better quality of jute crop by improving the seed and also by seeing that the productivity is increased. Sir, the Hon'ble Member wanted to know the number of purchase centres. At the moment there are 183 purchase centres with the Jute Corporation of India and the cooperative marketing societies have 240 centres. Sir, now I need not repeat what my colleague the Minister of Textiles has already said. This time as the Hon'ble Member has said the JCT is alert; I also mentioned that we are keeping the JCI in readiness. Now the thing is that as the Hon'ble House knows that when the price comes to the support level, the Government is prepared to go a step forward to pay Rs. 25 more than the support level. The Jute Corporation of India is going to intervene the market.

SHRI INDRAJIT GUPTA : Have you given them funds ?

S. BUTA SINGH : Yes Sir. They have already been sanctioned to create even buffer. The Reserve Bank of India has already sanctioned enough money and the operation will start with the prices when they are ready and also plus Rs. 25 as announced by the Textile Minister. Sir, we are not very much bothered about the storage capacity. We know how to find the storage capacity, if we have to resort to the step that the Hon'ble Member has suggested, we will not mind, we will go that way also. Sir, the Hon'ble Member raised a question of coconut oil. The coconut oil is not imported in large quantity and this time I have already announced before this Parliament Session that the coconut oil should not be imported and the Government has decided not to import coconut oil, so as to save our coconut growers.

I was asked a question about this when I was in Kerala. Sir, in the last year 944 tonnes of coconut oil has been imported just to stabilise the prices and this time the crop is in a very good shape; but on the contrary the prices are falling and the Kerala Government has already taken initiative in stabilising the prices and I am happy to announce this before this august House that the prices have been brought to a level where the farmer is feeling satisfied. Sir, about the closed mills, my Hon'ble colleague has taken note and he will attend to this problem.

SHRI INDRAJIT GUPTA : Both the Hon'ble Members sitting behind you have taken only notes; but nothing is happening, mills remain closed. Jute mill owners don't care.

S. BUTA SINGH : Sir, about the opinion of the West Bengal Government for the support prices. Whatever the Commission for Agricultural Costs and Prices had recommended to the Government, we processed it. The views of the State Government are with the Commission, as soon as we receive the views, I will convey it to the Hon'ble Member. At the moment, the opinion of the State Government are with the commission.

That is all he has asked.

[*Translation*]

SHRI KAMMODILAL JATAV (Morena) : The prices of mustard are falling. What steps are being taken by the hon. Minister in this regard ?

[*English*]

MR. DEPUTY SPEAKER : You can write to the Minister.

SHRI SATYAGOPAL MISRA (Tamluk) : Much has been said regarding the calling attention. Sometimes it so happens that prices of some agricultural produce go up in the market but that does not mean that the higher

prices reach the farmers. And that is the whole trouble. The poor farmers cannot have their stocks for a very long time. Therefore, as soon as they produce they bring it to the market and at that stage some hoarders, some middlemen and some agents of mill-owners purchase the agricultural produce from the farmers at a very very low price because they have the capacity to hoard. They have the capacity to keep the produce purchased from the farmers for a very long time. In that process they get the opportunity for bargaining for a better price. This is the whole problem.

Sugarcane-growers are not getting remunerative prices. On the other hand, the price of sugar is regularly going up. Similar is the case with every other commodity.

The hon. Minister cited the examples of jute and paddy and said that the price of jute in Calcutta reached the level of Rs. 975 per quintal in January 1965. I want to know in the month of January who brings jute in the Market? It is the middlemen or the hoarders. Farmers cannot keep their produce for six or seven months for getting a better price. Similarly at present the paddy price is something higher. But can the paddy-growers keep their produce for a long time? Therefore, my humble submission is that as soon as the agricultural produces come to the market, some governmental machinery should be there to purchase them. This is in regard to every agricultural commodity. Some Government machinery should be there which will be able to purchase directly from the farmers at the support price of the government.

Another thing. Why is the Government taking so much time in declaring minimum support price for the agricultural produce? My point is that before sowing the minimum support price should be announced by the Government for every crop. A calendar should be maintained that for certain crops certain dates would be fixed and that should be done in consultation with the Kisan leaders. So many Kisan organisations are there. The ruling party also

has its own Kisan organisations. For every agricultural commodity a certain date should be fixed by which the Government should announce their support price every year.

I have said earlier also, that the government machinery should be there in every nook and corner of the country which should be able to purchase directly from the farmers the agricultural produce.

Another thing is that how to do you determine the minimum support price of the agricultural produce? The hon. Minister has said something but our actual experience is that the factor of the cost of production is neglected. This time while determining the minimum support price for raw jute, we find that the minimum support price is less than the cost of production. On this point I would request the hon. Minister to take guidance from the leaders of the different 'kissan' organisations. This year the minimum support of raw jute should be Rs. 600 per quintal.

A situation has come when after one or two years the whole jute industry will be doomed because the mill owners are not listening to the Government's decisions. They have closed down so many mills and a result thereof so many workers have become unemployed. This time the farmers of West Bengal, Bihar, Orissa, Tripura and Andhra Pradesh have produced a very good jute crop. In this year if they do not get the actual price or some incentive for their production then next year they will not be encouraged to go in for production of jute. Then what will happen! The whole industry will suffer.

Another danger is also there. If this year the farmers do not get the minimum support price or some incentive then they will be bound to sell their lands and switch over to something else. This will result into another unemployed section and the whole economy will get jeopardised.

In this context I want to know from the hon. Minister what the JCI have

[Shri Satyagopal Misra]

done till now? My information is that the JCI will not enter into the market until the last week of August. That seems to be their internal decision. This seems to have been decided with the consultation of the mill owners. Why does the JCI not enter the market as soon as raw jute comes to the market? Will the Minister be pleased to tell how much quantity of raw jute JCI has purchased during this season? Why is there so much delay and to whom the benefit is going?

**S. BUTA SINGH :** Mr. Deputy Speaker, Sir, the hon. Members must always bear in mind that the support price is different from ordinary shopping in the market. Support price is meant for a particular situation. As and when that situation arises the support price machinery must enter the market. My contention has been right from the hour the discussion on the Calling Attention started that jute prices have not come to the level where the support prices are required to be declared.

Sir, my hon. colleague has added Rs. 25 to it. That is the net gain of today's discussion. He has said that he will add another Rs. 25 to it and as soon as the level is touched the JCI is bound to enter the market and purchase the raw jute. I will go with the hon. Member if we had the resources to purchase the entire agricultural produce, put it in our godowns and regulate the prices then it would have been a different question. But the system at present in the country is that for certain crops we fix the crop price.

15.00 hrs.

For certain crop we fix the support price. The procurement prices are for two purposes. Whenever there is a deficiency in the market, we have to supply food to our people and in case it is not met by our internal production we will not hesitate in importing it. But fortunately for us, that situation is fading away. In certain aspects, we are in a position to supply them to other countries. During the last 30 years or

more, Indian farmers have shown to the world that with the help of scientists, experts and specialists, India is capable of achieving self-sufficiency in matters of food production and we are proud of it.

With regard to jute, which the hon. Member has raised, I may point out that as soon as the price touches the level definitely the Jute Corporation of India will purchase it. I have already assured the House that we will create a buffer stock and the Jute Corporation of India will be kept in readiness. The hon. Member wanted to know how do we determine the prices, whether the farmers or the growers are involved in the fixing of prices or not. The growers may be Congress or Marxists or Akali or Janta Party Members, the grower is a grower, a farmer is a farmer. After all kisan is a kisan. The Commission which is charged with this duty has organised very elaborately a system of arriving at a support price for a given crop. Sir, with your permission, I may read out the methodology which the Commission follows so that the hon. Members know how many details are involved. The actual growers, not the political leaders, the kisan leaders, the small and marginal farmers are consulted by the Commission. I would now read out the relevant portion :

“The Commission has developed a practice of consultations with the State Governments and various other public institutions and concerned interests. The Commission visits different States for eliciting the views of the State Governments and various other interests including farmers, the trade and industry and also invites the representatives of various organisations and State Governments for detailed discussions with the Commission in New Delhi. The Commission makes a detailed review of the cost of cultivation of concerned commodities. For this purpose, the commission is

supplied with estimates of cost cultivation/production generated through comprehensive scheme for studying the cost of cultivation being implemented by the Agricultural Universities/research institutes in various States. As of now, a total of 9000 samples are studied every year by these universities through their field surveys to generate the information on cost estimates. The Commission also takes into consideration the changes in the input costs since the completion of the study and provides for such changes before formulating its price recommendations.

While recommending support/procurement prices, the CACP is enjoined to keep in view (i) the need to provide incentive to the producer for adopting improved technology and for maximising production (ii) the need to ensure rational utilisation of land, water and other productive resources and (iii) the likely effect of the price policy on the rest of the economy, particularly on the cost of living the level of wages, the industrial cost structure, etc."

These were the studies made and the rules which the Commission every year follows minutely before arriving at support price or procurement price for a given commodity.

**SHRI NARAYAN CHOUBEY :** I would like to know from the hon. Minister who are the persons who studied in the fields with the farmers. I have to get it from the West Bengal Agriculture University. I will collect the information and pass it on to the concerned. The prices are recommended by the Commission to the Government of India. Then the Government of India sends these recommendations to State Governments, obtains their views and then finally, after obtaining the views

of the State Government, a particular price for a given commodity is fixed. This is how we work at evolving the support and procurement prices. In fixing procurement prices, we have two purposes. One is to ensure that sufficient quantity of crops which are covered by procurement are procured by the public agencies. The hon. member wanted to know what is the machinery available. In every State, we have a cooperative system, which helps farmers in marketing. We have the State Agricultural Federations and then, in addition to them, to give financial back-up, to give them support from the Government of India, we have apex bodies like the Agricultural Federation of India, Jute Corporation of India, Cotton Corporation of India, etc. All these organisations are meant to help the farmers in obtaining their remunerative prices, so that the farmers are not compelled to resort to distress sales. All these steps are taken to help the farmers in increasing agricultural production in our country. I am sure the hon. member will be satisfied with my answer.

**SHRI V. SOBHANADREESWARA RAO :** Crores worth of huge stocks of cotton are lying in Andhra Pradesh. Why cannot the Cotton Corporation purchase this cotton?

**S. BUTA SINGH :** Let the hon. member write to me in this regard.

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## BUSINESS OF THE HOUSE

[English]

**THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H. K. L. BHAGAT) :** With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 29th July, 1965, will consist of

- (1) Consideration of any item of Government Business carried over from today's Order Paper

[Shri H.K.L. Bhagat]

- (2) Consideration and passing of :  
The Criminal Law Amendment (Amending) Bill, 1985  
The Coffee (Amendment) Bill, 1985  
The Employment of Children (Amendment) Bill, 1985
- (3) Discussion and voting, on the Supplementary Demands for Grants (General) for 1985-86.
- (4) Consideration and Passing of the Coal Mines (Conservation and Development) Amendment Bill, 1985, as passed by Rajya Sabha.
- (5) Discussion on the following matters under Rule 193 of Rules of Procedure and Conduct of Business in Lok Sabha at 3 P. M. on days indicated against each :
- (i) Textile Policy on Tuesday, the 30th July, 1985.
- (ii) Price Rise on Thursday, the 1st August, 1985.

[Translation]

SHRI VIRDHI CHANDER JAIN (Barmer) : Mr. Deputy Speaker Sir, I would like the following matters to be included in the Business of the House during the next week commencing 29 July, 1985.

The Desert Development Programme was introduced under the Rural Development Programme in the country way back in 1977. The Central Government used to give cent per cent assistance to the said Programme, but, since 1 April, 1979 it has been slashed down to 50 per cent matching grant, which means that the States have to share the rest; whereas, even now, under the Hill Area Development Programme, the north eastern areas get cent per cent assistance and others, which include eight districts of U.P. Darjeeling in West Bengal, Northern Kachat in Assam and Western Ghats, get 90 per cent as grant and

10 per cent as loan. The population of desert areas is half the population of the hill areas while their area is more and they are less developed than the hill areas. As such desert areas be kept at par with hill areas in the matter of concessions and other facilities during the Seventh Plan.

The Central Government are giving more importance to the North Eastern border areas with regard to laying of new railway lines whereas the desert areas are being ignored, which not only look means of communications but there has been little expansion of the Railways also. There is need for more expansion of the Railways in the desert areas during the Seventh Plan especially in the matter of a broad gauge line between Pathankot and Kandla.

[English]

SHRI SOMNATH RATH (Aska): The following matter may be included in the Government Business for the week.

India has made spectacular achievement in Agriculture, Industry, Technology etc. and India is able to export Food Stuffs including wheat, but all our achievements will be of no avail unless population explosion is checked. Population explosion is the greatest hindrance to the development of the economy. Unless checked, it would spill to 125 crores by 2020 A.D. India is the first country in the world where family planning is taken at Government level. Its fundamental task is to control population quantity and improve its quality. Its specific requirements are late marriage, fewer but better births and upbringing of better children, mother and Child Health Care. China has advocated one couple one child norm in order to reach the goal of keeping the population around 1.2 billion by the end of the century for the social and economic development and they will achieve it. The family planning policy should be drawn up on the basis of reality, rationality, and taking into consideration the voluntariness of the masses and their actual difficulties, so that more and more married couple at reproductive

age, actively respond to the call. If possible, our policy may also be 'one child one couple. Incentives, such as Rs. 25/ per month may be given to the parents adopting family planning norm up to fourteen years, besides free education, health care etc. Population programme should be taken an important component of the overall plan for economic and social development and increasing gross annual output value of industry and agriculture. Tackling of population explosion must be above party consideration as it is a national problem. Persuasion, motivation by mass media and the like should be our motto in preaching the significance of family planning.

[*Translation*]

**SHRI K.N. PRADHAN (Bhopal) :** Mr. Deputy Speaker, Sir, in the statement made by the hon. Minister of Parliamentary Affairs regarding next week's Government Business I would like the following matter also to be included for discussion.

The continuous supply of petroleum products and kerosene oil to all the States is quite essential. If the supply is short, a great hue and cry is raised. Only recently, between 20th June and 3rd July, 1985 there was acute shortfall in the supply of these products in Madhya Pradesh an account of which the State Government had to cut a sorry figure in the Assembly.

Similarly, there is large scale adulteration of the petroleum products by mixing kerosene oil. During 1984-85, Madhya Pradesh sent 200 adulterated samples to the Bombay laboratory of the Petroleum Department for analysis. It is surprising that not even a single sample was found to be adulterated. In Indore, a district magistrate had even caught the culprits red-handed when a tanker of kerosene oil was unloading its contents in a diesel tank, but in this case also the laboratory proved it other wise and issued a certificate to that effect.

The Madhya Pradesh Government have proposed that three laboratories

should be set up in Madhya Pradesh itself. The Central Government should give their approval to that. No dealer of diesel and petrol should be appointed as supplier of kerosene oil.

The State Government should also exercise control over the gas dealers because most of these dealers indulge in malpractices. The State Government should be authorised to issue licences to these dealers and their opinion should be sought while appointing them.

**SHRI HARISH RAWAT (Ajmera) :** Mr. Deputy Speaker, Sir, I request that the following two matters be included in the next weeks Business.

The construction of inferior quality residential flats by the DDA under the Self Financing Scheme, as reported by some newspapers, has eroded the credibility of this body. There is great resentment among the applicants of these flats on this account. Therefore, this issue should be discussed in the House.

Pyrilla has caused extensive damage to the standing sugarcane crops in Uttar Pradesh. The matter of eradicating it and providing due compensation to the farmers should be discussed in the House.

[*English*]

**SHRI NARAYAN CHOUBEY (Midnapore) :** I want the following item to be included in agenda for discussion in the next week :—

- (1) Acute shortage of small coins and notes of Rupee one and Rupees two denominations in the whole country causing serious distress to the people. A number of anti-social traders are engaged in cornering the small coins. They are making exorbitant profits from this illegal trade. The Government must take immediate and effective steps to curb these anti-social elements and solve this problem immediately.

[Shri Narayan Choubey]

- (2) The continuous ban on recruitment in central services has made un-employment problem more acute these days. It has caused serious shortage of manpower in all establishments leading to fall in service and standard of jobs and also been responsible for accidents to work more than normal leading to fatigue and errors.

**PROF. MADHU DANAVATE (Rajapur)** : I would like to suggest the inclusion of the following items in the next week's business :

- (1) *Transfer of land from Centrally-financed Slum Improvement Scheme in Dharavi in Bombay to a builder.*

The slum in Dharavi in Bombay is the largest in Asia. The Dharavi Slum Improvement scheme is financed by the Centre. Land from this scheme is transferred to a builder, and it is alleged that large scale corruption is involved in this land transfer. This has created a great furor. I, therefore, suggest that the matter should be discussed in the House.

- (2) *Fake Allotments by D.D.A.*

It has been widely reported that there have been fake allotments by the Delhi Development Authority, involving irregularities and malpractices. I suggest that the matter should be discussed in the House.

**SHRI G.M. BANATWALLA (Ponnani)** : I want the following items to be included in the agenda for next week :

While communal violence has flared up in Saharanpur, the situation is tense in certain parts of Rajasthan. Hyderabad witnesses recurrence of communal incidents, and the communal violence in Gujarat continues to rage with unabated fury. The loss of life and property is immense. There is neither

security of life and property, nor adequate succour and compensation to the victims of the orgy. The State's economy has also been crippled. The serious situation needs to be discussed thoroughly, and the list of business for the next week should include the discussion.

**SHRI V. SOBHANADREESWARA RAO (Vijayawada)** : I may be permitted to make the following submission with regard to the next week's business :

1. The Government of Andhra Pradesh appointed a four-man Committee to advise on the re-organization of the rural credit delivery system for making it an effective and efficient single window service organization catering to the total requirements of the farmers by way of credit, input supply, consumer services, agro-processing and marketing. The Committee's recommendations were considered and approved by the Cabinet on 1.6.1983, and the Government of Andhra Pradesh has sent a report on the scheme for consideration and approval of the Union Government. The Ministry of Agriculture is considering the proposal, in consultation with Department of Banking. The matter was taken up by Andhra Pradesh Chief Minister when he met twice with the Prime Minister during his visits to Delhi. So, I request the Government of India to give approval to the single window cooperative re-organization scheme of Andhra Pradesh immediately, to enable the State Government to implement it at the earliest.

2. Existing Free Trade Zones are covering the west coast, and also the southern part and northern part of the east coast. The important middle part of the east coast has been left out. So, I request that a Free Trade Zone at Visakhapatnam be set up immediately, to cover the important middle part of the east coast.

**THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H. K. L. BHAGAT)** : Sir, I have latched to the

points made by the hon. Members ; and I shall bring them to the notice of the Business Advisory Committee.

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**EMPLOYMENT OF CHILDREN  
(AMENDMENT) BILL\***

[English]

**MR. DEPUTY SPEAKER :** Now item No. 9. Shri T. Anjiah.

**THE MINISTER OF STATE IN THE MINISTRY OF LABOUR (SHRI T. ANJIAH) :** I beg to move for leave to introduce a Bill further to amend the Employment of Children Act, 1938.

**MR. DEPUTY SPEAKER :** The question is :

“That leave be granted to introduce a Bill further to amend the Employment of Children Act, 1938.”

*The Motion was adopted.*

**SHRI T. ANJIAH :** I introduce the Bill.

15.20 hrs.

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**DEMANDS FOR GRANTS (Punjab)  
1985-86 — Contd.**

[English]

**SHRI V. SOBHANADREESWARA RAO (Vijayawada) :** Mr. Deputy Speaker, Sir, I am happy that ultimately an agreement has been arrived at between the Union Government and the Akali Dal President, Sant Longowal. You will recollect that several hon. members had expressed their views when discussion took place on the Punjab issue as well as on the budget relating to the State of Punjab. In fact, any person with an open mind and a rational thinking will say that the present terms of agreement are the only alternative

and a tangible solution for the problem, because in a democratic society and when there are Union Territories and States in the country, whenever there are some disputes arise between some States, there is no other alternative but to go to some tribunal which should be entrusted to give some judgment relating to the problem, and we have a tribunal for sharing of water. Similarly, some commission is there for deciding which area should go to which State when there is some tussle between the States relating to some geographical boundary and area. I should say, unfortunately, these very terms of agreement could have been accepted very very long ago which would have avoided several untoward incidents, unhappy incidents resulting in loss of lives next only after the partition of the country when thousands of people had been killed.

I am sorry to say my personal opinion that the ruling party has purposely dragged the situation without conceding to these demands on the lines of the terms of agreement which has been accepted now mainly to divert the peoples' attention and the peoples' dissatisfaction over the functioning of the government. In 1980 they were telling that the Janata Party Government was not performing well and that they will give the government which will work. Unfortunately, during those nearly 4-5 years, nothing, much progress could be achieved and the poverty had increased and different cross-sections of the people were very much dissatisfied, Unemployment increased.

In these circumstances, unfortunately, keeping their party interests uppermost and neglecting the national interests, national integration and national unit—I am very sorry to state this—they have allowed things to drift to a very sad state of affairs, and the extremists got an opportunity for killing innocent Hindus. This resulted in loss of innocent lives and also destruction of property. All these things have happened. But anyway, past is past and I am happy. We are all happy that this solution has been arrived at at least

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[Shri V. Sobhanadreeswara Rao]

now. I congratulate the Government. It is better late than never, as the saying goes.

Now I request, through you, the people of Punjab to respond positively and stand by the terms of the agreement through which the differences can be sorted out and I request the leaders of Akali Dal not to yield to the extremist forces or the terrorists,—or those extremist elements—and stand by the unity of the country.

MR. DEPUTY-SPEAKER : Shri, R. Jeevarathinam,

[*Translation*]

\*SHRI R. JEEVARATHINAM (Arakonam) : Mr. Deputy Speaker, Sir, I would begin by quoting a couplet from the great poet-saint of Tamil Nadu, Tiruvalluvar, which says "Be Born in Greatness ; otherwise, do not take birth". I have no hesitation in saying that our young Prime Minister, Shri Rajiv Gandhi is born in greatness.

I would now say a few words in regard to Punjab Budget. The opportunity to end presidential rule in Punjab has come about. I am sure that elections will be held soon and the popular government set up there for the fulfilment of the aspirations of the people of Punjab. For the last 3 years, Punjab was in a state of agitation. The terrorists were ruling the roost. On the 24th evening at about 6 o' clock, the situation in Punjab changed so suddenly like the clouds disappearing on sun-rise. The people of Punjab heaved a sigh of relief. The entire nation acclaimed the memorandum of settlement signed by our Prime Minister and Sant Longowal. Within three months after becoming the Prime Minister, our Prime Minister conducted general elections and gave to our party unprecedented success. The world leaders applauded the rejuvenation of democracy in India. The credit

for this exclusively goes to Shri Rajiv Gandhi. After becoming Prime Minister, having been duly elected, he declared that the resolution of Punjab tangle and the restoration of law and order in Punjab are his foremost duty. Within two days after becoming the Chief Minister of Madhya Pradesh, Shri Arjun Singh was appointed as Governor of Punjab by the Prime Minister. The Opposition Members and the Press sarcastically criticised this move. But our Prime Minister was undeterred. He with great political sagacity conveyed to Sant Longowal his views about Punjab problem. Before signing the memorandum of settlement, he confabulated with Opposition Leaders and sought their advice. Only after that he signed the memorandum of settlement with Sant Longowal. The resolution of Punjab tangle reflects not only his unassailable faith in democracy but also his determination to make democracy Indian way of life. He has proved that he is not merely a politician but a statesman. He has become the torch-bearer of the heritage of Motilal Nehru. He is inspiring the younger generation of India by implementing policies for their welfare. His mother, Shrimati Indira Gandhi gave to the nation the Government that works. Shri Rajiv Gandhi has given to the country the Government that works fast. I repeat that the solution of Punjab problem has become the harbinger of Hindu-Sikh unity and it has given to the nation a new leadership which will protect the integrity of the country.

I would quote from a song of the inimitable patriot-poet of Tamil Nadu, Shri Subramania Bharatiyar, which says that Mahatma Gandhi took birth in India to ensure that India becomes beacon light in the comity of nations after becoming independent and after getting rid of the poverty. He sang "Let Mahatma Gandhi live long to bring lustre to the country and to nurture the unity of the nation." Now the unity of the country is safe and secure in the hands of our young Prime Minister Shri Rajiv Gandhi. The name of Mahatma Gandhi will be ever remembered for his role in the spiritual upliftment of the country.

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\*The speech was originally delivered in Tamil.

Shri Rajiv Gandhi's name has been written in golden letters in the history of our country for his political sagacity to secure the unity of the country.

Sir, we are beholden to our young Prime Minister Shri Rajiv Gandhi for having ushered an era of peace and amity in the country with the solution of Punjab problem.

With these words I conclude my speech.

[English]

SHRI N. V. N. SOMU (Madras North): On behalf of D.M.K. Party and our leader, Dr. Karunanidhi, I welcome this Punjab settlement.

Our President, Dr. Karunanidhi, has given a statement welcoming this. It is always said that better late than never. It should have been reached long ago avoiding so many great losses. I hope, the next Budget will be discussed by the newly elected Punjab Assembly. It has widely appeared in the press that elections may come in the month of October. I expect from the Government to conduct the elections in a free and fair manner.

Clause 8 (1) of the settlement says that according to Shiromani Akali Dal the Anandpur Sahib Resolution is entirely within the framework of the Indian Constitution. It attempts to define the concept of Centre-State relations in a manner which may bring about the true federal characteristic of our unitary Constitution and that the purpose of the Resolution is to provide greater autonomy to the States with a view to strengthen the unity and integrity of the country since unity in diversity forms the corner stone of our national unity. Unity in diversity is the maxim given by our late lamented Prime Minister, Jawaharlal Nehru. If it is so, why is it being referred to the Sarkaria Commission? Instead of referring the Anandpur Sahib Resolution to the Sarkaria Commission, our Prime Minister should

have discussed the matter with the Akali Dal and evolved a good formula acceptable to both sides. Our leader, Dr. Karunanidhi, who is a pioneer in the Centre-State relations, had set up Justice Rajamannar Committee on Centre-State relations, which is the first of its kind in the country. He, while welcoming and congratulating both our Prime Minister and Sant Longowal, could not accept the reference of the same to the Sarkaria Commission.

Clause 11 of the Memorandum says that the Central Government may take some steps for the promotion of Punjabi language. 'May' is not a definite word. 'May' implies may not also. The Central Government shall take some definite steps for the promotion of Punjabi language. In this connection I want to emphasise that the Central Government should not only develop Hindi language alone but all the 15 other languages recognised by the Constitution.

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15.33 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[English]

First Report

SHRI SOMNATH RATH (Aska): I beg to move:

"That this House do agree with the First Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 24th July, 1985."

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the First Report of the Committee on Private Members' Bills and Resolutions presented

to the House on the 24th July,  
1985."

*The motion was adopted.*

15.35 hrs.

CONSTITUTION (AMENDMENT)  
BILL\*

(Amendment of article 248 and Seventh  
Schedule)

[English]

SHRIMATI GEETA MUKHERJEE  
(Panskura) : I beg to move for leave  
to introduce a Bill further to amend the  
Constitution of India.

MR. DEPUTY SPEAKER : The  
question is :

"That leave be granted to in-  
troduce a Bill further to amend  
the Constitution of India."

*The motion was adopted.*

SHRIMATI GEETA MUKHERJEE :  
I introduce the Bill.

CONSTITUTION (AMENDMENT)  
BILL\*

(Insertion of new article 326A)

[English]

SHRIMATI GEETA MUKHERJEE  
(Panskura) : I beg to move for leave to  
introduce a Bill further to amend the  
Constitution of India.

MR. DEPUTY SPEAKER : The  
question is :

"That leave be granted to in-  
troduce a Bill further to amend  
the Constitution of India."

*The motion was adopted.*

SHRIMATI GEETA MUKHERJEE:  
I introduce the Bill.

CONSTITUTION (AMENDMENT)  
BILL\*

(Amendment of articles 117 and 207)

[English]

SHRI MOOL CHAND DAGA  
(Pali) : I beg to move for leave to  
introduce a Bill further to amend the  
Constitution of India.

MR. DEPUTY SPEAKER : The  
question is :

"That leave be granted to intro-  
duce a Bill further to amend  
the Constitution of India."

*The motion was adopted.*

SHRI MOOL CHAND DAGA : I  
introduce the Bill.

REPRESENTATION OF THE  
PEOPLE (AMENDMENT) BILL\*

[English]

SHRI MOOL CHAND DAGA  
(Pali) : I beg to move for leave to  
introduce a Bill further to amend the  
Representation of the people Act, 1951.

MR. DEPUTY SPEAKER : The  
question is :

"That leave be granted to intro-  
duce a Bill further to amend  
the Representation of the  
People Act, 1951."

*The motion was adopted.*

SHRI MOOL CHAND DAGA : I  
introduce the Bill.

**PROTECTION OF PHYSICIANS  
AND SURGEONS (CIVIL AND CRI-  
MINALS IMMUNITY) BILL\***

[English]

**SHRI MOOL CHAND DAGA**  
(Pali) : I beg to move for leave to introduce a Bill to provide for civil and criminal immunity to physicians and surgeons withdrawing life sustaining treatment from patients suffering from terminal illness and certain categories of newly-born infants.

**MR. DEPUTY SPEAKER :** The question is :

“That leave be granted to introduce a Bill to provide for civil and criminal immunity to physicians and surgeons withdrawing life sustaining treatment from patients suffering from terminal illness and certain categories of newly-born infants.”

*The motion was adopted.*

**SHRI MOOL CHAND DAGA :** I introduce the Bill.

**PUBLIC AND PRIVATE SCHOOLS  
(ABOLITION) BILL\***

[English]

**PROF. SAIFUDDIN SOZ** (Baramulla) : I beg to move for leave to introduce a Bill to provide for abolition of public and private schools in India.

**MR. DEPUTY SPEAKER :** The question is :

“That leave be granted to introduce a Bill to provide for abolition of public and private schools in India.”

*The motion was adopted.*

**PROF. SAIFUDDIN SOZ :** I introduce the Bill.

**AGRICULTURAL WORKERS  
(MINIMUM WAGES AND WEL-  
FARE) BILL\***

[English]

**SHRI SATYAGOPAL MISRA**  
(Tamluk) : I beg to move for leave to introduce a Bill to provide for the payment of minimum wages and welfare of agricultural workers.

**MR. DEPUTY SPEAKER :** The question is :

“That leave be granted to introduce a Bill to provide for the payment of minimum wages and welfare of agricultural workers.”

*The motion was adopted.*

**SHRI SATYAGOPAL MISRA :** I introduce the Bill.

**BUILDING AND CONSTRUCTION  
WORKERS (CONDITIONS OF  
EMPLOYMENT) BILL\***

[English]

**SHRI SATYAGOPAL MISRA**  
(Tamluk) : I beg to move for leave to introduce a Bill to protect building and construction workers and to provide for their minimum wages, security of job, and such other health and welfare measures for them as are provided for in various labour and industrial laws in force in India.

**MR. DEPUTY SPEAKER :** The question is :

“That leave be granted to introduce a Bill to protect building and construction workers and to provide for their minimum wages, security of job and such other health and welfare measures for them as are provided

for in various labour and industrial laws in force in India.”

*The motion was adopted.*

SHRI SATYAGOPAL MISRA : I introduce the Bill.

RESERVATION OF POSTS IN PUBLIC SECTOR AND PRIVATE SECTOR SERVICES (FOR ECONOMICALLY WEAKER SECTION OF SOCIETY) BILL\*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to provide for reservation of posts in public sector and private sector services for economically weaker section of society.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for reservation of posts in public sector and private sector services for economically weaker section of society.”

*The motion was adopted.*

SHRI BALASAHEB VIKHE PATIL: I introduce the Bill.

UNORGANISED LABOUR WELFARE FUND BILL \*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to provide for setting up a fund for the welfare of unorganised labour.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for setting up a fund for the welfare of unorganised labour.”

*The motion was adopted.*

SHRI BALASAHEB VIKHE PATIL: I introduce the Bill.

SMALL FAMILY (PROMOTION AND MOTIVATION) BILL\*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to empower the Central Government to take measures to promote and motivate small families in the country and put family planning measures on a statutory footing and for matters connected therewith.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to empower the Central Government to take measures to promote and motivate small families in the country and put family planning measures on a statutory footing and for matters connected therewith.”

*The motion was adopted.*

SHRI BALASAHEB VIKHE PATIL: I introduce the Bill.

POLITICAL PARTIES (FINANCIAL ASSISTANCE) BILL\*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to provide for grant of financial assistance to political parties in connection with the election of

their candidates, by the Central Government, for ensuring their effective functioning and promoting sound democratic polity and for matters connected therewith and incidental thereto.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for grant of financial assistance to political parties in connection with the election of their candidates, by the Central Government, for ensuring their effective functioning and promoting sound democratic policy and for matters connected therewith and incidental thereto.”

*The motion was adopted.*

SHRI BALASAHEB VIKHE PATIL:  
I introduce the Bill,

DECLARATION OF ASSETS AND  
LIABILITIES BY MEMBERS OF  
LOK SABHA AND RAJYA SABHA  
BILL\*

[English]

SHRI RAJESH PILOT (Dausa) : I beg to move for leave to introduce a Bill to provide for declaration of assets and liabilities by Members of Lok Sabha and Rajya Sabha and for matters connected therewith.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for declaration of assets and liabilities by Members of Lok Sabha and Rajya Sabha and for matters connected therewith.”

*The motion was adopted.*

SHRI RAJESH PILOT : I introduce the Bill.

EMPLOYEES' STATE INSURANCE  
(AMENDMENT) BILL\*

[English]

SHRI BASUDEB ACHARIA (Bankura) : I beg to move for leave to introduce a Bill further to amend the Employees' State Insurance Act, 1948.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Employees' State Insurance Act, 1948.”

*The motion was adopted.*

SHRI BASUDEB ACHARIA : I introduce the Bill,

CONSTITUTION (AMENDMENT)  
BILL\*

(Amendment of article 85 etc.)

[English]

SHRI N. VENKATA RATNAM : (Tenali) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

*The motion was adopted.*

SHRI N. VENKATA RATNAM : I introduce the Bill.

**PAYMENT OF BONUS (AMENDMENT) BILL\***

[English]

SHRI SHARAD DIGHE (Bombay North Central): I beg to move for leave to introduce a Bill further to amend the Payment of Bonus Act, 1965.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Payment of Bonus Act, 1965.”

*The Motion was adopted.*

SHRI SHARAD DIGHE : I introduce the Bill.

**CONSTITUTION (AMENDMENT) BILL\***

(Amendment of article 79)

[English]

SHRI N. VENKATA RATNAM (Tenali) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

*The Motion was adopted.*

SHRI N. VENKATA RATNAM : I introduce the Bill.

**ERADICATION OF UNEMPLOYMENT BILL\***

[English]

SHRI G. M. BANATWALLA (Ponnani) : Sir, I beg to move for leave

to introduce a Bill to provide for a scheme for eradication of unemployment from the country.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for a scheme for eradication of unemployment from the country.”

*The Motion was adopted.*

SHRI G. M. BANATWALLA : I introduce the Bill.

**CONSTITUTION (AMENDMENT) BILL\***

(Insertion of new article 342A)

[English]

SHRI G. M. BANATWALLA (Ponnani) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

*The Motion was adopted.*

SHRI G. M. BANATWALLA : I introduce the Bill.

**MARRIAGE LAWS (AMENDMENT) BILL\***

[English]

SHRI DIGVIJAY SINH (Surendranagar) : Sir, I beg to move for leave to introduce a Bill further to amend the Hindu Marriage Act, 1955, and the Special Marriage Act, 1954.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Hindu Marriage Act, 1955, and the Special Marriage Act, 1954."

*The Motion was adopted.*

SHRI DIGVIJAY SINH : I introduce the Bill.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL—

*Contd.*

[English]

MR. DEPUTY-SPEAKER : Now we take up further consideration of the following motion moved by Shri G. M. Banatwalla on 10th May, 1985, namely :—

"That the Bill further to amend the Code of Criminal Procedure, 1973, be taken into consideration."

Shri G.M. Banatwalla.

15.44 hrs

SHRI SOMNATH RATH *in the Chair*.

SHRI G. M. BANATWALLA : Sir, I have already moved that the Bill further to amend the Criminal procedure Code be taken into consideration.

I had started by making a submission that the recent judgment of the Supreme Court is in conflict with the rules of the Muslim Personal Law and, therefore, the necessity has come to restore the rule of the Muslim Personal Law.

Section 125 of the Cr. P.C. provides that in the unfortunate event of a divorce, the ex-husband shall be responsible to provide maintenance to the divorced lady till she re-marries or till her death.

Now, as I had already submitted in the House earlier when this particular

proposition was being debated in 1973, and when the Criminal Procedure Code was being revised, it had been made amply clear by the entire Muslim community that the provisions were in conflict with the provisions of the Muslim Personal Law. The deputationists met the then Prime Minister, our late Prime Minister, Shrimati Indira Gandhi. On her instruction the matter was re-opened in this House and an amendment was incorporated in the form of clause (b) of sub-section (3) of Section 127 by reopening the section once again in the House. It was provided that where all the dues have been given to the divorced woman then, the personal laws of the various communities shall apply. The purpose which was made very clear in the House was to protect the Muslim Personal Law. That was the intention of the Legislature. That was the intention of the Parliament. The matters went on for certain time. But in the course of time, as I was pointing out last time, despite the clearcut protection given to the personal law, the Supreme Court held in Bai Tahira Vs. Ali Hussain case, AIR 1979, SC 362, that the muslim divorced woman can continue to claim maintenance till remarriage or death if the sum stipulated by the personal law is not sufficient to do the duty for maintenance. A few other cases also followed. Then we had the recent judgment in Mohd. Ahmed Khan Vs. Shah Banu Begum and others, Criminal Appeal, No. 103 of 1981. A bench of five judges of the Supreme Court went even further to hold that the right will be available to the divorcee under Section 125 and it is unaffected by the provisions of the Muslim Personal Law applicable to her. The Supreme Court, in fact, in this recent judgment, held that if there is a conflict between the Muslim Personal Law and Section 125 and 127 of the Criminal Procedure Code, then—in the event of that conflict—the Muslim Personal Law will stand, you may say, abrogated or cancelled or whatever term it might be, and the Criminal Procedure Code will prevail. That was the stand taken.

Now, as you would realise, the Supreme Court Judgment wholly sets



[Shri G. M. Banatwalla]

at naught the very intention of this Parliament in incorporating Clause (b) to sub-section (3) of Section 127. As such, the decision represents a serious encroachment on the Muslim Personal Law. It is a step towards the abrogation of *Shariat* in India. I will presently show that this unfortunate judgment undermines the very foundation of Islamic society which gave the highest place to all considerations of humanity and justice. It is manifestly clear that the Supreme Court has handed down the judgment in wholesale disregard of the intentions of this very Parliament.

When the hon. Minister of State, Shri Ram Niwas Mirdha moved the amendment to add clause (b) to sub-section (3) of Section 127, he categorically stated in the Lok Sabha, and I quote from col. 317 of the Lok Sabha debates dated 11th December 1973, as follows :

“As I said, under the customary or personal law of certain communities, certain sums are due to a divorced wife. Once they are paid, the Magistrate's order giving maintenance could be cancelled. Now, whether the maintenance should be reasonable or unreasonable is not the point.”

Similarly, in the other House also a still more categorical assurance was given by the hon. Minister of State, when he stated :

“There is no intention to interfere with the personal laws of the Muslims through the Criminal Procedure Code.”

This particular point has been made very clear by the then Minister of State, Shri Ram Niwas Mirdha, as I said. Therefore, when the Criminal Procedure Code was being adopted by this House, when the revised one was being adopted by this House, it was a clear intention of this House to protect the Muslim Personal Law and see that it is not

abrogated through the Criminal Procedure Code. Not only this intention of our Parliament is set at naught by the Supreme Court, but it is the Muslim Personal Law itself which is sought to be abrogated. Not only the Parliament, but even two Judges of the Supreme Court had felt that the decisions in Tahara Bi's case and others were not correctly decided, and so they had recommended an appeal in Mohd. Ahmed Khan Vs. Shah Banu Begam to a higher Bench, to a larger Bench, by their order dated February 3, 1981. Justice Murtaza Fazl Ali and Justice A. Varadarajan said in the Order :

“In our opinion they are not only in direct contravention of the plain and unambiguous language of Section 127 (3) (b), of Cr.P.C. 1973 which far from overriding the Muslim Law on the subject protects and applies the same in case where a wife has been divorced by the husband and the dower specified has been paid and the period of *iddat* has been observed.

The decision also appears to us to be against the fundamental concept of divorce by the husband and its consequences under the Muslim Law which has been expressly protected by Section 2 of the Muslim Personal Law, (*Shariat*) Application Act, 1937, an Act which has not been noticed by the aforesaid decisions”.

So, Sir, you will find that not only the intention of the Parliament was violated by the present Supreme Court Judgment, but even two judges of the Bench had also upheld that the clear meaning of clause (b) of sub-section (3) of Section 127 is to protect the application of the Muslim Personal Law.

Despite all this mass of evidence, the Supreme Court has made a clean sweep to hold that the rule of Muslim Law is not protected by Section 125 or Section 127 of the Cr. P. C. The

decision is unusual. It is a flagrant disregard of the history of Sections 125 and 127 of the Criminal Procedure Code, of the intention of the Parliament, of the plain meaning of the words used in Section 127 (3) (b) and of the ordinary rules of interpretation of Statutes.

Sir, under the Muslim Personal Law, the situation is and has been accepted by all jurists down the ages without any difference whatsoever and who have unanimously upheld the point that in the unfortunate case of divorce, the responsibility of the husband is to give maintenance for the period of *iddat*, which is, generally speaking, three months after divorce or in case the woman is pregnant, till delivery and so on and not for the life. Here, I may draw the attention of this House to the Mulla's Principles of Mohammedan Law, 18th Edition at page 301, para 209. He says :

"After divorce, the wife is entitled to maintenance during the period of *iddat*".

Now that the Supreme Court has raised the question, Yes, she is entitled to maintenance during the period of *iddat*. But where is it that she is not entitled to maintenance even after the period of *iddat*? But, Sir, here the matter is also very clear. I may point out Thayabji's Muslim Law, 4th Edition at pages 268 and 269, para 304. He says :

"On the expiration of *iddat*, after *Talaq*, the wife's right to maintenance ceases, whether based on the Muslim Law or order under the Criminal Procedure Code." So, it is very clear whether you speak of the Muslim Law or whether you speak of the order under the Criminal Procedure Code, the right ceases. Sir, as I said, on the same page, several cases have been mentioned by him. I refer to the famous Tahir Bi's case and so on and so forth. The Supreme Court has taken a particular liking for Dr. Tahir Mahmood whom the Supreme Court considers

very progressive. The Supreme Court in its recent judgement has quoted repeatedly from the works of Dr. Tahir Mahmood. I may not agree at several places. But let us see what Dr. Tahir Mahmood himself has to say. This is the book entitled Muslim Law of India by Dr. Tahir Mahmood. At page 132, he refers to the decision of the Supreme Court in Zohra Khatoon's case and others. He says :

"These decisions, in our opinion, are not correct. They overlook the history of section 127 of the Code, the intentions of the Legislature, the plain meaning of the words used, and of the ordinary rules of interpretation of statutes. The reasoning in both the confused judgments, we respectfully submit, indicates confused thinking and ignorance of certain principles of Muslim law."

16.00 hrs

So, we find that this supreme Court in its judgement has relied upon Dr. Tahir Mahmood's words. We find that this expert also, expert in the eyes of the Supreme Court, has so stated about the whole matter.

In view of the recent judgment on Shahbanu's case, my Bill also needs a further-amendment because the Bill that I have taken up was introduced earlier after the judgment of the Tahir Bi's case.

In view of the recent judgment, another amendment is also needed in my Bill of which I had given notice and that is that

"We have to state that in Section 125 of the Cr. P.C. 1973 hereinafter referred to as the principal Act.

- (i) After part (b), the following proviso shall be inserted namely,

[Shri G. M. Banatwalla]

“provided the explanation of the term “wife” shall not apply to Muslims;

- (ii) After sub-section (5), the following sub-section shall be inserted and shall be deemed always to have been inserted”

and so on.

This is because while in Tahira bis' case, the Supreme Court held that

“If the amount of dower that has been paid to the divorcee is not sufficient to do the duty of maintenance then the husband would be liable to pay maintenance till she remarries.”

but now in Shahbanu's case, the Supreme Court went even further and said “nothing doing.” If the principles of Muslim law are in conflict with Section 125 of the Cr. P. C. then the Muslim husband will be liable to pay maintenance till the divorcee remarries or dies. Hence this new amendment of which I have given notice is necessitated by this recent judgment.

The Supreme Court in its enthusiasm has gone a step further to observe that the holy Koran itself provides maintenance to divorcee and that maintenance can be extended to period till remarriage. They have quoted some verse out of context. The commentaries with respect to this verse from Koran are available. Down the ages, each and every jurist without exception, has given the explanation of the plain Arabic words as to what they mean and, therefore, it is extremely clear—I do not want to take up the time of this House by reading out to you the opinions of the jurists one after the other and where the Supreme Court has erred with respect to these Arabic words and all that—but the opinion is that the responsibility for the maintenance is for the period of *iddat*. Therefore, the judgment is entirely in

defiance of the unanimous opinion of the Muslim jurists down the ages. The entire Muslim opinion is, therefore, shocked at the unwarranted manipulation of the text of divine revelation to force from them meanings in accordance with the pre-conceived purposes of the so-called reformers.

One must agree to one particular thing, and that is, the purpose of Section 125 is to prevent vagrancy. That is an important thing. One owes duty to the society. Vagrancy must be protected against, must be provided for. But what I submit before the House, and we have been submitting also, is that, in the Muslim law, there are sufficient provisions to take care of a person who is indigent, any person—a man or a woman, a wife or a divorcee, an old man or an old woman, a child or any person. Look at this in Tyabji's Muslim law; you will find a whole chapter over there with respect to maintenance. I must, therefore, submit that the question of vagrancy has been taken care of by the Muslim Personal Law. I share in the concern of the court and of everybody, of all, to prevent vagrancy and destitution. But, as I have submitted, the Islamic law takes full cognizance of this aspect. Islam has its own ideology, distinct in its foundation and scope. The Islamic ideology stands for social justice and humanity. Accordingly, it promotes a particular system and a distinct discipline. Provisions for vagrancy and destitution are a question with a larger dimension, and it can hardly be met with ingenious exercise of our judges taking upon themselves the role of social and cultural engineers to shape the inadequate law to conform to the needs of the society. Even the legal modernisms, which is contained in Section 125 of the Criminal Procedure Code, in calling a divorced woman a wife and, therefore, making it obligatory for the husband to maintain her till she remarries, really hopelessly fails to provide a complete satisfactory answer to the grave problem of vagrancy and destitution. On this problem of vagrancy, I must say that there is a misunderstanding of the entire concept with respect to the Muslim law. As I said,

there is a whole chapter in the Muslim Personal Law with respect to maintenance of any destitute. The entire confusion today arises because of the concept that a girl, on her marriage, passes over to the husband's family and has nothing to do with her parents' family. Sir, I quote from Tyabji's Muslim Law ; this is from page 58 :

"To say that there is no obligation on the members of her natural family to maintain her after her marriage, even if she is divorced, is to disregard the principles of the Muslim law of marriage, divorce and maintenance."

A question is put when a lady is a divorced, thrown on the foot path, who will maintain her. But Sir, as I said the whole answer is there. The Muslim Personal Law is even better in taking care of the vagrant than this restricted Section 125 of the Cr. P.C. What does Cr. PC Section 125 say ? It says that the vagrant divorced women are to be provided for by her ex-husband. But supposing the ex-husband is also indigent. Then nothing, the whole Law stops over there. The society washes its hands off and that woman is thrown on the foot path. That is Section 125 about which a lot is being said. But the Muslim Law does not leave woman vagrant in this manner. The Muslim Law, as I was pointing out, provides for a woman to maintain her ties with her parental family after marriage. Further, as I said, there is a whole chapter about maintenance. The obligation to maintain any destitute, any vagrant man, woman, child, old person, anybody is specifically laid down in the Muslim Law. That should be made applicable because it is comprehensive. It envisages every situation, not just one solitary situation thought of by the Criminal Procedure Code for which a lot of hullabaloo is being made. This Tyabji's Muslim Personal Law gives an entire chapter on maintenance. It is Chapter-8, the whole of which is devoted on maintenance. I quote from Page-259, Para 291 :

"The obligation to maintain a necessitous Muslim rests—(a)

under Hanafi law, first on the children, then on the father, then on the mother, then jointly on grand-parents and grandchildren, and then an collaterals ;"

and so on and so forth, the whole thing goes. You, therefore, find that nobody is thrown on the road. Section 125 of your Criminal Procedure Code really throws a woman on the road. Because it says that the ex-husband and the ex-husband alone shall provide for the maintenance of the divorced lady. Under the situation when the ex-husband himself is a destitute, nothing is said. But we have a full law on the subject. We have a superior law on the subject, I submit. Why should a woman be deprived of a superior law where it is clearly mentioned as to on whom the responsibility is laid in case of vagrancy. On this person, if this person is not in a position to maintain, on the next person, if that next person also is not in a position to maintain, the other next person. The entire scheme is there as per the inheritance scheme mentioned here and nobody is thrown as a vagrant. Let there be no doubt about that. On the contrary, I must submit before this House that Section 125 is an affront to womanhood. Section 125 says that a divorced lady will be considered a wife. What a wonderful legal modernism that a divorced lady will be considered a wife ! The ex-husband must provide maintenance till she remarries ! And what is the condition laid down ? I invite the attention of this House to subsections 4 and 5 of this Section 125 and if you read that, it is very clear that the ex-husband shall provide maintenance to the divorced lady on the condition that even after divorce she shall live with him. A shame, an affront to womanhood in our country. You give a paltry amount to a lady and then say that in exchange for this paltry maintenance you will have to live with me ; otherwise, the order of maintenance will be cancelled. This Section 125 (4) and (5) stand as an affront to the womanhood, as I said, of our country.

The Muslim Personal Law is very clear. Irrespective of whether a woman

[Shri G. M. Banatwalla]

is a vagrant or not, she stands in her own right to get her maintenance for the period of *iddat*. It is not that the woman is a vagrant or a destitute and, therefore, out of pity, the ex-husband gives some maintenance to that divorced lady. What a concept of maintaining people in our society ! We have under the Muslim Personal Law provisions that say that irrespective of whether a woman is a vagrant or not, irrespective of whether she is a destitute or not, she has a right for maintenance till the period of *iddat*, and after the period of *iddat*, just as I read out to you from Tayyabji's Muslim Law, the entire scheme is there as to by whom she is going to be maintained. *(Interruptions)* ...I have just read out to you. The whole Chapter VIII is there. The particular paragraph also I just read out which deals with the obligation to maintain a necessitous Muslim, necessitous Muslim, irrespective of who or she may be.

Your law thinks only of a divorced lady. Then there may be a necessitous person. Muslim law thinks of not only a divorced lady but any person who is a destitute and has this whole scheme as to who is responsible for the maintenance.

Therefore, I was submitting that it is in the interests of the Muslim women that I come to you that there is a superior law to protect them and to protect their rights and a law that upholds the dignity of the woman, not coming and cringing and asking for doles because she is a destitute. Under the Muslim law she stands in her own rights. *(Interruption)*

From where to bring more power of expression—I do not know. I was telling that there is one Mr. X who has divorced his wife. What happens to that divorced lady ? A very good question. We must all see to it that she is not thrown on the footpath. My submission is that the Muslim Personal Law takes care of the situation. For a period of three months, which is called '*Iddat*' the responsibility remains with the

ex-husband and after the period of three months the responsibility of maintenance of a destitute woman lies on all the blood relations which are mentioned here and which are enforceable at law.

Sir, I was pointing out that the situation is there as to how and who will be maintaining. The entire scheme is mentioned over there. Both under the Shia law and Sunni law, as far as the Muslims are concerned, it is incorporated in this Chapter 8 of Tyabji's book and particularly in this para 291 which I have just quoted.

Mr. Chairman, Sir, a question can come...

SHRI PIYUS TIRAKY : Sir, I want to seek a clarification. An 'X' who has divorced has got the liberty to get married after three months. So, he is allowed to divorce three times a year because for three months he has to maintain a divorced wife.

SHRI G.M. BANATWALLA : Sir, you know how mis-informed the hon. Member is. There is no question of divorcing three times a year. I do not know what he means.

SHRI EBRAHIM SULAIMAN SAIT : It is like imagination running wild.

SHRI G.M. BANATWALLA : That is the whole trouble that we are very much ill-informed and mis-informed. I do not know from where this question of divorcing three times a year comes. *(Interruptions)*. That also shows the ignorance of the Muslim law. It is considered 'haram'. Sir, I would not like to go into all these extraneous things. I was talking about the vagrancy with which the Supreme Court was concerned.

I must also further point out to this House that the Supreme Court has taken upon itself the construction of the meaning of the various '*ayats*' that are there in the Quran. As I said

they have wrongly interpreted the whole thing. How could the text be so interpreted? The Supreme Court cannot, as I was just telling you, ascribe to the ancient text its own pre-conceived ideas which have not been held by the jurists all throughout.

There is a Privy Council case : *Baqar Ali vs Anjuman* (30 IA 94) where in their Lordships held that :

“it would be extremely dangerous to accept as a general principle that new rules of law are to be introduced because they seem to the lawyers of the present day to follow, logically from ancient texts however authoritative, when the ancient doctors of the law have not themselves drawn those conclusions.”

It is most unfortunate that our Supreme Court departed from the traditions of the Court. This is the first case in which there has been such a serious departure from the traditions of the courts themselves because of which I am forced to urge upon the Government also that the Muslim Personal Law should be entrusted to ‘Shariyat Courts’ presided over by Muslims so that they know the true spirit. Mr. Chairman, Sir, the question that arises is : why there can be so much of objection for the ex-husband to continue, to maintain? But as I said this is against the very concept of ‘talaq’ or the concept of divorce. As I said, on the one hand, if you create difficulties in the face of genuine divorces the result will be the development of more vices in the society and the people might try to get rid of their wives through various other nefarious objectionable methods like burning of wives and so on and so forth to get rid of them. We do not want in our society these wholesale vices. So we suggest that this system as envisaged by the Muslim Personal Law is the best one under the present situation.

As I said, I stand here in the interest of the woman themselves. It is

in the interest of the women that provisions should exist for divorce. When divorce genuinely is found necessary, it is in the interest of the women to see that unnecessary obstacles are not created which would result in several vices being imported into the society. The Muslim Personal Law provides for every conceivable situation. Therefore, all is in the interest of all the people, much so the women.

Let me draw your attention to some of extracts of Syed Amir Ali, who in his famous treatise ‘The Spirit of Islam’ had said the following and I quote—

“But the Teacher who in an age when no country, no system, no community gave any right to woman, maiden or married, mother or wife, who, in a country where the birth of a daughter was considered a calamity, secured to the sex rights which are only unwillingly and under pressure being conceded to them by the civilised nations in the twentieth century, deserves the gratitude of humanity. If Mohammed had done nothing more, his claim to be a benefactor of mankind would have been indisputable. Even under the laws as they stand at present in the pages of the legists, the legal position of Moslem females may be said to compare favourably with that of European women.”

He goes to explain further and I quote—

“As long as she is unmarried she remains under the parental roof, and until she attains her majority she is, to some extent, under the control of the father or his representative. As soon, however, as she is of age, the law vests in her all rights which belong to her as an independent human being.”

[Shri G. M. Banatwalla]

"She is entitled to share in the inheritance of her parents along with her brothers, and though the proportion is different, the distinction is founded on the relative position of brother and sister. A woman who is *sui juris* can under no circumstances be married without her own consent, "not even by the Sultan". On her marriage she does not lose her individuality. She does not cease to be a separate member of society."

He further elaborates and I quote :

"A Moslem marriage is a civil act, needing no priest, requiring no ceremonial. The contract of marriage gives the man no power over the woman's person, beyond what the law defines, and none whatever upon her goods and property. Her rights as a mother do not depend for their recognition upon the idiosyncrasies of individual judges. Her earnings acquired by her own exertions cannot be wasted by a prodigal husband, nor can she be ill-treated with impunity by one who is brutal. She acts, if *sui juris*, in all matters which relate to herself and her property in her own individual right, without the intervention of husband or father. She can sue her debtors in the open courts, without the necessity of joining a next friend, or under cover of her husband's name. She continues to exercise after she has passed from her father's house into her husband's home, all the rights which the law gives to men. All the privileges which belong to her as a woman and a wife are secured to her, not by courtesies which "come and go" but by the actual text in the book of law."

Sir, I may summarise what I have been telling this House. The recent judgment of the Supreme Court is in flagrant violation of the Muslim Personal Law. One or two verses that have been wrongly picked up from the Koran, are totally misinterpreted against the unanimous view of all the Muslim jurists. I come to the House not to add any new thing, but to restore the opinion of this very House, which they had incorporated in Clause (b), Sub-Section (3) of Section 127, so that the traditional Muslim Personal Law continues to exist. The question of vagrancy has already been taken care of. If a woman is made dependent on their ex-husbands by changing all this position, there would be untold vices with which the society will be affected, and the entire Muslim opinion in the country is shocked. About Shariat the Government has received thousands and thousands of telegrams and memoranda and letters. There is the Muslim Personal Law Board, which reflects all shades of opinion, with respect to the different schools of thought among the Muslims and their unanimous resolution is also there. I must make it extremely clear that no Muslim can ever subscribe to such gross violation of the *Shariat*. I, therefore, appeal to this House that in the interest of women themselves, the Government should accept the provisions that I have brought and which take care of all the angles and which I commend to this House. (ends)

MR. CHAIRMAN : Motion moved :

"That the Bill, further to amend the Code of Criminal Procedure, 1973, be taken into consideration."

SHRI MOOL CHAND DAGA  
(Pali) : I beg to move :—

"That the Bill be circulated for the purpose of eliciting opinion thereon by 15 November, 1985."

SHRI BRAJA MOHAN MOHANTY :  
I beg to move :—



“That the Bill be circulated for the purpose of eliciting opinion thereon by 31 March, 1986.”

[Translation]

\*SHRI E. S. M. PAKEER MOHAMED (Mayuram): Mr. Chairman, Sir, the Code of Criminal Procedure (Amendment) Bill, 1985 has been introduced by hon. Member Janab Banatwalla.

The parent Act was brought into force in 1898. In 1973 the parent Act was amended. Section 488 in the parent Act did not effectively clarify the position about maintenance allowance to divorced women and children. Hence the Government replaced this Section 488 by a new Section 125. In order to ensure that new Section 125 does not offend the susceptibilities of Muslims in our country who have their own Muslim Personal Law, the Government *suo motu* incorporated Section 127(3)(b).

Sir, our Constitution embodies the concept of secularism. We have taken oath/affirmation in the name of that Constitution and become Members of this House. The inclusion of Section 127(3)(b) in 1973 is positive proof of the ruling Congress Party's commitment to secularism.

Legislature, Executive, Judiciary and Press are the corner-stones on which the superstructure of democracy has been built. We cannot afford to abrogate the individual's fundamental right to go to a Court of Law. The Supreme Court has interpreted Section 127(3)(b) and this interpretation is contrary to the provisions of Muslim Personal Law. This has caused confusion in the minds of Muslims in our country. Here, I would like to point out that our Hon. Speaker was compelled to condemn on the floor of this House when the issue of an individual taking the Holy Koran to High Court in Calcutta was raised.

I applaud the laudable objective of my hon. friend in bringing forward

this Bill. I support the intention behind this Bill. I would like to assure him that the Central Government would soon bring an amendment incorporating the intentions of Shri Banatwalla. I request him to repose his faith in our young Prime Minister and his inherent capacity to solve intractable problems like the Punjab tangle. I would also appeal to him to withdraw this Bill because the future wellbeing of Muslims in the country is safe and secure in the hands of our Prime Minister. India is the second country in the world having the largest number of Muslims. The Central Government committed to secularism will not hesitate to remove any misgivings arising out of such judgments. The hon. Member is aware of the fact that the Government of India on several occasions have resorted even to amending the Constitution of India in order to overcome the hurdles placed by the judgments of Courts. This House is sovereign, reflecting the hopes & aspirations of the people of India comprising of different ethnic, racial and religious groups. India's concept of diversity in unity has been highly acclaimed by many nations of the world. I would like to assure my hon. friend Shri Banatwalla that the interests of our Muslim brethren and their Personal Law will not be trifled with by such judicial pronouncements. The Government of India headed by Shri Rajiv Gandhi will endeavour to protect the interests of Muslims in India and to uphold the provisions of Muslim Personal Law. In this background, I assure him that the Government will bring forward an amendment and he should have no reservation to withdraw his Bill

With these words I conclude my speech.

\*SHRI K. RAMA CHANDRA REDDY(Hindupur): Mr Chairman, Sir, hon. Banatwalla in his hour long speech brought many things to the notice of this august House. This was sober and

\*The speech was originally delivered in Tamil.

\*The speech was originally delivered in Telugu.



[Shri K. Rama Chandra Reddy]

thoughtprovoking speech. But, Sir, I am not in agreement with his views and hence cannot support this Bill. There are many reasons for my disagreement. After centuries of subjugation and neglect, now the women are free. They enjoy liberty. This amending Bill of Shri Banatwalla is only a retrograde step. In no way it will help the women. "Women do not deserve liberty" said Manu, But fortunately the era of Manu has gone. Gone are the days of medieval period when women were deprived of freedom. Now the times have changed and women are proving their mettle in every walk of life. They are competing with men in all fields. They are enjoying equality in all spheres. It is strange to see this kind of amendment in the context of modern times.

Sir, this Bill very much reflects the psychology of medieval period. In those days women were considered to be a source of pleasure. They had never recognised the merits of any woman. They did not recognise her as one who deserves an equal treatment. Now, this Bill also reflects the same view and the same mentality. That is the reason, Sir, why I oppose this Bill. In the modern era, a woman is no more an instrument of pleasure. She enjoys equal status. She is being treated with dignity. The relationship between husband and wife is on equal footing. The wife is in a position to guide her husband. Keeping in tune with the changed circumstances a provision was made in Section 125 of the Criminal Procedure Code to provide a maintenance of an amount of Rs. 500/- or below to the wife if she is deserted or humiliated or divorced by her husband. This provision in Cr. P.C. is in tune with the present times. Now this Bill which seeks to amend these provisions in Cr. P.C. is nothing but a retrograde step. While moving his Bill Shri Banatwalla mentioned certain points in support of his argument. But while doing so he forgot the fact that this Section 125 of Cr. P.C. does not contravene at all the Muslim Personal Law in any manner. It is just an amendment to remove a lacuna.

Shri Banatwalla said that the Muslim Personal Law has taken enough care of destitute women who have no means of livelihood. If it is so then this provision serves as complimentary to the Muslim Personal Law. In no way it is against Muslim Personal Law. He says that a woman who is deserted or divorced by her husband will be taken care of by her father or mother or brother.

This is the protection offered under Muslim Personal Law to such women. Now this provision adds one more way of protecting such women. This is an additional protection offered in addition to the existing Muslim Personal Law. This section applies to such husbands who are rich enough and capable of maintaining their wives and yet refuse to do so. This section comes into force with immediate effect. This section forces the husband to provide a maintenance of Rs. 500 or less to his deserted wife. This is the correct position and it is amply clear that it in no way contravened the Muslim Personal Law. It is only complimentary to Muslim Personal Law. While advancing his argument to amend the Cr. P.C., Shri Banatwalla has said that a divorced wife is entitled to a maintenance of Rs. 500 or less only when she stays with her husband. This is not the correct position. His information is not all correct. He misunderstood this legal provision. If the court issues a decree making it obligatory on the part of wife to stay with her husband for receiving the maintenance, and in case she refuses to stay with her husband and thus violates the condition mentioned in the decree, then only she forfeits her claim for compensation. To say that it is a condition applicable in all cases uniformly is not at all correct. Shri Banatwalla should kindly note this difference, Sir, I am not able to understand why Muslims should feel hurt if the Supreme Court confers one more benefit on their women. During *Iddat* a Muslim woman stays with her husband for 3 months following divorce. This period of 3 months is prescribed to see whether she is pregnant or not. It should not be misunderstood that she is entitled to

maintenance for only 3 months and not after that. I think it is a gross misinterpretation of *Iddat*. I don't understand what is the harm if wealthy Muslims who are capable of maintaining their wives are compelled to do so until their deserted wives marry again. It should not be difficult for them to do so.

Sir, Shri Banatwalla's Bill to amend the Cr. P.C. is a retrogressive move. Its intention is to put the clock back. Hence I cannot support this Bill and request Shri Banatwalla to withdraw it. With these words I conclude my speech. Thank you.

[English]

SHRI SHARAD DIGHE (Bombay North Central): Mr. Chairman, Sir, Shri Banatwalla wants to amend the code of criminal procedure so far as Sections 125 and 127 are concerned. According to him, the occasion arose because of a judgment of the Supreme Court in *Tahira Vs Ali Hussain* reported in AIR 1979, Supreme Court, Page 362. It was held that in spite of the Muslim Personal Law, under the criminal procedure code, even a Muslim husband is bound to pay maintenance to the divorced wife when an order is made under Sections 125 and 127 of this Code and because there is paragraph (b) of clause 3 of Section 127 which excludes a case where a woman has been divorced by her husband and that she has received whether before or after the date of said order the whole of the sum which under any customary or personal law applicable to the parties was payable on such divorce. So, according to Mr. Banatwalla, by virtue of this paragraph in clause 3, Muslim husbands ought not to be compelled to pay maintenance under Section 125 or 127 or the criminal procedure code, and he maintains that such an assurance was given when debate on this particular Bill took place in Rajya Sabha and Lok Sabha, that this particular clause will safeguard the Muslim personal law as far as this is concerned.

Now, he has also made clear that after this judgment, there was also

another judgment of the Supreme Court which has been reported in AIR 1985 July Issue on page 945 wherein not only the similar decision was given but a further and more comprehensive view was expressed.

Therefore, according to Mr. Banatwalla this is an inroad on the Muslim law made by the Supreme Court by giving this judgment and also, according to him this goes against very contrary to—the intention of Parliament in passing this particular Section 127 at that time. For this purpose, he wants to amend Article 125 and 127. Of course, this has been the consistent position of the Congress party, that in spite of the fact that there is Article 44 in the Constitution giving a Directive Principle to frame a common civil code, it shall not be undertaken unless the lead is taken by the Muslim community itself. I think, when last time hon. Member Mr. Banatwalla moved a Bill to delete Article 44 a similar expression was made on behalf of the Government.

Therefore, we shall have to see whether these Supreme Court Judgments are really in any way affecting or creating inroads on the Muslim Personal Law or not and from that point of view this amendment will have to be considered.

I may also say that not only these two judgments, but there was also a third judgment in 1980 which was given by the Supreme Court in the same way, though not as comprehensive as the judgment of Chief Justice Chandrachud given in 1985.

SHRI N. VENKATA RATNAM :  
Tell the page number please.

SHRI SHANKAR DIGHE : It was reported in AIR 1980 Supreme Court Page No. 1730 and the name of the case is *Faztunbi Versus K. Khadarvali*.

So, there have been three consistent judgments of the Supreme Court on this point and it is not for the first time

[Shri Shankar Dighe]

that in 1985 a comprehensive judgment has been given. In fact, as the hon. Member Mr. Bantawalla has made clear, the first two judgments were existing and when this matter came in before the Division Bench of two Judges they felt differently from those decisions and therefore caused this matter to be placed before a larger bench, through the Chief Justice of India. So, it is arising out of this that the third judgment has been given in this particular matter.

Now, the matter has been fully discussed in the last judgment which hon. Member Mr. Banatwalla has cited, to which I have also referred. Now, the first aspect of the matter is whether these provisions for maintenance are in any way in conflict with the Personal Muslim Law; or whether they have been independently framed for the whole of India as such. Now, all the hon. Members know that it is not for the first time in 1973 that this provision was made in the form of the Code of Criminal Procedure. But the first Code of Criminal Procedure which was framed in 1872 contained somewhat similar provision in the form of Section 488 of that Code. While framing Section 488 it was the intention at that time of the Government that some remedy should be provided to those who are, from that point of view, the weakest sections of society. Therefore, apart from the Civil Law, Personal Law of every religion, say, Hindu Law, Muslim Law, Christian Law, Parsi Law, it was thought necessary to have some provision in the Criminal Law. This is not a Civil Law at all. It is not only the Muslim Law which speaks about maintenance of wives, divorced women, children, parents, etc., but also every religious law has laid down certain provisions for maintenance. Even then a special provision of maintenance was made in the Criminal Law. It was thought fit to provide a special remedy apart from the Civil Law on maintenance. Special remedy, or I should say, summary remedy or expeditious remedy to children, wife, divorced women or even to parents was provided if they are neglected or they are not maintained. Supposing, the wife is not

maintained by the husband though he is capable to maintain her children are not maintained by the father though father is capable to maintain them; parents are not maintained, then it was thought fit to have some summary remedy, special remedy apart from the civil law or the Personal law. And it is from this point of view that this provision has been made. This aspect has to be first considered. Therefore, at that time also this provision of maintenance under Muslim Law was there. The provision regarding *mohar* to be paid upto a particular period was existing. The custom was being followed and respected by everybody, but even then it was thought fit to pass this law and to make a special provision, a summary provision, an expeditious provision for wives, children and parents. Therefore, a special provision was made that a person can go to a Magistrate not through a civil court where it may take more time but to a Magistrate's court, make an application under Section 488 and have a summary remedy. Of course, the limit was put that not more than Rs 500 would be given in that case. It was further provided that if the order is not respected, then the same Magistrate can issue a warrant. It was done in order to see that not only the order was to be passed summarily in an expeditious manner but even the execution of that order was thought in an expeditious way. Over and above that, if the person does not pay that, he would be sent to jail. So, an effective remedy, summary remedy was provided under the Criminal Law Code which is quite separate from the Civil Law or Personal Law. In 1973, this whole code was replaced by another code and Section 488 and 489 were replaced by Sections 125 and 127. Practically verbatim everything was kept. Certain amendments were made considering the experience and the further difficulties. From this point of view, what I say is that this is not the first time that any provision was made for the maintenance of wife, etc., at that time also it applied to all people irrespective of their religion, irrespective of their personal law and, therefore, just as a Hindu, Parsi or Christian, a Muslim was bound under

Section 488 to pay the maintenance under the orders of the magistrate. Therefore what I say is that Section 125 is a part of the Criminal Procedure Code and not a civil law which defines and governs the rights and obligations of the parties belonging to particular religions. It is a secular section, it is not a section applying to any particular religion. It does not exempt any religion from that point of view... *(Interruptions)*.

SHRI AZEEZ SAIT : Why don't you read Section 127 (3) (b) ?

SHRI SHARAD DIGHE : I will read everything at the proper time. Therefore, it was the subtle law for a long time with Section 483 which has now been replaced by Section 125. At that time also it applied to all religions and from that point of view, as I said, this was a secular section...

*(Interruption)*

SHRI G.M. BANATWALLA : I will just clarify one thing because this is a debate, so that you can take care of that point during what you are saying ..

*(Interruption)*

AN HON. MEMBER : Let him finish first.

SHRI G.M. BANATWALLA : If he is yielding, I will say. Because he is a lawyer in his own right, he can explain to me also. You have referred to Section 488 of the earlier Cr.P.C. regarding maintenance to be provided for wife, etc. Agreed. We never came and took objection to that because under the Muslim law the same thing is provided, and you did not come in conflict with Muslim Personal Law. So, why should we unnecessarily come in conflict with you ?

17 03 hrs.

[SHRI N. VENKATA RATNAM  
in the Chair ]

The Muslim Personal Law was maintained and Section 488, insofar as it

relates to the wife's maintenance, to that extent it did not come into conflict with the Muslim law and, therefore, we did not make any hullabaloo about it. But in 1973, this Section 488, as you have rightly pointed out, was replaced by Section 125 with the legal modernism that the word 'wife' shall include a divorced lady. Now here, a new point was introduced which was in conflict with the Muslim Personal Law. We approached Shrimati Indira Gandhi and she accepted our point of view...

*(Interruptions)*

MR. CHAIRMAN : Let him complete. It is not a matter of discussion, it is a matter of debate.

SHRI G.M. BANATWALLA : Yes, Sir, we have come with open mind before the House. Let him debate it out.

SHRI SHARAD DIGHE : I was only on this point that the principle of paying or the principal of making a special summary provision under the Criminal Procedure Code has been recognised as far back as 1874, and till this day, or at that time particularly, it was not challenged by any religion on that count. As you rightly said, it was not in conflict; therefore you did not challenge. Very well. I accept that argument. Then in 1973 this provision had been added. And as you said in Rajya Sabha as well as in Lok Sabha certain statements had been made by the then Minister who was in charge, Mr. Ram Niwas Mirdha.

Let us now consider whether this particular section or this particular provision is in conflict with the Muslim Personal Law, which has been stated by my learned friend, Shri Banatwalla, and which was also discussed by the Supreme Court in its judgment of 1985.

The custom of paying Mehr, according to my submission, and as also discussed by the Supreme Court in the 1985 judgment, is different from the conception of maintenance under the Criminal Procedure Code. My friend

[Shri Sharad Dighe]

will agree that Mehr is not in consideration of divorce. It is in consideration of marriage. So, what is paid in consideration of marriage cannot be stated or taken as in consideration of divorce. As I know a little about the Muslim Law, according to me, this Mehr is also paid into parts generally—prompt payment and deferred payments. Prompt payment is made on demand of 'Mehr' is fixed at the time of marriage. But prompt payment is made on the demand of the wife and deferred payment is made on dissolution of the marriage either by death or by divorce. So, the whole concept of paying Mehr is absolutely different from a maintenance paid to wife under the Criminal Procedure Code. Mehr is not paid on dissolution of marriage, but part of it is paid promptly on demand; and then part can be paid on dissolution of marriage.

Dissolution of marriage also may take place due to death. Or Mehr may not be paid at all. I do not know all the details, but as far as I have read it means this. Therefore, this is quite different from what is contemplated under Section 125 or 127 of the Criminal Procedure Code.

Mehr, as I said, is paid in consideration of the marriage or as it is stated it is by way of respect to wife. Therefore, that amount is paid, whereas the amount under the Criminal Procedure Code is for neglecting the wife, it is intended to maintain her when he neglects his wife, even though he is capable of maintaining her.

Then during the wedlock also he is bound to pay. And even after he has divorced her, he is bound to pay under this section till she re-marries. That is the scheme of this Act. Under this Act, when the wife refuses to live with the husband, and there is sufficient cause for it, then also the husband is bound to pay and that has been there from the beginning.

If husband marries another wife or if husband keeps a mistress, then also it is held to be a sufficient cause

for not living with the husband and she can claim or insist upon maintenance. Is it the position with respect to 'Mehr'? These are quite different things. This is absolutely a different scheme altogether. This is to protect women, those who are being neglected or not given social justice. If husband keeps a mistress, then she can go away and stay away elsewhere and say I want maintenance. The husband marries another wife. There also she can insist. Is it the idea under the Muslim law under Mehar? There, admittedly, 4 wives are allowed and then there is no question of marrying another wife. Therefore, the position of first wife asking for maintenance does not come under the Muslim Personal Law. That is absolutely a different personal law and different scheme for paying to wife as far as Mehar is concerned till or during the period of Iddat or the further period if she is pregnant etc. Therefore I say that this section and these provisions and the judgment given under these provisions are quite different and are under absolutely different scheme altogether. Therefore, as I was saying, really speaking, the Supreme Court which has interpreted Section 125 and Section 127 of the Criminal Procedure Code has not had inroads as far as the Muslim Personal Law is *Iddat*, all these are absolutely different schemes, different ideas. What was sought to be provided under Criminal Procedure Code was a summary, special remedy, under special circumstances to a wife, to children, to parents, and special remedy was also provided, so that the amount can be expeditiously recovered. Now these things are extensively discussed in the judgment also. Then as far as the obligation of a Muslim husband to pay maintenance is concerned, on that point also several extracts from Quran have been cited in this judgment. Though Mr Banatwalla says that they are not authoritative and more authoritative interpretations are elsewhere, the fact remains that, before the Court, Muslim parties were representing the matter. Several other interveners were there. Not only that, A Muslim lady reformer had also taken part at the time of hearing,

for which a mention has also been made in the judgment itself. Therefore, it may be assumed that before this highest court of our country, authoritative books were cited and arguments were advanced, so that, which books and which interpretations were authoritative have been fully considered. It has been stated in paragraph 15 of that judgment as follows. There are certain Arabic versions from the Quran and the English versions has also been given side by side. I will only refer to certain parts of them. I quote :

*Ayat No. 241*

For Divorced Women  
Maintenance should be provided  
On a reasonable scale.  
This is a duty on the righteous.

*Ayat No. 242*

Thus doth God  
Make clear His Signs  
To you : in order that  
you may understand.

Further on, it is stated :

“Those of you, who shall die and leave wives behind them, should make a will to the effect that they should be provided with a year’s maintenance and should not be turned out of their homes. But if they leave their homes of their own accord, you shall not be answerable for whatever they choose for themselves in a fair way; Allah is All-Powerful, All-wise. Likewise, the divorced women should also be given something in accordance with the known fair standard. This is an obligation upon the God-fearing people.”

These are some of the translations incorporated in the Judgment on which the learned Judges have relied upon to show that to pay maintenance to a wife or to pay maintenance even to a

divorced wife is not foreign or absolutely alien to this Muslim Personal Law, but the idea is also there that maintenance should be paid and women should be respected, they should be looked after and their proper maintenance has to be paid. Therefore, what I say is that even the idea of paying maintenance is not foreign in any way to Muslim Personal Law and as I stated, the scheme of payment of maintenance is different from the scheme under the Criminal Procedure Code. Of course, what I say is that it is practically the internal affairs of the Muslim community. They should come together and decide. If any amendment is necessary according to the opinion of the Muslim community, I may go forward and say that it should be done and there is no reason to oppose such an amendment. But real Muslim opinion will have to be found but because as far as this Judgment is concerned, I see on record that some Muslim organisations have also represented and they are also of the opinion that certain things should be decided in a particular manner and the interpretation of this should be in a particular manner. Even after the judgment also we have been reading in the newspapers that some conferences are being held to demand that no such amendment should be made to annul this Judgment of the Supreme Court which has been reported in 1985. Therefore, what I submit is, a very interesting debate has been raised by the hon. Member, Mr. Banatwalla. A point for discussion has been raised not only before this Parliament, but I should say, this is a point for discussion for the whole country. In the whole country debates should go on to find out whether really any amendment is necessary in view of this Judgment and if the whole Muslim community feels or a very substantial majority feels that it has to be done, then I will appeal to the Government that they should consider this from that point of view and as per our commitment, if any inroad is to be made in the Muslim Personal Law, their consensus has to be developed. Unless the lead is taken by the Muslim community, nothing should be done. The same commit-

[Shri Sharad Dighe]

ment should be followed in this case also and therefore, from this point of view I will appeal to the Government that they should consider this matter carefully, get the Muslim community's opinion on this point and if it is found that something has to be done, then serious consideration may be given. Till that time, I will appeal to the mover of the Bill, Mr. Banatwalla that he should not press this Bill at this stage but leave it to the Government to consider the vast majority opinion of the Muslim community and then act, accordingly. That is my submission, as far as this Bill is concerned.

17.21 hrs.

**SHRI AZEEZ SAIT** (Dharwad South): Mr. Chairman, Sir, I have heard the discussion which is very interesting. First of all, we have to accept the concept of secularism. Secularism demands respect of each other's religion. But while my hon. friend was addressing the House, he was of mixed opinion. Ultimately, I welcome the last part of his speech. I would rather not like to go into details of his speech.

Sir, our friends have been talking about the judgement of the Supreme Court. This is the real matter which concerns us. Quranic version has been referred to in the judgement. It is from Sura-e-Baqara which not only deals with divorces but also about the share of property by his children after death of that person. In a just passing passage, it has mentioned about divorce also. I quote Sura e-Baqara. It is version 240 :

“Those of you  
Who die and leave widows  
Should bequeath  
For their widows  
A year's maintenance  
And responsibility;  
But if they leave  
(The responsibility),  
There is no blame on you

For what they do  
With themselves,  
Provided it is reasonable  
And God is exalted in power  
wise.”

Version 241 says :

“For divorce woman  
Maintenance (should be provided)  
On a reasonable (scale)  
This is a duty  
On the righteous.”

These are the two verses quoted from the Sura-e-Baqara. But what I would like to bring to your notice is that the learned Judges should have also taken note of Sura e-Talaq. It is very clear; it means divorce. I do not have much time to go into details; nor would I take too much time of the House. The Supreme Court judges have not gone into Sura-e-Talaq and Hadis. I have also brought it to the notice of the Law Minister. Some of our friends have been talking about maintenance. The *iddat* is there which is to make sure that the divorced woman is not pregnant. If she is pregnant, the maintenance will continue till the delivery of the child. The boy or girl born during the period of *iddat* is also entitled a share in the property of his or her father. For that purpose, the *iddat* is mentioned. Now a question is asked, what will happen to the divorced woman for her future maintenance. The Quran has dealt with it. It is the responsibility put on the parents—father, mother—brothers, sisters, aunt and likewise. She will not be thrown out of the street or the road. But Section 125 says that the maintenance should be until she is married or died.

Section 125 says that a wife even if she is divorced is entitled for maintenance and to stay with her ex-husband. The relationship should be understood.

She had no relationship before the marriage. There will be no relationship after being divorced. After divorce, she becomes unknown person. Suppose the divorced wife has got two or three children, there is enough of shariat law by which she is entitled to get maintenance for a girl up to 14 years of age and for a boy up to 18 years of age. The daughter has to be looked after by the grand-mother and if he is a son, he is entitled to be looked after by his father. If the divorced woman gets married, daughters will be looked after by the mother if the daughters are minor.

I have got the details and I would like to bring to your kind notice the various Acts and Shariats pertaining to this divorce matter.

“Shariat Act 1937 (Act xx of 1937) came into force from 7-10-1937. Section 2. Notwithstanding any custom or usage to the contrary, in all questions (save questions relating to agricultural land), regarding intestate succession, special property of females including personal property inherited or obtained under contract or Gift or any other provision of Personal law, marriage, dissolution including *Talaq, Ila Zihar, Lian khula, mubarat* and Maintenance. Dower, guardianship, Gifts, Trust and Trust properties and Wakf (other than charities...) the rule of decision in cases where the parties are Muslims shall be the Muslim Personal Law (*Shariat*).”

“Chapter IV Principles of Mohammedan Law :

(Eighteenth Edition by M. Hidayatullah) :

Section 33 : Sources of Mohammedan Law ;

There are four sources (i) The Koran, (ii) Hadis, viz.,

Precepts, actions and sayings of Prophet Mohamed, (iii) Ijamaas viz., concurrence of opinion of Prophet Mohamed and his disciples (iv) Qiyas.

While applying Personal Law, Holy Koran shall be the basis. The courts of justice shall not interpret Holy Koran as now done by the Supreme Court. The authors quoted by and referred to by the Supreme Court are not the Exponents of great antiquity of Mohammedan Law : Like Abu-Hanifa and his two disciples. Abu-yusuf and Imam Mohamed.

(3) Section 36. New Rules of law are not to be introduced and if they do it, they will be under the Wrath of God. Surai Nisa Aiat No. 13 & 14. Translation. There are the limits (imposed by Allah) and His Messenger...(14) and who disobeys Allah and His Messenger and transgresses His limits. He will send him to shameful doom (Hell).

So transgression or violation of the limits enshrined in Holy Koran are desiderated. But the judgment of the Supreme Court is not in consonance with the Holy Quran.

(4) The interpretation of Ayat No. 241 and 242 of Surai Bakkar (Cow) of Holy Quran ought not to have been made by the Supreme Court. But in conjunction and with reference to Surai Talaq therein, which should have been looked into, Surai Talaq has come down to explain the position of *Talaq* and the *Iddat*, its period and the responsibility “of the husband to maintain his wife during *Iddat*. Thereafter, the husband cannot be saddled with the responsibility of maintenance.”

“Thereafter the husband cannot be saddled with the responsibility of Maintenance,

(5) *Ayat-6 of Surai Talaq* : Lodge your divorced wives where you dwell during the period of



[Shri Azeez Sait]

*Iddat* according to your means. Don't harass them so as to straighten life for them. If they are pregnant, then spend (Maintain) for them (wives and child) till they bring forth the children. If they give suck (sucking from breast) for your child, give them their due payment. This Ayat shows that during *Iddat* either for three menstrual periods or during pregnancy, the husband is bound to maintain their divorced wives. After delivery, the word employed is *Ujur-hunna* (*Ujarat* charges) which ordains to pay them their charges. Therefore, the husband is not bound to maintain his wife after the *Iddat*.

"The Supreme Court has not been enlightened about the effects of divorce. They are in Section 336 of Muslims Mohamadan Law."

SHRI EDUARDO FALEIRO (Mormugao): What is it that you are reading?

SHRI AZEEZ SAIT : This is Shariat law.

SHRI EDUARDO FALEIRO : What has the Supreme Court done?

SHRI AZEEZ SAIT : The Supreme Court has not taken this into consideration.

I was submitting to the hon. House that the Supreme Court has dealt with only *Sura Baqara* & not with *Sura Talaq* and *Hades*. Inserting Section 127 (3B) after Section 125 was introduced in the Cr.P.C. was done at the instance of the late Prime Minister on the representation made by the Muslim MPs and Muslim *Ulma's*. It was done to safeguard the personal law not only of the Muslims but also of all other religious minorities like Persians, Christians, Jews, and so on. When we have accepted the secular character and when every

community is allowed to enjoy their religious rights, on certain flimsy grounds people unconcerned with religion just speak whatever they want. Here there is one relevant thing which I want to bring to the notice of the House. We are thankful and grateful to the Prime Minister and Law Minister for this. Recently there was a case in the Calcutta High Court seeking banning publication of the Holy Quran. Then what prompted the Law Minister or the Prime Minister to see that it was sorted out? That means, the Quran is not an ordinary publication like anything else. It is a sacred book: it is an accepted fact that it is a book of God. Therefore, the Law Minister himself took all the trouble to go to Calcutta and he did not allow the judge to sit in judgment over the Holy Quran. I wonder how Members go on interpreting the Quran without knowing the full text. If they have known what *Shariat* is, if they have known what *Hadees* is, if they have known what the Quran is, then I would welcome their remarks, without fully knowing these, they go on talking, mixing up all the issues. We do not say that *Mehr*, which is given as consideration at the time of marriage, becomes a part of maintenance at the time of divorce. The *Shariat* is the outcome of the Quronic version. We cannot separate the Quran and the *Shariat* to enable the law to say that this law is acceptable. Therefore, I thank Mr. Banatwalla for having brought forward this Bill for the consideration of this House. There cannot be two opinions on this. Two plus two make only four and not five or three. The Quran is the sacred book of the Muslims, not only of the Muslims but of every other community.

Today the immoral acts that we find in the society arise mostly out of pictures and cinemas.

I would like to point out that 1400 years ago, there was no respect for a girl.

She used to be buried alive. It is only Prophet Mohammad who brought a sense of love to the girl and made her

to live with respect. Therefore, I appeal to the Law Minister that having known all these things and if he agrees, we should know what a Talaq is. It has not been quoted or taken consideration of in the Supreme Court. The purpose of amending Section 127, 3(b) by the Law Minister is not known. So it has become relevant that the Law Minister restore and assure this House that he will bring a comprehensive thing and see that this is implemented. This is a burning issue with the Muslims for a few days. For the last few months it has become a topic of the talk. There should be a judgement. Criminal law Sections 125 and 127 are not properly read and Talaq is taken consideration followed by Hadees, I don't think this is democratic. There is something wrong somewhere. Whatever undone to law is done by the Supreme Court should be rectified by the Government and bring out a law where every community feels happy. Thank you Sir.

MR. CHAIRMAN : We have still a large number of speakers here. So, I put it to the House whether to extend time for this or not. The allotted time is over.

SHRI V. SOBHANADREESWARA RAO : There is a show in the Central Hall about the Mercenary training.

SHRI AZEEZ SAIT : The discussion can continue on the next available day also.

SHRI G.M. BANATWALLA : Next available Friday, we can sit. But let us have a full fair and discussion as much time needed as may be taken.

MR. CHAIRMAN : We may extend by one hour. But today the House will adjourn at 6 p.m.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Chairman, Sir, the decision in Shah Bano's Case has thrown new light on the subject and forced the people to ponder.

If there is a helpless woman...

(Interruptions)

[English]

MR. CHAIRMAN : Mr. Daga, did I call you ? I am surprised, Sir,

SHRI EDUARDO FALBEIRO : It is his fundamental right to speak on every Bill.

MR. CHAIRMAN : Mr. Daga, I have no dispute. You can continue.

[Translation]

SHRI MOOL CHAND DAGA : Mr. Chairman, Sir, if a Muslim decides to repeat the word *talaq* thrice, it would result in divorce to his wife. What would the helpless woman do in such a situation ? Mention has been made about *Mehar*, but I fail to understand what this *Mehar* signifies. To my mind *Mehar* means an amount of Rs. 50 or 100 given in consideration of marriage. You would excuse me for saying this. The Indian Muslims are poor and a suffering lot. I want that their economic condition should improve. This is the first time when the Muslim women have come out of *burqa* and have been raising their voice. Mother India is proud of these women who have come out of *burqa* and are recounting their tale of woe. These women have formed an organisation and are raising their voice. I fail to understand how Rs. 100 are given as *Mehar* in consideration of marriage. Can a helpless woman sustain herself merely with a few rupees given to her as *Mehar* ? But this is the opinion of great man from Bombay. Another Muslim brother has given a good advice that her relations would look after her, and that also in the present age. I know how many of them look after those women who have been thrown out of their houses. This Bill is in conflict with the Criminal Procedure Code. The question is of securing to these women, the citizens of India, their rights. We shall stick to what the great law giver Manu said about them,

[Shri Mool Chand Daga]

"A woman does not deserve independence." India is fortunate that our late Prime Minister, Indira Gandhi, ruled over 70 crore people of the country not for a year or two but for full 15 years. I do not know what he expected from us. Banatwalla Sahib, in this scientific age in 1985 we want to respect not only your religion but every other religion also. Religion is in the realm of mind or of heart. Have you heard the speeches of those women who have expressed their views about it at various places? Who wants to interfere in your Muslim law? As the Member who spoke before me was trying to put it, Sections 125 and 127 of the Criminal Procedure Code—which was Section 488 earlier—dealt with the issue of maintenance. If you go thorough them thoroughly, where do we come into conflict with your Muslim law?

I would like to ask you one question. You talk of *Shariat* quite often. There is a provision in *Shariat* that if a person commits theft, his hands should be chopped off; if he commits rape, he should be stoned to death in public; do you abide by those laws now? The Indian Penal Code provides for punishment for these crimes; why do you not apply Muslim law there? Previously, the land ownership rights were shared by father and daughter, but now father has the sole right. You are well aware that at present the Muslims are governed by different laws in different countries.

We do not want to come in conflict with any personal law but we want to identify one another so as to reform our society. "*Sare Jahan se Achcha Hindustan Hamara*", and we belong to that country. What are the reasons for the Supreme Court judgement? When a judge makes a judgement, he not only dispenses justice but functions as a reformer also. According to you, the relatives of a divorced woman will help her. You will excuse me, you are more intelligent and learned than I. I would appeal to you to visit my city along with me and hear the woes of those Muslim women, of whom you say that

their relatives would help them. You will come to know about their plight. So, please take a pragmatic view. Section 125 is quite clear, where is the controversy?

[English]

"If any person having sufficient means declare..."

[Translation]

How many have sufficient means? A lawyer had good practice, and when he was on the threshold of old age, he asked his wife to leave him. If a woman who is already 59 years of age, is divorced where will she go? It is not necessary that any of her relatives who is alive should be ready to help her?

[English]

"If any person having sufficient means neglects or refuses to maintain—

- (a) his wife, unable to maintain herself, or
  - (b) his legitimate or illegitimate minor child, whether married or not, unable to maintain itself, or
  - (c) his legitimate or illegitimate child (not being a married daughter) who has attained majority, where such child is, by reason of any physical or mental abnormality or injury unable to maintain itself, or
  - (d) his father or mother, unable to maintain himself or herself,
- a Magistrate of the first class may, upon proof of such neglect or refusal, order such person to make a monthly allowance for the maintenance of his wife....."

(Translation)

How does it infringe the Muslim Law? Shri Ram Niwas Mirdha said a

good thing and it was praised but you take section 127. It deals with the issue of maintenance. And when this issue is raised, a judge has to look into it. Section 127 says :

[English]

“(1) On proof of a change in the circumstances of any person, receiving under section 125 a monthly allowance, or ordered under the same section to pay a monthly allowance to his wife, child, father or mother, as the case may be, the Magistrate may make such alteration in the allowance as he thinks fit.”

[Translation]

No distinction is made here between persons be he a Parsi or a Christian. It is a law for all the Indians and poverty is the only criterion. If you would have brought forward an amendment to the effect that Government should help those who had been turned out of their homes, I would have welcomed it. The Department of Social Welfare and the Social Welfare Board have been set up to look into these matters. It further says :

[English]

127 (2) and (3)

“Where it appears to the Magistrate that, in consequence of any decision of a competent Civil Court, any order made under section 125 should be cancelled or varied, he shall cancel the order, or as the case may be, vary the same accordingly.

Where any order has been made under section 125 in favour of a woman who has been divorced by, or has obtained a divorce from, her husband, the Magistrate shall, if he is satisfied that—

- (a) the woman has, after the date of such divorce, remarried, cancel such order as from the date of her remarriage;...

Then (c) :

“the woman has obtained a divorce from her husband and that she had voluntarily surrendered her rights to maintenance after her divorce, cancel the order from the date thereof.”

[Translation]

You may please point out a single word or sentence which is an infringement of the Muslim law. If you go through the latest judgement of the Supreme Court. You will find that the judges have taken great pains and have analysed the case after giving all the quotations. They have quoted from the Muslim law. I am quoting from what they have said and who knows there may be someone learned among you who may say something better. They have said this and I quote :

[English]

They have said in the judgement :

“According to Dr. Paras Diwan :

“When a marriage is dissolved by divorce, the wife is entitled to maintenance during the period of iddat...On the expiration of the period of iddat, the wife is not entitled to any maintenance under any circumstances. Muslim law does not recognise any obligation on the part of a man to maintain a wife whom he had divorced !”

Where should she go ?

[Translation]

Section 488 of the Criminal Procedure Code deals with the maintenance issue. You have been an eminent lawyer, whereas we may have taken up only small cases. We know the difficulties experienced in making both ends meet. He was an eminent lawyer who had a large income. While the court upheld that maintenance should be given, you took the plea that it was against the personal law.

[Shri Mool Chand Daga]

He has said it at the end of the judgement. You go through the judgement and ponder over it. He says that clause 19 empowers me with this right. If someone says that *Manu* has said that a woman should be treated as a slave. I would say leave apart *Manu Maharaj*. I should not come across even his ghost. After all, who will agree to these outdated ideas? Who will agree to the age old ideas in 1985 when science has progressed so much?

You know the heights attained by science at present. Air India Boeing 'Kanishka' crashed into the sea and you know the depth from which the wreckage is being salvaged. You are trying to go deeper than that and talk of your personal law. You see—

[English]

I am confining to the Supreme Court judgement, the last but one page :

“a large number of middle-aged women who are being divorced without rhyme or reason should not be thrown on the streets ..”

[Translation]

They have written in the last paragraph of their judgement. If you read it you will come to know. They have referred to Article 44 of the constitution, and assured that so long as there is objection from the followers of any religion, we shall not do it. We have changed our common code and the right of succession also but we do not want to touch your personal law. At the end of the judgement, they have said :

[English]

“Before we conclude, we would like to draw attention to the Report of the Commission on Marriage and Family Laws, which was appointed by the Government of Pakistan by a Resolution dated August 4, 1955.

The answer of the Commission to Question No. 5 (page 1215 of the Report) is that :

“a large number of middle-aged women who are being divorced without rhyme or reason should not be thrown on the streets without a roof over their heads and without any means of sustaining themselves and their children.”

[Translation]

If someone asks his wife to leave the house on a chilly night, what will her fate be, Banatwalla Sahib, about this they have written in the judgement :

(English)

“In the words of allama Iqbal, ‘the question which is likely to confront Muslim countries in the near future, is whether the law of Islam is capable of evolution—a question which will require great intellectual effort and is sure to be answered in the affirmative.’”

18.00 hrs.

[Translation]

You have done a good job and I congratulate you for it. I am grateful to you because it has given the supreme institution of the country—the Indian Parliament—an opportunity to consider this matter.

[English]

MR. CHAIRMAN : Mr. Daga, are you concluding or will you continue.

[Translation]

SHRI MOOL CHAND DAGA : I would be grateful to you if you give me an opportunity next time.

[English]

MR. CHAIRMAN : All right. You continue next time.

18.01 hrs.

## PAPERS LAID ON THE TABLE

*[English]*

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table a copy of Notification No.175/85-CE [G.S.R. 607 (E)] (Hindi and English versions) published in Gazette of India dated the 26th July, 1985 together with an explanatory memorandum regarding exemption to Lean Gas obtained from natural gas when intended for use as (i) feedstock in the

manufacture of fertilizers; and (ii) fuel for the generation of electrical energy by specified electrical undertakings from the whole of the duty of excise leviable thereon, issued under the Central Excise Rules, 1944.

[Placed in Library See No. LT-1190/85]

MR. CHAIRMAN : The House stands adjourned till 11 A.M. on Monday the 29th July, 1985.

18.02 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, July 29, 1985 [Sravana 7, 1907 (Saka)].*



**PLS. 40. V. 40. 85**  
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