

LOK SABHA DEBATES

(English Version)

Third Session
(Eighth Lok Sabha)



(Vol. IX contains Nos. 21 to 26)

LOK SABHA SECRETARIAT
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LOK SABHA DEBATES

1

LOK SABHA

*Friday, August 23, 1985/Bhadra 1,
1907 (Saka)*

*The Lok Sabha met at Eleven of
the Clock*

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[*Translation*]

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : JEEVEMA SHARADAH SHATAM. (May you live for a hundred years.)

[*English*]

PROF. MADHU DANDAVATE : Sir, is it a fact that today happens to be your birthday? If so, what is your age? Can we congratulate you, Sir?

MR. SPEAKER : Is it Starred or Unstarred question, Sir? What is it, Sir? The ruling is that no question can be asked from the Speaker.

PROF. MADHU DANDAVATE : When the ruling concerns the Speaker, the Speaker should not give the ruling.

MR. SPEAKER : That is why I asked the Secretary-General so that I might not be caught in a trap.

SHRIMATI GEETA MUKHERJEE : But in any case, we can offer our congratulations and you allow us to do so.

[*Translation*]

MR. SPEAKER : This is all your kindness, sister, these are your good wishes.

2

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, this is "Geeta's Teaching."

MR. SPEAKER : When her name is Geeta, the knowledge would also be from Gita—*Yatha nama—tatha guna*.

I thank all of you very much.

[*English*]

Now, Question No. 450—Shri Harihar Soren.

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : Sir, before I say that a statement is laid on the table of the House, may I wish you many happy returns of the day?

Non-Implementation of Incentive Scheme by Bolani Ores Limited, Keonjhar (Orissa)

*450. SHRI HARIHAR SOREN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that the incentive schemes introduced in mines in the country have not been implemented in Bolani Ores Limited, Keonjhar district, Orissa ;

(b) if so, the reasons therefore ; and

(c) the steps taken to implement incentive schemes in the above mine which is a captive mine of Durgapur Steel Plant ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) (a) to (c). A Statement is given below.

Statement

(a) It is correct that there is no incentive scheme operating at the Bolani Iron Ore Mines of Durgapur Steel Plant.

(b) After the merger of Bolani Ores Ltd. (who owned the mines) with Steel Authority of India Ltd. from 1st January, 1979, large scale revamping of the plant and equipment had to be carried out alongwith extensive streamlining of the entire organisation. The industrial relations situation at the mines also remained seriously disrupted on account of inter union rivalry. For these reasons it was not possible to draw up and negotiate on incentive scheme with labour leaders.

(c) An incentive scheme has been prepared by Steel Authority of India Ltd. and recently received by Government for approval.

SHRI HARIHAR SOREN : Sir, the Hon. Minister has stated in his reply to part (c) of my question that an incentive scheme has been prepared by Steel Authority of India Limited. I would like to know from the Hon. Minister what the details of that incentive scheme are and by which time that scheme is expected to be approved.

SHRI K. NATWAR SINGH : The proposed incentive scheme for Bolani was sent to the SAIL Office by the Durgapur Steel Plant in December, 1984 and it was sent to the Department of Steel in the month of May, 1985. Now, we examined the report of the Plant and we found some lacunae in the scheme, particularly, no information was given about productivity and profitability. So, we sent it back to SAIL. The clarification have now been given to Government and we will now refer the matter to the B.P.E. and we hope that the B.P.E. will let us have their clearance very shortly.

SHRI HARIHAR SOREN : Sir, the Hon. Minister has stated in his reply

to part (b) of my question that a large-scale revamping of the plant and equipment had been carried out along with extensive streamlining of the entire organisation. I would like to know from the Hon. Minister the amount spent in the revamping of the plant and equipment and whether it is a fact that equipment worth lakhs of rupees purchased for use in the mines site and the plant has remained idle. If it is so, I would like to know the reasons therefor and the steps taken to make use of those equipments.

SHRI K. NATWAR SINGH : I do not have the figures of the equipment in the revamping because this is not the hard core of the question that the Hon. Member asked. But I will certainly provide the information.

DR. DATTA SAMANT : The Hon. Minister has mentioned in his statement that the labour relations also remained seriously disturbed and strained and that is one of the reasons for delaying the scheme.

How are the relations disturbed? Secondly, if the scheme is now to be implemented, will it be given retrospective effect? That is more important, because they have given more production during the past. What I expect is that the money should be given to the workers for the last one or two years, and they should not be blamed. Is the Government prepared to do that?

SHRI K. NATWAR SINGH : I hesitate to speak about labour matters to the distinguished Member, who has contributed so much to them one way or the other.

There are in Bolani two Unions. The melancholy fact is that both unions owe allegiance to the INTUC and the situation got so bad that on one or two occasions, police had to intervene. I have got the list of unfortunate incidents that have taken place. If you permit me, I can read them out, but that is rather lengthy.

MR. SPEAKER : You can give it to the Hon. Member.

SHRI K. NATWAR SINGH
The latest incident was on the 29th May, 1985.

DR. DATTA SAMANT : What about the retrospective effect of the scheme ?

SHRI K. NATWAR SINGH :
When the scheme is approved by the BPE, we will look at time particular aspect.

SHRI INDRAJIT GUPTA :
The Hon. Minister said about the fate this draft incentive scheme that it was found to be defective in some respects and it had to be sent back and so on. I would like to know how this proposed scheme differs from the incentive schemes which are in force in other public sector captive iron ore mines such as in Bhilai and Bokaro. Why could it not be made on the same pattern and on the same lines ?

SHRI K. NATWAR SINGH :
There is no uniform policy with regard to incentives in various plants. As you know, there are two categories, mechanised and unmechanised mines and each plant has its own special problems and situation. Therefore, there is no uniform scheme.

DR. KRUPASINDHU BHOI :
The incentive scheme has already been introduced in the Bailadila, Kiriburu and other captive mines throughout the country.

SHRI INDRAJIT GUPTA :
Bailadila is not a captive mine.

DR. KRUPASINDHU BHOI :
Fifty percent is captive and fifty percent is not captive. The Bolani iron ore mine was a private undertaking previously. Now, it has been taken over by the Government of India. You have answered to my colleague that the modern equipment and machinery which

has been purchased has not been utilised properly, but it has no relevance to this question.

I want to know from the Minister what is the OMS per worker per day in mining and what is the percentage of mechanisation by which the iron ore is transmitted to the railway wagons by ropeways or conveyor belt system ?

SHRI K. NATWAR SINGH : -I do not have this particular information. I can collect it and give it to the Hon. Member.

Proposal to Appoint Wage Boards Instead of Bipartite Wage Agreements

+

*451 **SARIMATI GEETA**
MUKHERJEE :
SHRI INDRAJIT GUPTA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering a proposal to do away with the present system of bipartite wage agreement based on the principle of collective bargaining and appoint Wage Board instead ; and

(b) if so, the details and reasons therefor ?

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

(b) Does not arise.

SHRIMATI GEETA MUKHERJEE : In view of the cryptic reply, I would like to ask the Minister whether he knows that this question has arisen out of the Arjun Sengupta Committee's recommendation for appointing Wage Board and Wage Commission instead of the bipartite negotiation machinery in the public sector, such as JBCCI, NJCC, BHEL Joint Committee etc. ? Since he says : "No Sir", which means that they are not considering, may I know whether

the Government has positively rejected that ?

SHRI JANARDHANA POOJARY:
The Government has not positively rejected it. The Government has been making exercise to find out as to what would be the best method. The recommendation of Arjun Sengupta is being examined. Not only that, we have not done away with bilateral negotiations. Bilateral negotiations are still in operation.

SHRIMATI GEETA MUKHERJEE : I surrender my second supplementary to Shri Indrajit Gupta. After all, he is the Joint Secretary of the AITUC.

MR. SPEAKER : He has got his name on it. Even if I were to try, I would not have been able to do it.

PROF. MADHU DANDAVATE : She has surrendered her question to him. He will get one question due to him and the other surrendered to him by her.

SHRI INDRAJIT GUPTA : May I ask one or two questions ?

[Translation]

MR. SPEAKER : I know that you will cover everything in one question.

[English]

Just as they have three-in-one, we can have two-in-one questions.

PROF. K.K. TEWARY : Sir, you expunge the word 'surrender'. It bristles with meanings.

SHRIMATI GEETA MUKHERJEE : Why are you objecting to it when you have surrendered every thing ?

PROF. MADHU DANDAVATE :
You got it back.

[Translation]

MR. SPEAKER : One has to surrender before a lady.

(Interruptions)

[English]

SHRI INDRAJIT GUPTA :
Recently the Chairman or the Director General of the Bureau of Public Enterprises had a series of discussions with representatives of the Central Trade Union Organisations. I also have had the good fortune to meet him for discussions. According to him, the Bureau of Public Enterprises is in favour of replacing this system of bipartite negotiations and collective bargaining in the public sector by either Wage Boards or, as he said, by some sort of Wage Commission or some such body. So, although the Minister has said that no final decision has been taken yet, I would like to know from him whether it is under active consideration that the system of collective bargaining and bipartite negotiations should be given up because Government feels that through that system the workers are able to get certain concessions which the Government does not like or which are not palatable to them.

SHRI JANARDHANA POOJARY:
It is true that the Director General of the BPE has held a meeting with Shri Indrajit Gupta and also with Shri Ramanujam of INTUC and Shri Pande. There was some consultation and our Hon. Member also placed his views before him. Here as I stated earlier, exercise is going on to find out the best method and no decision has been taken. Before taking final decision, Government wants to consult various interests including the views of the Union leaders. So far as bilateral negotiations are concerned, as I have stated earlier, it is still in operation and no final decision has been taken to do away with bilateral negotiations.

Production and Export of Basmati Rice
+

*452. **DR. G. VIJAYA RAMA
RAO :**

SHRI SOMNATH :

Will the Minister of COMMERCE

be pleased to state :

(a) whether there has been a noticeable decline in export of basmati and other varieties of rice resulting in fall in value of exports;

(b) if so, the reasons thereof;

(c) the latest statistics of production and export of basmati rice;

(d) whether there has been a steep and phenomenal rise in price of basmati rice in the domestic market and if so, the reasons thereof; and

(e) whether Government propose to stop of export of basmati rice pending improvement in the position of supply for public distribution system?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (e). A statement is given below

Statement

(a) to (c). Export of non-basmati rice is not permitted. Export of basmati rice during 1984-85 is estimated to have been of the order of 2.42 lakh tonnes valued at Rs. 163.03 crores compared to 1.42 lakh tonnes valued at Rs. 96.12 crores during 1983-84. Production data for basmati rice is not separately maintained.

(d) and (e). There has been some increase in the domestic price of Basmati Rice. Basmati Rice is not covered by the Public Distribution System. There is no proposal to stop its exports.

DR. G. VIJAYA RAMA RAO : According to me, the export of basmati rice in 1982-83 was 4.3 lakh tonnes. In 1983-84 it is 2.46 lakh tonnes, but the Minister has said in his reply that it is 1.42 lakh tonnes. I would say that the State Trading Corporation of India is not conscientious in its efforts, and is not keeping itself in step with the changing pattern of production and consumption of basmati rice in our

country, and in other countries where we have got trade links. So, because of lack of foresight, carelessness and inefficiency of STC, recently Abu Dhabi cancelled the rice deal with STC.....

MR SPEAKER : Put the question.

DR. G. VIJAYA RAMA RAO : I am coming to the question. It has caused considerable embarrassment to both the commerce Ministry and the Ministry of External Affairs. So, I would like to ask the Ministry how much business we suffered due to the inefficiency of the STC, and what are the remedial steps taken to correct the defects.

SHRI P.A. SANGMA : The export of basmati rice is under O.G.L., and both private parties and the state Trading Corporation can export it. STC has been doing some exports. The Hon. Member referred to a particular deal with Abu Dhabi, which matter has been raised a number of times on the floor of this House. The matter is closed now. Before any shipment could take place, the contract was cancelled by the buyer. So, the question of suffering any loss does not arise.

DR. G. VIJAYA RAMA RAO: The price of basmati rice in the international market is more, compared to that in the Indian market. The Minister has revealed in his reply that we do not have the production data for basmati rice.

MR. SPEAKER : Did he ?

DR. G. VIJAYA RAMA RAO : How will the Minister control the price of basmati rice in India, without having the data of its production in the country ?

SHRI P.A. SANGMA : It is precisely because the international price is higher than the domestic price, that we export.

SHRI SOMNATH RATH : Which are the foreign Countries basmati rice is exported to and the hon. Minister has said in his reply that basmati rice is not

covered by the public distribution system. Will the Minister take steps to see that the export market is expanded, and that the growers of this rice are benefited?

SHRI P. A. SANGMA : We export basmati rice to various countries—in fact, practically to the whole world; but our main market for basmati rice is USSR and middle-east countries. Besides these, there are many countries where we export it—like Latin American countries and Western Europe as well.

As far as expanding the market is concerned, it is our constant endeavour.

[*Translation*]

SHRI KALI PRASAD PANDEY : I want to know from the Hon. Minister the reasons for not honouring the export agreement entered into by the State Trading Corporation? What action has been taken against the State Trading Corporation due to which the country's trade has suffered?

[*English*]

SHRI P. A. SANGMA : S.T.C. is exporting basmati rice.

MR. SPEAKER : He says there is some hanky-panky.

SHRI P. A. SANGMA : That is about Abu Dhabi, which was raised as the first supplementary—and which I have answered.

MR. SPEAKER : Next question. Shri Saifuddin Chowdhary is not here. Now question 454.

Water Pollution as a Result of Mining of Panchpatimali Bauxite Deposit in Koraput District, Orissa

*454. **SHRI GIRIDHAR GOMANGO :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that due to mining operation of Panchpatimali bauxite deposit in Koraput District; Orissa by National Aluminium Company, the water in river Jhanjabati flowing towards Narayan-Patna is being polluted;

(b) if so, the total population affected thereby;

(c) whether the villages through which the river is flowing are also affected;

(d) whether any survey has been conducted by the National Aluminium Company to make alternative arrangement to save the people from polluted water; and

(e) if so, the measures taken by Government in this regard?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) No, Sir.

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

SHRI GIRIDHAR GOMANGO : Sir, like my question No. '454' this is 'PFP'—that is to say, Pollution Free Plant. Anyway, Sir, I agree with the reply. But I would like to know from the Minister whether he has seen the report in the newspapers regarding the pollution due to the mining operation in Panchpatimali. He has stated that according to the presumption, there will be no pollution in the future because of the mining operation at Panchpatimali.

SHRI VASANT SATHE : This is one place where we have taken care to ensure that total environmental protection is given. We have not only consulted foreign experts with whom we have collaboration, especially, of France, for preparing an environmental plan, but we have consulted Engineers India Ltd. and more specifically, NELCO asked the Centre for Environment and Ecology (INCOR) of the Andhra University, Visakhapatnam to take up the

detailed hydrogeological study of the area for assessing the impact of mining on the water regim of the area. This study has brought out that the mining scheme proposed by NALCO will have no impact on the water system in the area. We are taking all possible measures to see that there will be no pollution. Incidentally I may inform the House through you, Sir, that this is not toxic material, Therefore, there is no likelihood of causing pollution in the water.

SHRI GIRIDHAR GOMANGO : My second supplementary is this : My question arises out of the reply given by the Minister. Sir, what is the definition of 'Pollution'? Number one. And, Number two is this : If the Hon. Minister thinks that the clean water is being polluted due to the mining operation and it is not pollution and it is not health hazard, then, the question does not arise and my supplementary also does not arise. The answer also does not arise, Sir.

AN HON. MEMBER : There is no question.

SHRI VASANT SATHE : Sir, anything that cause toxicity in the air or in the water will be deemed as pollution. Pollution has this concept. But we are taking care to see that we do not choke our rivers or the Nalas with the debris or the mud or the tailing that we take out from the mining because that choking also will harm the water that the people of the area use. So, that care also we will take. We are giving entire environmental protection. We are taking special care to plant trees. Sir, it is a barren hill, more or less. But we have already planted two lakhs of trees and we will be planting more trees and see that the entire area is properly protected.

Export of Indian Jewellery

***455. SHRI A.J.V.B. MAHESWARA RAO :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India is famous for its gold ornaments and gold-studded ornaments;

(b) whether Government have identified the countries which are good paying markets for export of Indian jewellery;

(c) if so, the details of countries to which Indian jewellery is exported; and

(d) the foreign exchange earned therefrom during the last two years?

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

(c) Largely to UAE, Kuwait, Qatar, Oman, Bahrain, UK and USA.

(d) Year	Value (Rs. in crores)
1983-84	83.38
1984-85	85.75

SHRI A.J.V.B. MAHESWARA RAO : Mr. Speaker, Sir, I would like to know from the Hon. Minister whether it is a fact that India is facing stiff competition from other countries in the field of exporting of gold ornaments. If so, what are the steps taken to meet this challenge?

SHRI P.A. SANGMA : Sir, we have recently taken a number of steps to increase our export of gold jewellery. In the beginning we did have some problem because, as the Hon. Members know, it is controlled by the Gold Control Act. Now we have come out with various types of schemes. Under the new scheme, in respect of gold jewellery where the gold content manufactured is only 10 per cent value, we allow the export of gold jewellery without any restriction, and then sale of gold jewellery is permitted in exhibitions organised abroad by HSEC. For those who are participating in the

exhibitions organised by the HSEC which is a public sector undertaking, the sale of gold jewellery is also allowed. And then we have also organised a scheme where the gold jewellery against gold supplied by the foreign buyer is also allowed. Like that there are a few other schemes and of late, we have also decided to set up jewellery complexes in Jaipur, Bombay, Madras, Calcutta and New Delhi.

SHRI A.J.V.B. MAHESWARA RAO : The Indian artisans are known the world over for their craftsmanship, but they are very poor. Is Government taking steps to improve their lot so that they can improve their skill ?

SHRI P.A. SANGMA : I think gold jewellery is certainly in the small scale sector and a lot of people are employed in this industry and the efforts that we are making and the steps we have taken to promote gold jewellery export will certainly help those artisans.

(Interruptions)

SHRI G.G. SWELL : I would like to know, Sir, whether Indian-cut diamonds constitute a most important export of jewellery abroad and is a good market.

PROF. MADHU DANDAVATE : Mostly to Burma, I think.

SHRI G.G. SWELL : No, no, Europe—U.S.A.

I would like to know whether the Minister has included in his answer the export of diamonds, and if so how much of diamonds was exported last year, whether the raid has affected this trade and what is the earning from diamonds last year and this year.

SHRI P.A. SANGMA : Sir, the figure which I have furnished does not include the export figure of diamonds. In fact, diamond is our largest single jewellery item where we earned foreign exchange. In 1983-84 our export of

diamond was Rs. 1,188.89 crores and in 1984-85, it was Rs. 1,172.10 crores.

(Interruptions)

SHRI G.G. SWELL : He has not answered my question—whether the raids have affected the trade, whether the export of diamond has fallen. That my question, Sir.

SHRI P.A. SANGMA : Sir, there has been a slight fall, of course, compared to 1983-1984 and 1985. But it is quite a marginal one.

SHRI C. MADHAV REDDI : Has it come to the notice of the Government that large scale smuggling of these ornaments is going on from our country and if so, what steps have been taken to check it?

SHRI P.A. SANGMA : I think it is the duty of the Finance Ministry to answer this question.

(Interruptions)

SHRI S. JAIPAL REDDY : He only deals with exports, Sir, not in smuggling.

Declaration of Agardanda in Maharashtra as a Customs Port for Ship-Breaking

*456. **SHRI S.G. GHOLAP :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government of Maharashtra have requested for declaration of Agardanda as the customs port for ship-breaking;

(b) whether Government are aware that ship-breaking work is held up for declaration of the port as a customs port;

(c) if so, the reasons why the matter is being delayed; and

(d) when Agardanda is likely to be declared as the customs port for ship-breaking?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b). Yes, Sir.

(c) and (d). It has not been possible to declare Port of Agardenda as a Customs Port for ship-breaking due to non-availability of adequate customs-facilities.

SHRI S.G. GHOLAP : I would like to know what are the requirements of the customs facilities required and who has to create the facilities.

SHRI K. NATWAR SINGH : The Department of Revenue under the Ministry of Finance is the appropriate authority for declaring a port as customs port. The Ministry of Steel has recommended to the Department of Revenue that Agardenda should be declared a port for the purpose of ship-breaking and the Maharashtra Government had made a similar request to the Department of Revenue. I hope my distinguished colleagues on my right will agree to this proposal.

SHRI S.G. GHOLAP : This question was put to the Finance Department. Now, the reply is given by the Steel and Mines Department. This Department has given two ships for ship-breaking purpose to the Development Corporation of Kokan and they had to pay heavy interest on these investments. At present there is no ship-breaking allowed in Maharashtra in any port. Now, as this new port is not coming up, I would like to know whether the Government would allow ship-breaking in Bombay port.

SHRI K. NATWAR SINGH : I am aware of the difficulty that the Hon. Member has mentioned. That is why we on our part made a proposal. But the Ministry of Finance in their wisdom ...*(Interruption)* If you want the Minister of Finance to take up this question at this stage, I will be very happy to sit down...

AN HON. MEMBER : It should be transferred to Finance.

(Interruptions)

MR. SPEAKER : It was a voluntary effort on his part. The question is : Who will take it up? I have no objection, if you want to take up this question.

SHRI K. NATWAR SINGH : We are in touch with the Ministry of Finance and we have made a suggestion to them...*(Interruptions)*

MR. SPEAKER : You are already touching him.

SHRI K. NATWAR SINGH : The relationship here is fraternal. What I am suggesting is this. We have asked the Ministry of Finance to look at the proposals as to whether the customs officials from Bombay can be deputed to Agardenda and clear ships. They are doing so in the case of Mangalore and other places in Karnataka. So, I hope, this will be resolved between the two Ministries.

Post of Chairman of Central Silk Board

***457 SHRI H.N. NANJE GOWDA :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that the Chairman's post in the Central Silk Board is lying vacant since long;

(b) whether it is also a fact that the performance of the Board was comparatively better when it was headed by a non-official who had knowledge about the silk industry;

(c) when the said post will be filled up; and

(d) whether Government propose to consider appointing a non-official as Chairman of the Silk Board in the interest of the silk industry?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) The post of Chairman, Central Silk Board is vacant since 8th April, 1985.

(b) No such comparative assessment has been made.

(c) and (d). Action is being taken to have the appointment order issued soon keeping in view the requirements of the post.

SHRI H.N. NANJE GOWDA : Sir, when the answer is inconvenient they will say no such comparative assessment is made. If you make an assessment, it would be inconvenient because you will have to rely on non-officials because non-officials have performed better in the Silk Board. So kindly make an assessment even now and take immediate action. The Government should not treat this post as gratis or as a favour to an individual. The government should understand the problems of the farmers involved in this. They must also know the background of an individual who has to understand the problems of the farmers and others engaged in the silk industry. May I know whether the Government is considering the appointment of such a person hailing from a State where the largest number of farmers are involved in this industry?

SHRI CHANDRASHEKHAR SINGH : The Government would not confine itself to an advice from one particular State or two particular States.

SHRI H.N. NANJE GOWDA : The problem is that more than 85 per cent of the silk manufactured in Karnataka. More than 75 per cent of farmers of Karnataka are involved in this. The problems of these farmers are better understood by the people who are residing in Karnataka and who are involved with the farmers there. Do the Government consider appointing a person from the south, particularly, from Karnataka in the interest of the farmers and the silk industry?

SHRI CHANDRASHEKHAR SINGH : The interests of Karnataka are uppermost in our mind, but it is also true that the selection should be made keeping in view the interest of the entire country. Even those who are not involved as the present moment should also get involved in this activity. So this is the view point which is taken into consideration in finalising the selection for such posts.

Cotton Requirement for Spinning Mills in Maharashtra

***458. SHRI HUSSAIN DALWAI :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the number of spinning mills given licence in Maharashtra so far.

(b) the number of these mills which are the co-operative sector ;

(c) whether the production of cotton is sufficient to meet the requirement of all these spinning/mills; and

(d) if not, where from the cotton will be brought to meet their requirement?

THE MINISTER OF THE STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH) : (a) to (d). A statement is given below :

Statement

(a) There are 70 spinning mills at present in Maharashtra which have either been licensed or permission issued by the Textile Commissioner under the rules in force at various times.

(b) 51 spinning mills are in the co-operative sector in Maharashtra.

(c) and (d). The demand and supply position of cotton in the country as revised by Government and appropriate steps are taken from time to time to ensure adequate availability of cotton to the domestic textile industry. However, no complaint has been received about shortage of cotton from any of these spinning mills in state of Maharashtra.

SHRI HUSSAIN DALWAI : I would like to ask the Hon. Minister whether there is any tendency going on among the cotton growers in Maharashtra to go in for long staple cotton because there is an export market. That is why these mills will be getting less supply of short staple cotton. What arrangement has been made in this regard ?

SHRI CHANDRASHEKHAR SINGH : Absolutely, there is no such apprehension at the present moment. The production in Maharashtra itself is 17.50 lakh bales and its requirement for mills consumption is very low as compared to the production. The Maharashtra mills can get cotton from all over the country. It is not that they have to make purchases only from Maharashtra.

SHRI HUSSAIN DALWAI : What is the reason for not allowing long staple cotton which is produced in Maharashtra to be exported by the Government ?

MR. SPEAKER : They want more export for long staple cotton.

SHRI CHANDRASHEKHAR SINGH : Export is decided upon taking into consideration the demand and supply position and the price trend of cotton. The Hon. Member and perhaps the House are aware that we have already allowed export of nearly 3 lakh bales of cotton. We had received an assessment of the Cotton Advisory Board only a day back and we are considering whether export can be stepped up.

PROF. MADHU DANDAVATE : Is it not a fact that if the cotton growers themselves form cooperatives and start spinning mills in the vicinity of the cotton growing areas, in that eventuality the transport expenditure is considerably reduced. The cost of production is also reduced. Therefore, keeping this aspect in view, will the Hon. Minister give an assurance that more encouragement will be given to

the cotton growers to form cooperatives spinning mills so that the cost of production can be reduced considerably ?

SHRI CHANDRASHEKHAR SINGH : This is a good proposition, but the overall capacity has to be taken in view before taking any decision in this matter.

PROF. MADHU DANDAVATE : It is a very good proposal but a very bad response.

MR. SPEAKER : Let us have a positive response. Shri Balasaheb Vikhe Patil.

[Translation]

SHRI BALASAHEB VIKHE PATIL : In view of the increase in production in Maharashtra, the farmers in the State have pooled together and have started selling up more cooperative Spinning Mills. But, due to paucity funds, these Spinning Mills are not working to their capacity and a lot of difficulties are being experienced in this regard. As a result of it, the farmers are also suffering loss and those who had pooled their resources in this endeavour are also facing difficulty. This would also have a bearing on cotton production. Will the Hon. Minister try to mitigate. This difficulty of funds in Coordination with the other Ministry ?

SHRI CHANDRASHEKHAR SINGH : This supplementary does not arise from the main question. But, we constantly review the working of the mills to whom we have issued licences in the cooperative sector and try to meet their financial requirements. A few days back, we had reviewed the working of the Mills in Maharashtra also, and in case they are facing any such difficulty and if the Hon. Member draws Government's attention to that, we shall try to look into that.

[English]

**Sales Policy of Steel Authority of
India Limited**

***459. SHRI LALITESHWAR SHAHI :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the sales policy of Steel Authority of India Limited (SAIL) ;

(b) the reasons why SAIL prefers merchants and traders instead of giving steel to ancillary and small scale industries directly through its stock-yards;

(c) whether it is a fact that there is no steel available at Patna, Kanpur, Bokaro and Rourkela stockyards and whatever little production of thinner gauge steel takes place is routed to Bombay side ;

(d) if so, the reasons therefor ; and

(e) if not, what are the despatch figures ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (e). A Statement is given below :

Statement

(a) & (b). The sales policy of the Steel Authority of India Limited gives preference in supply of steel to actual users including small scale industry units. Priority is given to Defence, Railways and other important Government and public sector consumers.

(c) No, Sir

(d) Does not arise.

(e) The reference regarding thinner gauge steel is presumable to coils and sheets. The percentage of supplies of these materials to four reg-

ions during April-June, 1985 have been as follows :

Northern	—	49.3
Eastern	—	15.9
Southern	—	14.8
Western	—	20.0

SHRI LALITESHWAR SHAHI : It is not a matter of statement ; it is a matter of policy. The Minister should come out with facts. Part (b) of my question reads as follows :

“The reasons why SAIL prefers merchants and traders instead of giving steel to ancillary and small scale industries directly through its stock-yards.”

MR. SPEAKER : Let us be very careful because he had been the Speaker.

SHRI K. NATWAR SINGH : The policy for distribution of iron and steel in the country is laid down by a number of government agencies taking into account the various areas into which steel is allocated. He has specifically asked in parts (a), (d) and (e) certain information which is being made available in the statement laid before the House.

The Hon. Member asked, “What is the steel policy”. He wants to know, with regard to the items that he has mentioned, why thinner gauge steel is not available.

There are hundreds of items with regard to the sales policy. I can give the broad break up, but here I can give in summary form. There are four categories under which the Steel Authority of India Limited supplies steel.

Category ‘A’ includes steel plants, Defence, Railways, irrigation schemes, public sector units, heavy engineering units, CPWD, P & T, ONGC, etc.

Category 'B' supplies to State and Central Government power projects/undertakings, Municipal Corporations, Municipalities, Zilla Parishads, Power Projects, etc.

Category 'C' includes other large and medium sectors, eligible small scale industries, public utility services like charitable and non-profit making organisations, hospitals religious institutions, social welfare organisations, etc.

Category 'D' includes all other eligible consumers not included in the above list.

SHRI LALITESHVAR SHAHI : The small scale and ancillary industries come under, in this categorisation, category 'C'. May question is whether SAIL prefers—or passes on to merchants and traders instead of giving the steel to small scale industries on the basis of their requirement. That has not been answered.

SHRI K. NATWAR SINGH : Small scale units are expected to get their requirements through their respective State Small Industries Corporations which enjoy Priority 'A'. However, small scale units having a quarterly off-take of more than 100 tonnes can take the supplies either from the main producers or from the small scale industries.

[*Translation*]

SHRI GIRDHARI LAL VYAS : I want to tell the hon Minister that people are not able to get steel as it is not available with the Small Scale Industries Corporations in the States. Here, you have referred to category 'B' but the fact is that most of the steel of your Steel Plants and the entire steel for the Small Scale Industries Corporations and is supplied to private traders whereby which they earn a huge profit.

SHRI K. NATWAR SINGH : In his question, the Hon. Member had asked whether Small Scale Industries

Corporations did not get steel from our stock-yards. He has made a general statement. At some places, the supplies are less whereas at some places the supplies are more. (*Interruptions*) Please listen. I have been to 4 to 5 stock-yards including Jaipur and some others. One of the reasons for this is that we have a great shortage of piece-meal rail wagons. We need 30 per cent, as 70 per cent is sent in rakes and the rest 30 per cent in rail wagons. If we get only 20 per cent wagons, the stock are not lifted. In a certain month, at a certain place, the demand for a particular item is more whereas the demand for the same item at other places is low. We have always made efforts to supply a particular item whenever we are told that item is in short supply in a particular place. You may bring to our notice if a particular place(*Interruptions*) they get supplies from two sources—one from the stock-yards and the other directly from us. Action on our part is limited so far as the States are concerned. Our staff work in our own stock-yards. At some places, we have got our own stock-yards, whereas at some other place TISCO has its own stock-yards, on which we do not have any control.

SHRI HAFIZ MOHD. SIDDIQ : Hon. Speaker, Sir, brass-ware are manufactured in Muradabad, but raw material is not available there, as a result of which its export is continuously suffering. I want to know from the Hon. Minister whether he has any scheme to solve this problem.

SHRI K. NATWAR SINGH : Mr. Speaker, Sir, I am not in a position to make a reply in regard to brass.

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, the Hon. Minister has fixed A, B, C and D priorities for the Small Scale Industries. As Shri Vyas has also said, steel is not available in Nagpur. A small scale industry whose monthly requirement is 50 tonnes is supplied with $1\frac{1}{2}$ tonnes of steel. They say that they do not have steel. We want to bring to your notice

this fact due to which the small scale sector is suffering. You should pay attention to it. Due to non-availability of steel, they take rounds of Delhi, still we cannot help them. The deterioration in quality should also be checked. How do the traders get steel when their priority is low? You kindly reply to this point, we are not satisfied with it.

SHRI K. NATWAR SINGH :
The Hon. Member has asked a question about Nagpur.

SHRI BANWARI LAL PUROHIT:
I have myself forwarded many cases to the Hon. Minister.

SHRI K. NATWAR SINGH :
You are right; complaints have been received from Nagpur and other places. We are looking into all these complaints. The shortage, wherever it is, will be removed.

Participation of Employees of Companies in Purchasing Shares in their Companies

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*461. **SHRI SHANTI DHARI WAL :**

SHRI V. SOBHANADREE-SWARA RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken a decision to allow participation of the employees of the companies in purchasing shares of their companies at the time of the issue of the shares ;

(b) if so, whether Government have also fixed any limit of deposit to be made by non-resident Indians/general public and the company itself at the time of purchasing the shares and the percentage of the shares to be allotted by the company to its employees ;

(c) if so, the details thereof ; and

(d) if not, the reasons for not fixing the percentage in respect of the

categories referred to in part (b) above ?

[*English*]

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

Statement

(a) The details of the Schemes for participation of the employees by purchasing shares of their companies were announced in the Lok Sabha on 1.8.85 and copies of these schemes were laid on the Table of the House on the same day.

(b), (c) and (d). Government have not fixed any limit of deposit to be made non-resident Indians/general public and the company itself at the time of purchasing shares. While preposing a further issue of capital to the Controller of Capital Issues, the companies should make a reservation of 5% of the further issue to their employees/workers on an equitable basis.

[*Translations*]

SHRI SHANTI DHARIWAL : Mr. Speaker Sir, government have announced a scheme for the employees to become share-holders in their respective companies after buying their shares. I want to know from the Hon. Minister the names of the companies which have sent proposals of the scheme to encourage their employees to purchase their shares for approval to the government?

[*English*]

SHRI JANARDHANA POOJARY :
This is a new programme which has first been introduced. We are at the beginning stage. The second part of the question I did not have because the Hon. Member from the other side interfered.

[*Translation*]

SHRI SHANTI DHARIWAL : I may repeat so that you may be able to hear.

MR. SPEAKER : We shall see it then; we shall cross the bridge, when we come to it.

SHRI SHANTI DHARIWAL : I want to know the names of the companies which have submitted proposals for approval to government since the announcement of this scheme by the government.

[*English*]

SHRI JANARDHANA POOJARY : It was announced on 1.8.85. It is a new scheme which is just introduced. So, we do not have the information which the Hon. Member has asked.

[*Translation*]

SHRI SHANTI DHARIWAL : Mr. Speaker, Sir, government have not fixed any limit for investment by the non-residents, general public and companies. May I know the reasons for this? Is there any scheme with the government, whereby the percentage of investment for all categories in every field could be fixed so that investment in every field could be encouraged?

[*English*]

SHRI V. SOBHANADREESWARA RAO : Hoping that the labour participation in the equity will give the workers a sense of involvement in the loss or profit of the company and also induce them for better cordial relations between the labour and the management, will the Government increase this percentage from 5 to 10, in the capital issues, and appoint one labour representative on the Board of Management? Will the Government bring such a legislation or make an amendment to the existing laws so that the industries and the companies are better administered? In other countries professional

managements are replacing the capital management. In our country also it is high time that the representatives of the labour are involved in the Board of Management so that they can better understand the good or bad of the company and can work well.

SHRI JANARDHANA POOJARY :

There is no proposal to enhance the limit at present for allowing the participation of workers in the capital shares. So far as the second point regarding the participation of workers in the management, in public sector undertakings already there is the workers participation at the floor level and also at the plant level. Regarding participation at the Board level, we have already issued instructions in 1983 and we are getting the information regarding that.

So far as the private sector is concerned, it is for the private sector also to fall in line with the public sector undertakings.

SHRI PRIYA RANJAN DAS

MUNSI : Sir, the entire House is aware of the recent episode of the Shaw Wallace and Company and the non-resident Manu Chhabaria's fraudulent dealing of purchasing the shares, who is now facing CBI trial and lot of investigation by the Finance Ministry also. In this background, may I know from the Hon. Minister that if after the observation of the Company Law Board and the way Manu Chhabaria purchased the shares, he is found to be guilty, and since the Government has also got equity in the Shaw Wallace company, will the Government consider to convert those 38 per cent shares in the name of employees who want to purchase them to make the company fully independent and in the command of the employees. If not, whether the Government themselves will go and take those 38 per cent shares from the hold of Manu Chhabaria and Shaw Wallace?

SHRI JANARDHANA POOJARY :

I do not think, Sir, that this question

arises out of the question. About the suggestion of the hon. Member, I have noted it.....(Interruptions).

PROF. K.K. TEWARY : That is a very important question, Sir...

(Interruptions)

MR. SPEAKER : You can put a new question.....

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSI : Sir, he says that he does not know of it. It is not even in knowledge.....(Interruptions).

MR. SPEAKER : Yes, Mr. Thampan Thomas.

SHRI THAMPAN THOMAS : Sir, my question relates to the investment to be made by the non-resident Indians working abroad. They are prepared to invest money in the equity shares of a company provided the Government gives them the incentive to get jobs for their dependents or their nominees in respective companies. So, I would like to know whether the Government will consider a proposition where the non-resident Indians my purchase shares of a company to a particular limit and get employment for their nominees or dependents. I received a memorandum also in this regard.

SHRI JANARDHANA POOJARY : Sir, this is a suggestion for action and I have noted it.

[Translation]

Contractors Blacklisted in Khetri
Copper Project

*462. SHRI MOHD. AYUB KHAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that seven contractors were blacklisted in Khetri Copper Project;

(b) if so, the reasons therefor

and the action taken against them; and

(c) whether their names have now been removed from the blacklist?

[English]

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) to (c). A statement is given belows.

Statement

(a) to (c). No contractor was blacklisted by Khetri Copper Project. However, business dealings with 8 contractors were suspended for the following reasons :—

(i) In one case, for using less proportion of cement than that specified in the contract, causing loss to the Company.

(ii) In the case of two firms for unlawful possession of some copper belonging to Hindustan Copper Limited.

(iii) In one case, civil contractor was in the habit of delaying work and was unable to execute the work properly and smoothly.

(iv) In case of 4 firms, certain allegations about mal-practices in contracts awarded were investigated by the Company. In view of the suspected dubious roles played by the parties, dealings with them were suspended. Subsequently, in the case of two of these firms, following a review, the authorities of Khetri Copper, Complex decided to give a fresh trial to them.

[Translation]

SHRI MOHD. AYUB KHAN : Mr. Speaker, Sir, districts Jhunjhunu and Sikar of Rajasthan have a glorious past. These districts have the distinction of sending the highest number of men to the Indian Army. There is a project named 'Khetri Project' in this

area in which some people are indulging in corruption. Will the hon. Minister be pleased to state the circumstances which led to blacklisting of seven contractors? What were the charges against them.

MR. SPEAKER : And what was the action taken?

SHRI VASANT SATHE : Yes, Sir, Some of the contractor of this Khetri Project have been found to be indulging corruption, some in theft, some in sub-standard construction and some in adulteration of cement. Some cases of this type have come to light.....
(Interruptions)...

MR. SPEAKER : The cases are few; but the bungling is enormous.

SHRI VASANT SATHE : Strict action has been taken against such people. Their contracts have been suspended and an inquiry has been ordered into it. They are not being given any further work. This is the action which we have taken against them.

SHRI MOHD. AYUB KHAN : Due to the setting up of this 'Khetri Project', the water level of the wells in the area has considerably gone down. Will the hon. Minister consider giving assistance to the farmers of that area?

SHRI VASANT SATHE : In this entire area, copper is at a very low level whereas the water is at a higher level. In order to get to the copper, water is required to be pumped out and the water thus pumped out is supplied to the farmers for irrigation in the neighbouring area. We cannot get to the copper unless we pump out the water. But, what happens during this process is that the water level falls considerably.

MR. SPEAKER : Investment as the water table has gone down, the farmers do not get water for irriga-

tion. What do you propose to do to help them?

SHRI VASANT SATHE : If we pump out the water, the water table is bound to go down and it is a fact that the water table has gone down. The water which we had to pump out was supplied to the local farmers and was not diverted somewhere else.

MR. SPEAKER : Whatever the requirement of water is, that is for 'Khetri Project'.

SHRI VASANT SATHE : No, no we do not require water for the project. It is necessary to pump out water in order to get to the copper and the water thus pumped out is supplied to the fields in the surrounding area.

MR. SPEAKER : What will the local people do if the entire water is pumped out at a stretch?

SHRI VASANT SATHE : We are prepared to pour that water into the wells if there is some method for doing so.

SHRI DAL CHANDER JAIN : Some arrangement should be made to see that the water table does not fall and that the farmers get water.

MR. SPEAKER : Some arrangement should be made to ensure supply of water to the farmers. If they pump out water, they should supply water from an alternative source.

SHRI VASANT SATHE : We shall take all possible steps.

MR. SPEAKER : Question No. 463.

[English]

Mushroom Growth of Private Financial Institutions

*463 SHRI MANORANJAN BHAKTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are

aware of the problem of mushroom growth of privately-run financial institutions in the country;

(b) if so, the number of such institutions which have come up during the last three years;

(c) whether Government propose to initiate an enactment to regulate the non-banking financial companies to safeguard the interests of the investors; and

(d) if not, the reasons therefor?

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (d). A statement is given below :

Statement

Reserve Bank have issued directions to regulate acceptance of public deposits by the financial companies incorporated under the Companies Act, 1956. These directions are, however, not applicable to other unincorporated bodies like sole proprietorship concerns or partnership firms, which are not required to file any specific returns and information about their number or the size of public deposits accepted by them is not collected. However, with a view to curb the magnitude of deposit acceptance activities of these bodies, a new Chapter III C has already been incorporated in the Reserve Bank of India Act, 1934 through the enactment of Banking Laws (Amendment) Act, 1983. In terms of the provisions of the said chapter, which have come into force with effect from 15.12.1984, unincorporated bodies, individuals etc. are prohibited from accepting deposits from more than the number of depositors specified therein.

2. The Reserve Bank of India had, in February, 1984, advised all the State Government/Union Territories to create necessary enforcement machinery in the respective States/Union Territories with a view to investigating into violations of the provisions of Section 45-S of the

Reserve Bank of India Act, 1934. So far, the State Governments of Andhra Pradesh, Madhya Pradesh and West Bengal are reported to have created the enforcement machinery. The matter is being pursued by the Reserve Bank of India with other State Governments.

SHRI MANORANJAN BHAKTA : Mr. Speaker, Sir, I seek your protection. The statement which has been made to the House does not give any categorical reply to my question. If you see the statement yourself, and if you are satisfied, I have no question to ask. But the hon. Minister has not given any reply to my question. The hon. Minister has completely evaded the reply and he has replied something else.

AN HON. MEMBER : You allow a Half-An-Hour discussion.

SHRI VISHWANATH PRATAP SINGH : I have already given the reply.

WRITTEN ANSWERS TO QUESTIONS

[English]

Expenditure Incurred on Carpet Weaving Training Scheme by Development Commissioner (Handicrafts)

*453 **SHRI SAIFUDDIN CHOWDHARY :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the expenditure incurred from July, 1983 to June, 1985 on the carpet weaving training scheme by the Office of the Development Commissioner (Handicrafts) ;

(b) whether any periodic assessment thereof has been made ;

(c) the number of trainees who have received training during the period from July, 1983 to June, 1985 and the number of centres sanctioned and the

number of centres actually functioned during the same period ;

(d) the extent of authenticity attributed to such assessment(s) ; and

(e) whether the expenditure on the scheme has been found to be useful and if so, the extent thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA-SHEKHAR SINGH) : (a) Rs. 1031.92 lakhs.

(b) Yes, Sir.

(c) (1) No. of trainees who have received training during the period July 83 to June 85 21,493.

(2) No. of centres sanctioned 489.

(3) Average No. of centres actually functioned 459.

(d) Scheme is reviewed every year during annual plan discussions and next year's allocations are decided.

(e) The training programme was introduced to train additional hands in carpet weaving for boosting exports. The exports of hand knotted carpets have gone up from Rs. 66.4 crores in 1976-77 to Rs. 157.6 crores (Provn) in 1984-85.

Export of Brass and Bell-Metal Wares

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

(a) the countries to which brass and bell-metal wares are exported ;

(b) the quantities and the value of the exported wares during each of the last three years ;

(c) whether measures have been

taken to step up export of such items ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA-SHEKHAR SINGH) : (a) The important countries to which Indian artmetalwares, including brass and bell metal artwares, are exported are U.S.A., USSR, Saudi Arabia, West Germany, U.K., France, Italy, Canada, Australia, Netherlands, Sweden, Kuwait, Denmark, Singapore and Belgium.

(b) The value of exports of art-metalwares including brass and bell metal artwares during the last three years are as under :

Years	Value in Rs. crores (Prov.)
1982-83	57.92
1983-84	67.23
1984-85	83.11

Export data in terms of quantity is not available.

(c) Yes, Sir.

(d) Some of the important measures taken to step up exports of artmetalwares including brass and bell metal artwares are as follows :

(1) A Metal Handicrafts Service Centre is being set up with UNDP assistance at Moradabad to improve the quality and finish of art-metalwares for export.

(2) An export Promotion Council for Handicrafts is being set up.

(3) Duty Drawback @ Rs. 15.80 paise per Kg. is allowed against exports of artmetalwares.

(4) Under the scheme of Duty

Free Imports of raw materials against REP licences, duty free import of brass scrap is allowed against exports of brass artwares.

- (5) A Sales-cum-study Team was sent to EEC Countries during November-December, 1983 to explore market potentials for handicrafts including brass and bell metalwares.
- (6) Mr. Robert Welch, a well known designer visited India in the recent past to provide design assistance for artmetalwares.
- (7) Cash Compensatory Support @ 10% of the FOB value is allowed against exports of artmetalwares.
- (8) A special exhibition of handicrafts, including artmetalwares, was held at Doha during 1984.

Smuggling of Uranium from India to Canada

*464. SHRI M. RAGHUMA REDDY :
SHRI DHARAM SINGH MALIK :

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

(a) whether Government's attention has been drawn to the news item appearing in the 'Times of India' dated 17th July, 1985 wherein it has been inter alia stated that 500 kg. of crude uranium has been smuggled to Canada;

(b) if so, what are the details; and

(c) whether any inquiry has since been conducted and if so, what action has been taken by Government in the matter ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) It is wrong to say that 500 kgs. of crude Uranium has been smuggled to Canada. The U.P. State Mineral Development Corporation entered into an agreement with M/s. METCHEM, Canada for carrying out of a project under CIDA assistance for studying the feasibility of beneficiation of low grade phosphate deposit of Lalitpur Distt. Under the terms of agreement 400 kgs. sample of rock phosphate was collected by the representative of METCHEM, Canada in the presence of officers of UPMDC and the Directorate of Geology and Mining, Government of U.P. The Uranium content in the bore hole samples in the Lalitpur area established by the Atomic Mineral Division is around .0005%.

(c) No formal enquiry has been conducted or ordered to be conducted by the Government.

Amount Sanctioned by Bank for Installing Tubewells

*465. SHRI S.M. BHATTAM
Will the Minister of FINANCE be pleased to state :

(a) total amount sanctioned by various banks for installing tube wells during the years 1983-84 and 1984-85;

(b) the number of tube wells installed during 1983-84 and 1984-85;

(c) the details of places where the same have been installed; and

(d) the provisions made for the tube wells in the Seventh Five Year Plan ?

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

(a) to (d). The present data reporting system does not yield information in the manner asked for. However, the

State-wise amount of loan of public sector banks outstanding against the item "Sinking and Deepening of Wells and Tube-wells" as at the end of March '82 (latest available) is given in the statement below.

NABARD provides refinance for various minor irrigation schemes, including installation of tube-wells. The number of schemes sanctioned, refinance committed, refinance disbursed by NABARD during the last two years is as follows :—

	1982-83	1983-84
1. Number of schemes sanctioned	1843	1923

2. Refinance Committed (Rs. in crores)	357	427
3. Refinance disbursed (Rs. in crores)	242	312

NABARD has reported that exact provision made for installation of tube-wells during Seventh Plan is not available. However, NABARD will continue to give high priority for providing refinance to banks for development of minor irrigation, including tube-wells during the Seventh Five Year Plan.

Statement

(Rs. in lakhs)

State/U.T.	Outstanding as at the end of March, 1982
I. NORTHERN REGION	2098.77
Haryana	236.20
Himachal Pradesh	9.70
Jammu & Kashmir	0.10
Punjab	136.59
Rajasthan	1694.99
Chandigarh	1.05
Delhi	20.14
II. NORTH EASTERN REGION	37.89
Assam	24.05
Manipur	0.40
Meghalaya	—
Nagaland	1.56
Tripura	11.20
Arunachal Pradesh	—
Mizoram	0.68
Sikkim	—
III. EASTERN REGION	1797.94
Bihar	822.82
Orissa	418.74
West Bengal	556.38
Andaman & Nicobar Islands	—

State/U.T.	Outstanding as at the end of March, 1982
IV. CENTRAL REGION	3493.19
Madhya Pradesh	2784.23
Uttar Pradesh	708.96
V. WESTERN REGION	4147.39
Gujarat	1043.90
Maharashtra	3067.43
Dadra & Nagar Haveli	—
Goa, Daman & Diu	36.06
VI. SOUTHERN REGION	2472.57
Andhra Pradesh	893.48
Karnataka	1229.40
Kerala	171.91
Tamil Nadu	171.78
Lakshadweep	—
Pondicherry	6.00
All India	14047.75

Glut in International Coffee Market

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

(a) whether there is a glut in the international coffee market ;

(b) if so, whether this is working to the disadvantage of small coffee growers in the country ; and

(c) if so, the steps being taken to remedy the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c). The recent trend in international market prices is an indication that the world supply position of Coffee is surplus as compared to demand. However, export auction prices are still significantly higher than domestic auction prices and will continue to remain remunerative because of regulation under the International Coffee Agreement.

[Translation]

Settlement of Insurance Claims of Businessmen, Factory Owners, Etc. by Insurance Companies

***467. SHRI JITENDRA SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether some businessmen, factory owners and capitalists in connivance with officers and employees of nationalised insurance companies are illegally receiving crores of rupees in the form of claims; and

(b) if so, the efforts being made by Government to stop it ?

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

(a) No, Sir.

(b) Full vigilance is being maintained.

[English]

Assent to the Payment of HRA to Industrial Workers in Maharashtra Act,

*468. SHRI SHARAD DIGHE : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether inspite of repeated requests the Union Government have not given assent to "The Payment of House Rent Allowance to Industrial Workers in Maharashtra Act" passed by the Maharashtra Legislature in its budget session of 1984 ; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA-SHEKHAR SINGH) : (a) and (b). The Maharashtra Workmen's Minimum House Rent Allowance Bill, as passed by the House of the State Legislature and reserved by the Governor for the consideration of the President was received in Ministry of Home Affairs on 11-5-84. This is under examination in consultation with the concerned Ministries/Departments.

Adoption of Villages for Rural Development by Nationalised Banks

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

(a) whether the nationalised banks 'adopt' certain villages so as to promote rural development ; and

(b) if so, the main features of assistance provided by the banks to the villages after adoption ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The nationalised banks adopt villages with the intention of doing intensive lending in the area and to take special interest in the development of the village. The assistance is

provided for all viable activities suitable for the area, including guidance for the formulation of bankable schemes. The main objective is to promote integrated development of the village economy by meeting the credit needs of agriculturists and other small borrowers, to encourage schematic lending instead of scattered lending and to ensure a better supervision of the credit.

Income Tax and Excise Duty From Coca Cola Corporation of India

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

(a) whether 'Income-tax' and Excise duty are due from Coca Cola Corporation of India which was closed down in the year 1977;

(b) if so, the details of amount of Excise duty and Income Tax due;

(c) the reason for not recovering the dues till date ; and

(d) the measures being taken to recover all the dues from Coca Cola Corporation of India ?

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

(a) Yes, Sir.

(b) As on 30th June, 1985 a sum of Rs. 21.66 lakhs for the Assessment year 1970-71 was outstanding as Income Tax dues, against M/s Coca Cola Export Corporation, New Delhi which was closed down in 1977. As regards Central Excise dues a sum of Rs. 68.39 lakhs on account of Excise duty and Rs. 25 lakhs on account of panalty is pending recovery from this Company.

(c) and (d). Income Tax dues could not be recovered because the matter is pending in appeals. However, all efforts are being made and appropriate action the law is being taken to recover the outstanding dues. Central Excise dues could not be recovered

because the party filed an appeal against the orders of the Collector of Central Excise, Delhi before the Customs, Excise & Gold Control Appellate Tribunal in 1982 and simultaneously filed a writ Petition in the Delhi High Court. The Hon'ble Court has granted stay. The Company has deposited an amount of Rs. 6,02,132 with the Registrar, Delhi High Court and furnished a bank guarantee for the remaining amount of Rs. 87,36,901. Efforts are being made to get the stay vacated and to get the cases decided at an early date.

Formula for Fixation of Price of Coffee

*471. SHRI K.G. ADIYODI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that the present formula of fixing minimum release price by the Coffee Board is disadvantageous to the growers because the increase in cost of production in the recent years as well as huge discount given for selling coffee has not been fully taken into account ; and

(b) if so, the steps taken to ameliorate the coffee growers as majority of them are medium and marginal growers ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). The Minimum Release Price only serves as a guideline to fix reserve price for domestic auctions of coffee and does not represent the actual returns to the growers which are almost always higher both for domestic and export sales and can be considered quite remunerative. Only a very small percentage of coffee is sold at discounts varying from 2½% to 5% for promotional purposes in the domestic market and in recent years such discounts have been reduced. Although larger discounts have had to be given on export sales to non-quota countries, these are based on export auction prices, which are nearly double

the price fetched in domestic auctions.

[Translation]

Investment Made by Non-Resident Indians in Various Companies

4748. SHRI KRISHNA PRATAP SINGH : Will the Minister of FINANCE be pleased to state :

(a) the investment made by non-resident Indians in shares of various companies during the past one year indicating the total number of such companies; and

(b) the reaction of Government to this purchase of shares ?

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

(a) and (b). The position for the period since April, 1982 relating to investment facilities for non-residents of Indian nationality/origin as well as overseas corporate bodies owned at least to the extent of 60% by them for which data is available with RBI, is as follows :

	No. of Proposals	Amount (Rs. in crores)
Direct Investment		
(proposal approved) as on 30.6.85		
On repatriation basis	520	265.40
On non-repatriation basis	—	50.56
Portfolio Investment		
(actual purchases) as on 31.3.85		
On repatriation basis	699	46.57
On non-repatriation basis	199	0.30

These investments are within the parameters of Government policy on NRI investment,

**Request from U.P. Government for
Conversion of Overdraft into
Long Term Loans**

*4749. SHRI ZAINUL
BASHER :

SHRI G.M. BANAT-
WALLA :

Will the Minister of FINANCE
be pleased to state ;

(a) whether Government have
received a request from Uttar Pradesh
Government that the overdraft drawn
by them be converted into 15 years' long
term loan and recovered in instalments;
and

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

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

(b) The Government have already
decided to provide to the State a
medium term loan equivalent to 90 %
of the State's overdraft as on 28.1.1985
recoverable in 4 years commencing from
1986-87. As the recovery of this
amount was already taken into account
while estimating the State's resources for
the 7th Plan, the State's approved Plan
outlay would not be affected. Govern-
ment, therefore, does not consider it
necessary to extend the period of re-
payment to 15 years.

[English]

**Loan Extended by - Mesra Branch of
United Commercial Bank**

4750. SHRI PRAKASH
CHANDRA : Will the Minister of
FINANCE be pleased to state :

(a) whether nationalised banks
give loan to the entrepreneurs for start-
ing small scale industries ;

(b) whether the United Commer-
cial Bank, Mesra Branch, Ranchi has

extended a loan of several crores of
rupees to the entrepreneurs sponsored
by SIRDO/SIRTD0 operated by Birla
Institute of Technology, Mesra, Ranchi
(Bihar); and

(c) if so, whether about Rs. 2.5
crores of the above loan has become
bad debt due to non-functioning of the
several units of the SIRDO/SIRTD0
operated by Birla Institute of Tech-
nology, Mesra ?

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

(b) United Commercial Bank,
Mesra Branch has extended loans and
advances totalling Rs. 3.00 crores to
the entrepreneurs sponsored by Small
Scale Industries Research Training and
Development Organisation which is a
Registered Association.

(c) According to United Commer-
cial Bank, in all 31 small Scale units
were financed under the scheme. The
Bank is expected to take all steps to
recover the amounts as an ongoing
exercise.

[Translation]

**Employment of Scheduled Tribes in
Public Sector**

4751. SHRI MOHAN LAL
JHIKRAM : Will the Minister of
FINANCE be pleased to state :

(a) the reasons for which position
in regard to employment of the persons
belonging to the Scheduled Tribes in
the public sector undertakings is very
unsatisfactory ;

(b) the total number of emplo-
yees working in these undertakings and
the number of the employees belonging
to Scheduled Tribes out of them ;

(c) the number of Scheduled
Tribes employees working particularly
in (i) Bharat Brakes and Valves Ltd.

(ii) Beithweight (iii) Bharat Pumps and Compressors Ltd. (iv) Bharat Process and Mechanical Engineering (v) H.D.P.E. (vi) Lagan Jute (vii) Maruti (viii) Scooters India Ltd., (ix) Tunga-bhadra Steel Products Ltd;

(d) whether reservation quota rules have been complied with in the undertakings referred to in part (c) above ; and

(e) whether the vacant posts will be filled up by observing Government rules while making recruitment of such employees in future ?

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

(a) and (b). As per information available in respect of 195 public sector undertakings, the total number of employees and the number of Scheduled Tribes employees out of them, as on 1.1.1984, were 20,62,664 and 1,80,784 respectively. The percentage of Scheduled Tribes employees to the total number of employees was, therefore, 8.76 compared to the quota of 7.5 per cent reserved for them. There are, how-

ever, shortfalls in some categories of employees basically due to non-availability of candidates with requisite qualifications and experience.

(c) to (e). A statement indicating the number of Scheduled Castes and Scheduled Tribes employees in the concerned undertakings and their percentage to the total number of employees in these undertakings is given below. Formal directives have been issued to the public enterprises, through the concerned administrative Ministries/Departments, to ensure reservations in regard to employment for SC/ST, more or less on the same lines as applicable to filling up of the posts in the Central Government. The public sector enterprises have to ensure that Government directives in this regard are carried out. However, wherever instances of these instructions not being properly implemented by the undertakings come to the notice of the Government, the concerned administrative Ministries, which are responsible for implementing the reservation directives, are requested to look into the matter for such remedial action as may be necessary.

Statement

The Representation of Scheduled Castes & Scheduled Tribes as on 1.1.84

Sl. No.	Name of the undertaking	Total No. of employees	No. of S.C.	%	No. of S.T.	%
1	2	3	4	5	6	7
1.	Bharat Brakes and Valves Ltd.	998	52	5.21	5	0.501
2.	Braithwaite & Co. Ltd.	6065	480	7.91	6	0.098
3.	Bharat Pumps and Compressors Ltd.	2104	304	14.44	3	0.142
4.	Bharat Process and Mechanical Engineering	1330	148	11.12	7	0.526
5.	H.D.P.E.	Presumeable, the reference is to Hoogly Dockyard Port Engineering Works. If so, information in respect of that undertaking is not readily available.				

1	2	3	4	5	6	7
6. Lagan Jute		578	70	12.1	—	—
7. Maruti		665	62	9.32	1	2.150
8. Scooters India Ltd.		3288	406	12.34	4	0.121
9. Tungabhadra Steel Products Ltd.		1321	303	22.93	34	2.37

[English]

**Issue of Convertible Debentures on
Lohia Machines**

*4752. SHRI]SANAT KUMAR
MANDAL : Will the Minister of
FINANCE be pleased to state :

(a) whether Government have cleared the proposals of Lohia Machines Ltd. Kanpur (U.P.) to raise additional Rs. 10 crores from the public by way of to fund its on-going two-wheeler vespa scooters project in collaboration with Piaggio of Italy;

(b) if so, considerations which weighed with Government in granting this approval, when this Company had earlier been permitted to raise large amounts from the public by way of advance against booking of its scooters estimated at Rs. 115 crores ;

(c) the amount of existing deposits against scooter booking already in the custody of this Company after deliveries of scooters and cancellations ; and

(d) the mode of issue of this new series of convertible debentures and their period of repayment ?

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

(b) The Company was given consent as the guidelines relating to debenture issues were satisfied. The booking advances were to be deployed

by the company in accordance with the guidelines issued by the Department of Heavy Industry which do not permit use of these advances as capital although a portion thereof can be used as working capital.

(c) The company has a deposit of Rs. 109.04 crores as on 31.3.1985.

(d) The issue of 13.5% — 9,09,090 secured convertible debentures of Rs. 110/- each aggregating Rs. 10 crores is to be made for cash at par to the existing equity shareholders as rights on pro-rata basis. Rupees ten out of the face value of Rs. 110/- will compulsorily be converted into one equity share of Rs. 10/- each on expiry of six months from the date of allotment. The balance face value of Rs. 100/- remaining after aforesaid conversion shall be redeemed in three instalments of Rs. 35/-, Rs. 35, and Rs. 30/- on expiry of 7th, 8th and 9th year of allotment respectively.

Problems of Exporters Chemicals

4753. SHRI CHINTAMANI
JENA :

KUMARI PUSHPA
DEVI :

Will the Minister of COMMERCE
be pleased to state :

(a) the value of the chemicals being exported every year during the years 1982-83, 1983-84 and 1984-85;

(b) the main problems being faced by the exporters of chemicals ;

(c) the details of chemicals being exported ;

(d) the names of the countries to which exported;

(e) whether Government are looking into the problems being faced by the chemicals exporters so as to remove the constraints the way of increased export effort of chemicals; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The estimated value of exports of chemicals are given below —

Year	(Value in Rs/crores) FOB Value of exports
1982-83	333.89
1983-84	553.20
1984-85	619.16

(b) The main problems being experienced by exporters relate to shortage of power, high cost of raw materials, outmoded technology, inadequate level of expenditure on R&D by chemical industry.

(c) Chemicals are being exported under six broad groups. The major items of export under each group are given below :

(i) *Drugs and Pharmaceuticals* : Medicaments, Ayurvedic Medicines, Medicinal Castor oil, Surgical dressings, Papain, Suopha Drugs, Sodium Iodide, Selanesol, Beta Ionon, Undecylenic Acid, Berberine Hydrochloride, Emetine salts, Strychnine Salts.

(ii) *Dyes and Dye Intermediates* : Organic Pigments, Direct Dyes Basic Dyes, Sulphur Dyes, Vat Dyes, Azoic Dyes, Hydrochloric

Acid, Metanilic Acid, Antraquinene Fluorescent Brightening Agent.

(iii) *Basic Inorganic and Organic Chemicals including Agro-chemicals* : Rare Earth Chloride, Iron Chloride Ferric, Sodium Sulphate, Bleaching Powder, Aluminium Sulphate, Calcium Carbonate Sodium Tripoly Phosphate, Red Phosphorous, Sodium Cyanide, Catalyst Chemicals, Meta Amino Phenol, Magnesium Dioxide, Nicotine Sulphate, Insecticides and Pesticides, Aluminium Phosphide, Endosulphan Technical.

(iv) *Cosmetics and Toiletries* : Hair oil, Hair shampoo, Toilet Soap. Tooth Paste, Synthetic Detergents, Hydrogenated Castor oil, Henna Leaves and powder, Dehydrated Castor oil

(v) *Agarbattles*

(vi) *Essential oils and Medicinal Herbs* : Sandalwood oil, Lemongrass oil, Palma Rosa oil, Davana oil, Psyllium seeds and husk, Senna Leaves and Pods, Opium

(d) USSR, USA, UK, UAE, Japan, W. Germany, Aden, France, Singapore, Nigeria, Saudi Arabia, Kuwait, Muscat, Australia, Srilanka and Oman.

(e) and (f). Yes, Sir. Specific problems taken up through the Export Promotion Council are attended to by the Ministry. An inter-ministerial Standing Committee has been set up to look into the problems being faced by exporters of chemicals and to remove the constraints affecting exports.

Industrial Disputes in Courts Between Public Sector and its Disputes

4754. SHRIMATI PATEL RAMABEN RAMJIBHAI MAYANI : Will the Minister of FINANCE be

pleased to state :

(a) whether it is a fact that a number of industrial disputes are going on in various courts between public sector undertakings and its employees;

(b) if so, the details thereof pending in each industrial Labour Courts, High Courts and Supreme Court at present;

(c) for how many years it is pending in each court;

(d) the reasons for not finalisation thereof;

(e) how much amount has been paid to such employees in each public sector undertaking in each of the last three years; and

(f) what action Government proposes to settle the disputes at the earliest either in the court or outside to overcome litigations and delays ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (f). Managements of the public sector enterprises try to settle all disputes including the disputes arising out of the various wage settlements etc. by discussions across the table. There are situations where such settlements cannot be arrived at for various reasons. Even in respect of the terms and conditions of employment, disputes are being settled amicably as far as possible. It is not, however, always possible to settle the disputes across the table. Since Labour Courts/Industrial Tribunals/High Courts/Supreme Court can admit petitions from the individual employees/unions on any aspects of the employment or disciplinary matters, it is not possible to collect the information relating to the number of industrial disputes pending in these courts, their age and compensation, if any, paid to their employees by each Public Enterprises. Government feels that the effort

involved in collection of the information would not be commensurate with the results sought to be achieved.

Loans Advanced by Bombay Branch of Bank of Maharashtra to Nagpur Based Synthetic Fibre Manufacturing Company

4755. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Bank of Maharashtra has advanced a few crores of rupees to a Nagpur based synthetic fibre manufacturing company from their Bombay branch, in which advance differences have cropped up between the bank and the borrower;

(b) if so, the details thereof;

(c) the method adopted by the Bank authorities to verify the genuineness or otherwise of the company concerned, its financial viability to repay the loan and also to have a guarantee before entering into the contract with the said company ;

(d) if answer to part (c) be in the negative, the reasons which weighed with the bank authorities to forego such formalities; and

(e) the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). In terms of Section 13(1) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, information relating to individual constituents of the public sector banks cannot be disclosed.

(c) The bank has reported that it has observed the usual formalities for appraising the project and determining its viability before advancing funds to the company.

(d) Does not arise.

(e) The bank has initiated legal action to safeguard its interests. In the circumstances, action into the matter by Government is not considered necessary.

Applicability of Ban on Recruitment to Scheduled Caste and Scheduled Tribe Candidates

4756. SHRI G. BHOOPATHY : Will the minister of FINANCE be pleased to state :

(a) whether the ban imposed on recruitment in Union Government services will not apply to the recruitment of handicapped persons; and

(b) if so, the reasons why similar exemption is not given to the Scheduled Caste/Scheduled Tribe candidates in their reserved quota ?

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

(b) The advice given to the Ministries/Departments of the Government of India in January, 1984 not to fill up existing vacancies except where recruitment action had already been taken was based upon the need to effect economy in Government expenditure. The number of handicapped persons who are recruited in Government are very few compared to other reserved categories. There is a reservation of 3 per cent of vacancies arising in a year for handicapped persons and these vacancies are also not carried forward to the next recruitment year. In the case of Scheduled Castes and Scheduled Tribes, the reservation works out to 22½ per cent of the vacancies and unfilled vacancies are carried forward from year to year. Considering the objectives of effective economy it was felt advisable to make exemptions only for the recruitment of handicapped persons.

Introduction of Social Security Scheme for Poor

4757. SHRI SRIBALLAV PANIGRAHI : Will the Minister of

FINANCE be pleased to state :

(a) whether it is a fact that the Union Government have recently introduced a social security scheme to cover the risk of death by accident of earning members of poor families, covering landless, small and marginal farmers, traditional craftsman and others not covered by any insurance scheme or Workmen's compensation arrangements; and

(b) if so, the details thereof alongwith its necessity ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Scheme has been approved for 100 districts initially.

(b) The Personal Accident Insurance Social Security Scheme for the Poor Families covers all persons in the age group 18 to 55 years who are earning members of the poor families whose total annual family income from all sources does not exceed Rs. 5,000/- and who meet fatal accidents occurring in the specified districts. The survivor benefit here-under is Rs. 3,000/- payable to the surviving spouse/dependent children/surviving dependent parents. The Scheme covers presently 78 districts in 16 States and 9 Union Territories effective from 15th August, 1985. It will be extended to 22 more districts on receipt of recommendations from the residual State Governments.

The claims under the Scheme are to be processed and settled by the Claims Enquiry-cum-settlement Officers of the Sub-District/Taluka appointed and notified by the State Governments/Union Territories in the said specified districts.

The Scheme is designed to provide a survivor benefit cushion for the rehabilitation of the poor families affected by the accidental deaths of its earning members who are not covered for

compensation under any insurance schemes or any law/public statute.

Dual Price Scheme for Cotton Purchasers by Cotton Corporation of India

4758. SHRI JAGANNATH PATNAIK : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government propose a 'dual' price scheme for cotton purchasers by the Cotton Corporation of India to provide relief to both growers and mills; and

(b) if so, the details regarding the scheme of Government in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRASHEKHAR SINGH): (a) and (b). It has been stipulated in the new textile policy announced by Government on the 6th June, 1985 that the cotton grower shall always be assured off-take of their produce at remunerative prices and cotton needed by the textile industry would be made available in adequate quantity and at reasonable prices. The role and functions of the Cotton Corporation of India would be reformulated to include the price stabilisation operations.

Capital Equipments Held by GSI

4759. SHRI SODE RAMAIAH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the capital equipments held by Geological Survey of India and what is the total investment made in them;

(b) how many of them were acquired during the last ten years;

(c) the percentage of utilisation of such machinery or equipment;

(d) whether there is any proposal to dispose of those equipments/machinery whose capacity utilisation is less than 50 per cent; and

(e) if so, the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) The equipment acquired by Geological Survey of India, which is a scientific organisation, is not capitalised and hence the expenditure on acquiring such equipment is not treated as "investment";

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

Disbursement of Loans to Weaker Sections in Gujarat

4760. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) the names of the banks which have been entrusted with the disbursement of loan to the poor section of the Society in the Country particularly in Gujarat State ;

(b) the amount disbursed through these banks during the last three years in Gujarat, District-wise:

(c) whether Government have received any complaints in regard to disbursement of loan to the needy persons;

(d) if so, the details thereof; and

(e) the methods adopted for the disbursement of these loans and how it will be recovered ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) All Commercial, Co-operative and Regional Rural Banks provide credit to the poor sections of the Society in all the States including Gujarat.

(b) Total term credit disbursed during the last three years under the Integrated Rural Development Pro-

gramme in Gujarat State has been as under :—

	(Rs. in lakhs)
1982-83	3355.89
1983-84	3753.64
1984-85	3187.94
Total	10297.47

The present data reporting system does not yield district-wise information.

(c) to (e). Government have been receiving various types of complaints such as delay in the disposal of applications, asking for security rejection of applications, etc. The State Governments have been asked to take corrective measures whenever such complaints come to their notice.

Loans under Integrated Rural Development Programme are disbursed as per the recommendations of the District Rural Development Agencies. Loans are given only for productive viable ventures. The State Governments have been asked to watch the recovery position of banks under IRDP and render all possible assistance to them in recovering their dues.

Excise Duty expected and realised

4761. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) the approximate expectation of excise duty resource mobilisation in the first three months of the Budget after it came into effect and the realisation thereof ; .

(b) whether a review on excise tariff has become necessary for small scale items of mass consumption product to realise more excise duty ; and

(c) the number of units which have complained that these units are closed because of increased excise tariff ?

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

(a) The sanctioned Budget Estimate for Union Excise Duties for the year 1985-86 is Rs. 12,226.69 crores. On the basis of the collections from April to June in the preceding two financial years it was expected that the collection from April to June, 1985 would be about 22.8% of the sanctioned Budget Estimate which comes to Rs. 2787.69 crores. As against this actual realisation from April to June 1985 is Rs. 2896.54 crores.

(b) A Technical Study Group is reviewing the excise tariff. The Group is expected, inter alia, to go into the question of the excise duty concessions available to the products of units in the small scale sector.

(c) Following the liberalisation effected in the Budget of 1985-86 in the schemes of exemption from excise duty in respect of specified groups of commodities as well as of goods falling under Item 68 of the Excise Tariff, numerous representations were received. It is however not possible to indicate the number of such representations. Having regard to relevant considerations the small scale exemption scheme for goods falling under Item 68 was further liberalised so as to provide for a rate of duty of 25% of the duty otherwise payable for clearances exceeding Rs. 20 lakhs and upto Rs. 30 lakhs in value.

Constitution of Boards for Nationalised Banks

4762. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether the constitution of regular boards on nationalised banks has been delayed ;

(b) the reasons thereof ; and

(c) the steps taken to find new talents for these boards ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Boards of Directors of nationalised banks have not been dissolved and hence the question of constitution of regular Boards does not arise. However, in terms of provisions of Nationalised Banks (Management & Miscellaneous Provisions) Schemes, 1970 and 1980, such of those non-official Directors as had completed three years as Directors had been notified as having ceased to hold office from the date they completed three years as Directors. Resultant vacancies have not yet been filled. The process of selecting suitable persons for such vacancies has already been initiated by the Government.

Target fixed by NABARD for Loan to Small and Marginal Farmers and such Loans advanced in Maharashtra

4763. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether there had been fixed some targets regarding the amount to be advanced as loan assistance to the small and marginal farmers in each State by the National Bank for Agriculture and Rural Development during the Sixth Five Year Plan period ; and

(b) the details regarding the amount given as loan to the small and marginal farmers in Maharashtra, particularly in rural areas ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. NABARD had not fixed any State-wise targets of amounts for small and marginal farmers. However, NABARD insists that at least 60% of its refinance under schemes relevant to the small and marginal farmers should be utilised for financing them.

(b) Present data reporting system does not yield information in the desired form. However during the Sixth Plan Period the refinance disbursed by NABARD to various banks in

Maharashtra against their lending to small marginal farmers under sanctioned schemes amounted to Rs. 221.60 crores constituting more than 70% of the total refinance disbursed by NABARD in Maharashtra under schemes relevant to small and marginal farmers.

Criteria Fixed for Reserved Candidates/ Employees in Foreign Postings in Punjab National Bank

4764. SHRI NARSING RAO SURYAWANSHI : Will the Minister of FINANCE be pleased to state :

(a) whether there is any reserved quota fixed for candidates/employees belonging to Scheduled Castes and Scheduled Tribes in different grades, in promotion, selection grades and foreign postings in Punjab National Bank;

(b) if so, the details thereof grade-wise, promotion-wise, selection grade-wise in foreign postings; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). In Punjab National Bank the staff is divided into three categories :

1. Officers,
2. Clerks, and
3. Subordinate Staff.

Direct recruitment to officers cadre is done on an All-India basis and 15% and 7½% reservation is available to Scheduled Castes and Scheduled Tribes respectively in such recruitments. Direct recruitment to clerical cadres and subordinate staff is normally done region-wise and the percentage of reservations for Scheduled Castes and Scheduled Tribes applicable for such recruitments are according to the percentages prescribed for respective regions for this purpose. Reservations in promotions are also available at

the rate of 15% and 7½% for Scheduled Castes and Scheduled Tribes respectively in which the elements of direct recruitment, if any, does not exceed 66-2/3%.

In the case of officers, according to the existing instructions, if the promotions are made on seniority basis, reservations will be applicable upto MMG Scale-III. Where the promotions are made on the basis of selection, reservation is available only for promotion from clerical cadre to the Junior Management Scale-1. In Punjab National Bank, promotions to the various scales in the officer's cadre is not based exclusively on seniority. These are made on selection basis. The reservations in promotions are, therefore, not applicable to any promotion within the bank. However, there are senior management and top executive grades, but reservations in promotions from MMG to these grades are not applicable.

In the matter of foreign postings on reservation is available for Scheduled Castes and Scheduled Tribes according to the existing instructions. The criteria,

for posting abroad, as applicable to general category officers is applicable to the Scheduled Caste and Scheduled Tribe officers also. Eligible Scheduled Caste and Scheduled Tribe officers are considered alongwith others for such postings.

Licences to Bank for Opening Their Branches in Orissa

4765. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the details regarding the names of the private sector and public sector banks which have been issued licences to open their branches in Orissa during the last one year and the number of branches opened by these banks; and

(b) the number out of them to be opened in rural areas and the specific directives issued to them to deal with the farmers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Required information relating to the public and private sector banks is given below :

Name of Bank	Number of authorisations/licences issued during 1984-85 for opening new branches in Orissa	Number of branches opening in Orissa during 1984-85
Public Sector Banks		
State Bank of India	27	21
State Bank of Hyderabad	1	—
Addhra Bank	7	5
Allahabad Bank	5	5
Bank of India	6	2
Canara Bank	3	—
Central Bank of India	5	—
Indian Bank	6	3
Indian Overseas Bank	7	6
Syndicate Bank	3	3
Union Bank of India	2	2
United Bank of India	11	4
United Commercial Bank	15	13
Regional Rural Banks	48	27
Private Sector Banks	—	—

(b) According to the information available from Reserve Bank of India, the scheduled commercial banks were holding 50 authorisations as at the end of March 1985 for opening branches in the rural areas of Orissa. The Reserve Bank of India have issued guidelines to all public sector banks for increasing the flow of credit in agricultural sector, particularly to small and marginal farmers.

Setting up of Separate Courts for Suits Filed By Banks For Recovery of Dues

4766. SHRI M. RAMACHANDRAN : Will the Minister of FINANCE be pleased to state whether in view of the fact that innumerable suits filed by banks for recovery of dues are pending before courts, Government propose to set up separate courts to dispose of the same ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : While suggestions/recommendations in this regard have been received by Government/Reserve Bank of India, no concrete proposals as such are under consideration of the Government at present.

Procurement of Iron-Ore From Orissa Mining Corporation and Private Mine Owners

4767. SHRI LAKSHMAN MALLICK : Will the Minister of COMMERCE be pleased to state :

(a) whether M.M.T.C. procures iron-ore from Orissa Mining Corporation and private mine-owners;

(b) if so, the purpose thereof;

(c) the total quantity of iron ore procured by MMTC from Orissa Mining Corporation and mine-owners of Orissa during the Sixth Plan period, year-wise;

(d) whether Government have decided to increase the procurement of iron-ore for export purposes; and

(e) if so, the total tonnage of iron ore proposed to be procured from Orissa during 1985-86 ?

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

(b) MMTC procures Iron ore for export and to meet part requirements of the domestic steel plants.

(c) A statement showing total quantity of iron ore procured by MMTC for OMC and Mine Owners of Orissa during the Sixth Plan period, year-wise, is given below.

(d) Yes, Sir.

(e) MMTC proposes to procure for export about 15 lakh tonnes of iron ore from Orissa during 1985-86.

Statement

Year	For Export		For Steel Plants			Total	Grand Total
	O.M.C.	Others	Total	O.M.C.	Others		
1980-81	4.84	7.83	12.67	0.60	10.62	11.22	23.89
1981-82	3.86	6.75	10.61	0.61	10.23	10.84	21.45
1982-83	1.37	5.79	7.16	0.47	9.83	10.30	17.46
1983-84	1.13	5.50	6.63	8.31	2.93	3.24	9.87
1984-85	3.35	6.99	10.34	0.58	8.06	8.64	18.98

Removal of Export Irritants by Japan

4768. SHRI B.V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Japan has taken a number of steps under the 'Action Programme' to cut down procedural stumbling blocks the constant irritants to exporters to Japan ;

(b) if so, to what extent these removal of export irritants has helped India; and

(c) to what extent the trade between the two countries will further improve ?

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

(b) and (c). The reduction/removal of tariff and non-tariff barriers on items of export interest to India are likely to result in increased exports from India.

Set Off in Respect of Duty Paid not Allowed in Manufacture of Transformers

4769. SHRIMATI USHA VERMA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that set-off is given in respect of duty paid on electrical stamping and lamination used in the manufacture of motors and other electrical equipments;

(b) if so, the reasons that set-off of the duty paid is not allowed in the manufacture of transformers which are vital for power development and programme;

(c) whether Government propose to take any action in this regard; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). While set-off of excise duty

paid on electrical stampings and laminations used in the manufacture of motors and certain other electrical equipments is available, the same has so far not been provided for in cases of their use in the manufacture of transformers. This is for reasons of revenue sacrifice involved and because excise duty in respect of electric motors and other equipment. Presently, no proposal is under consideration of the Government for extending the benefit of set off to transformers.

Misuse of Development Loans Allotted Under 20-Point Programme in Tribal Areas

4770. SHRI. K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to his Ministry's notice that a regular racket specialising in pilfering the development loans allotted under the 20-Point Programme is flourishing in the tribal belts;

(b) whether in certain tribal areas, the so-called loans by the nationalised banks and co-operative banks have brought havoc on individual tribals and their families; and

(c) if so, the steps which he proposes to prevent the banks operating in these areas violating all rules and resorting to such malpractices like fake loans as an excuse to auction the tribals' land and subjecting them to all sorts of harassment and ignominy ?

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

(a) to (c). The Government have been receiving complaints about the misuse of development loans and it has advised the State Governments to set up District level Sub-Groups to oversee the grievances of the borrowers and provide redressal to the extent possible.

The branch expansion policy is aimed at providing banking facilities in unbanked and underbanked areas. The bank employees have to observe the rules and guidelines laid down by

RBI and their own organisation. Any employee who violates the guidelines or indulges in malpractices renders himself liable for disciplinary action.

Inducement of Money for saving through Provident Fund and LIC etc.

4771. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that large number of public servants invest their money in shares and debentures;

(b) whether there is any proposal to induce them for savings through provident fund, Life Insurance Corporation, Postal Life Insurance etc. by giving more rate of interest say 12 per cent on General Provident Fund;

(c) whether a tendency has also developed amongst businessmen to eliminate banks and get money directly from investors; and

(d) if so, the effect it is likely to have on the national economy and on the functioning of banks and the steps proposed to be taken to check money-lending by investors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Investments in shares and debentures are made by various categories of persons, institutions, trusts etc. There are no estimates regarding the number of public servants who invest their money in shares and debentures.

(b) There is no proposal at present to increase the rate of interest on Central Provident Fund.

(c) and (d). Companies raise funds directly from the investors to meet a part of the cost of new/expansion projects. Banks mainly cater to the working capital requirements of business, industry, etc. The aggregate deposits of scheduled commercial banks have increased from Rs. 60596 crores as on the last Friday of March, 1984 to Rs. 72115 crores as on the last Friday of March, 1985. In 1985-86 this trend has been maintained and the deposits of scheduled commercial

banks have further increased by Rs. 4021 crores upto 5th July, 1985. The advances of the scheduled commercial banks have increased by Rs. 7145 crores in the financial year 1984-85 as compared to an increase of Rs 6562 crores in 1983-84. There is thus no adverse effect on the economy and the functioning of banks. As regards acceptance of deposits from the public this is subject to various type of regulations.

Capacity Utilisation of Ship-Breaking Yards of Alang and Sachana in Gujarat

4772. SHRI DIGVIJAY SINH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the total capacity of breaking ships in the ship-breaking yards of Alang and Sachana in Gujarat ;

(b) whether the actual operation in relation to capacity is around 35 per cent;

(c) how this average compares with other yards in the country; and

(d) the steps being taken to see that optimum capacity utilisation is effected in Alang and Sachana ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a). According to an assessment made by MSTC the capacity of ship-breaking at Alang and Sachana at 7,76 000 LDT per annum.

(b) On the basis of anticipated imports and availability of Indian Flag Vessels, during the current year, the average utilisation of capacity as assessed by MSTC is expected to be around 50 percent,

(c) This is expected to be about the same as in other Yards.

(d) The quantity of imported ships is determined by the gap in the demand for and availability of rerollables from various sources for production of bars and rods in the country. The quantity planned for import during the current year is double the tonnage actually imported during the year 1984-85.

Low value additions in public sector enterprises

4773. SHRI BHOLA NATH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether in some public enterprises the value added per man month was less than the average monthly emoluments per employees during the last two years ;

(b) if so, the details thereof and the main factors responsible for such low value additions in these enterprises ;

(c) the position in 1980-81 ; and

(d) the steps taken/proposed to put these enterprises on sound footing ?

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

(b) and (c). The enterprisewise details of average monthly emoluments per employee and value added per man month for 1983-84 and 1982-83 are given in Volume-3 Part I of the Public Enterprises Survey 1983-84, placed on the Table of Lok Sabha on 15.3.1985. These details for 1980-81 are available in Volume-3 of the Public Enterprises Survey 1980-81 placed on the Table of Lok Sabha on 24.2.1982.

Many factors contribute to the situation where the value added per man month is less than the average monthly emoluments per employee. Some of them are power shortage, recessionary conditions prevailing in industries like textiles, uneconomic prices, surplus manpower, out-moded technology and old plant & machinery, etc.

(d) The Government is continuously reviewing the performance of these enterprises and among the steps taken/proposed to be taken to improve their performance, mention may be made of the constitution

of special study teams, provision of additional investments for balancing facilities, technology upgradation, modernisation and rehabilitation of plants and equipment, regular monitoring by the concerned administrative ministries, improving the selection and appraisal of top managerial personnel, etc.

Check to find out benefit on account of reduction given in excise duty to large companies

4774. SHRI RADHAKANTA DIGAL : Will the Minister of FINANCE be pleased to state :

(a) whether any check is kept to find out the benefit on account of reductions given in excise duty on essential commodities manufactured by large companies is passed on to the consumers and if so, the details of the same ; and

(b) whether it has come to the notice of Government that the large companies have increased the prices of daily need commodities immediately after reduction in excise duties in 1985-86 and if so, the action proposed to be taken to ensure that the benefit is passed on to the consumer ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Excise law presently contains no provision whereby manufacturers of excisable goods can be made to ensure that any relief in excise duty is passed on entirely to the consumers. Whereas Government keeps a watch on the prices, it may be pointed out that excise duty is not the only factor which affects prices. In spite of an excise duty reduction other factors may lead to escalation in prices

Beneficiaries of rural development and employment scheme

4775. SHRI ASUTOSH LAW : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has recently conducted a study of the actual beneficiaries of the centrally sponsored rural development and employment schemes implemented by the different State Governments ;

(b) if so, the details of the RBI study and the findings thereof ;

(c) the norms followed by the RBI in assessing the number of actual beneficiaries ; and

(d) the State-wise break-up of the number of actual beneficiaries of such schemes as assessed by the Reserve Bank of India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sir, The RBI conducted a field study of implementation of Integrated Rural Development Programme. As far as self employment scheme is concerned in January, 84, RBI conducted a limited sample check of about 70 borrowers in 15 different States. A second detailed study covering a larger sample of 1200 beneficiaries was carried out during '85 and the results are under process

The main findings of the evaluation study of IRDP are regarding financing of ineligible persons in a few cases, lack of infra-structural facilities crucial to the success of investments, excessive concentration in some schemes like purchase of milch cattle, etc.

The sample check of the advances granted under the self-employment scheme revealed some deficiencies like financing to ineligible persons; borrowers not acquiring assets, excessive financing for trading activities concentration on some activity in a particular locality without considering the feasibility, etc.

(c) and (d), For the IRDP study, RBI selected 16 districts in the country (one district from one State) from where 2 blocks each selected in such a manner that one block represented proper

implementation of the programme and the other was one with not satisfactory performance. A total of 869 beneficiaries were selected for the study. The aim of the study was to assess the operational efficiency of programme implementation, the extent of proper utilisation of loans, the benefits which have been accrued to the beneficiaries by way of incremental income, etc. State-wise break-up of beneficiaries assessed by the RBI are given in the statement below :

Statement

<i>State</i>	<i>Number</i>
1. Assam	46
2. Bihar	57
3. West Bengal	11
4. Orissa	52
5. Uttar Pradesh	60
6. Haryana	60
7. Jammu & Kashmir	47
8. Himachal Pradesh	60
9. Rajasthan	60
10. Gujarat	60
11. Maharashtra	60
12. Madhya Pradesh	60
13. Andhra Pradesh	60
14. Karnataka	60
15. Tamil Nadu	60
16. Kerala	56
	—
	869
	—

Ban on Export of Monkeys

4776. SHRI VIRDHI CHANDER JAIN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that there is as ban on export of monkeys ;

(b) if so, when it was imposed ;

(c) whether it is also a fact that despite the embargo on monkey's export, it is not being effectively implemented ; and

(d) if so, the measures proposed to be taken in the regard ?

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

(b) 23rd November, 1977.

(c) and (d). No case regarding illegal export of monkeys has been reported.

[Translation]

Loans From Nationalise Banks For Transport Business

4777. SHRI BANWARI LAL BAIRWA : Will the Minister of FINANCE be pleased to state :

(a) whether there is any scheme under which people belonging to Scheduled Caste/Scheduled Tribe can get their vehicles like bus/truck/tempo ;

(b) whether they can avail of the facility by obtaining loans from the nationalised banks for starting the said transport business ; and

(c) if so, the names of banks which provide the loan facility-indicating the rate of interest and the guarantee required therefor in Rajasthan ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Advances granted to Small Road and Water Transport Operators owning a fleet of not exceeding six vehicles, including the one proposed to be financed, form part of the priority sector advances. Eligible borrowers can avail of advances for purchase of vehicles from the branch of a nationalised bank operating in their locality.

The Rate of Interest for such Advances are as under :

(i) where the total number of vehicles owned by the borrower is not more than 2 including the one proposed to be purchased 12.5%

(ii) Cases not covered under (i) 15.0%

Banks have been advised that collateral security/third party guarantee for loans upto and inclusive of Rs. 25,000/- should not be asked for. For loans in excess of Rs. 25,000/- collateral security by way of immovable properties or third party guarantee may be asked for only in cases where primary security is inadequate or for other valid reasons and not as a matter of routine. Such loans can be advanced by the banks all over the country including in Rajasthan.

[English]

Development of Textile Industry

4778. SHRI K. MOHANDAS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the locational restrictions with regard to setting up new industries or expanding the existing one under the industrial policy in coming into conflict with expansion of existing non-viable spinning units in Kerala ;

(b) whether any application for such expansion has been rejected by his Ministry on this ground after the announcement of the new Textile Policy ;

(c) if so, the details thereof ;

(d) whether such restrictions would not hamper the development of textile industry and thus defeat the spirit of the new Textile Policy ; and

(e) if so, the steps taken to remedy the situation ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Applications for expansion

sion of existing spinning units are considered on merits in the light of the existing policy for grant of fresh licences in the spinning sector.

(b) and (c). An application for licence for expansion of spinning capacity from M/s Kathaye Cotton Mills, Alwaye, Kerala has been rejected by the Secretariat of Industrial Approvals. Their appeal against the rejection is under consideration.

(d) and (e). Guidelines for issue of new licences in the spinning sector has been framed keeping in view the tentative projected requirements of additional spinning capacities during the Seventh Five Year Plan and the fact that there exists a large number of valid permits issued under the previous Delicensing Scheme.

India to Launch Commercial Campaign in France and USA about its Industrial Potential etc.

4779. SHRI K.S. RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have decided to launch a commercial campaign in France and U.S.A. to make people aware of India's industrial potential and the variety of goods that it can offer in the wake of festivals in those countries ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). Yes, Sir. The details of the programme are being worked out.

Revision of Wages of Workers of NTC Azamjahi Mills, Warangal

4780. SHRI C. JANGA REDDY : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether a 'Wage Committee' was formed to go into the question of revision of wages of the workers of the National Textiles Corporation Azamjahi Mills, Warangal ;

(b) if so, the progress in this regard so far ; and

(c) when the Committee's work is likely to be completed ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :

(a) While no such Committee has been set up exclusively for Azamjahi Mills, Warangal, it is learnt that the Govt. of Andhra Pradesh has set up a Tripartite Committee to go into the wage, D.A. and other conditions of service of textile mills in Andhra Pradesh.

(b) and (c). Since no such Committee has been set up by the Govt. of India for the NTC, the question of progress in this regard does not arise.

Medical Reimbursement by Minerals and Metals Trading Corporation

4781. SHRI RAM PUJAN PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the amount paid by the Minerals and Metals Trading Corporation, New Delhi as medicals reimbursement charges to its employees during January 1984 to July 31, 1985 (month-wise);

(b) whether Government propose to cover the employees of the Minerals and Metals Trading Corporation under the Central Government Health Scheme; and

(c) the steps M.M.T.C. management propose to take to check the misuse of present system of medicals scheme with details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) A statement-I showing month-wise expenditure on account of medical reimbursement in respect of employees of M.M.T.C.'s Corporate office, New Delhi for the period 1-1-1984 to 31-7-1985 is given below,

(b) No, Sir.

(c) A statement-II is given below.

Statement-I

		(Rs.)
January, 1984	—	2,64,020.71
February, 1984	—	60,691.93
March, 1984	—	6,00,855.07
April, 1984	—	11,513.80
May, 1984	—	1,69,745.61
June, 1984	—	2,09,515.80
July, 1984	—	2,00,083.97
August, 1984	—	2,28,335.48
September, 1984	—	2,34,547.03
October, 1984	—	2,52,595.32
November, 1984	—	3,52,674.53
December, 1984	—	2,57,967.69
January, 1985	—	2,83,134.43
February, 1985	—	2,17,022.57
March, 1985	—	6,42,065.85
April, 1985	—	20,654.59
May, 1985	—	1,69,429.89
June, 1985	—	1,84,183.73
July, 1985	—	2,47,559.81

Statement-II

Under the existing scheme, bills are submitted by the doctors/chemists etc. to MMTC's office for payment. However, reimbursement to the employees is made only for hospitalised treatment and clinical tests. In order to exercise control on medical expenditure on such employees and to ensure that medical facilities are not misused, following steps have been taken :

- (a) All employees of the Corporation are asked to name the Authorised Medical Attendant of their choice for taking day-to-day treatment;

- (b) the cases of such employees whose medical expenses are consistently on the high side are periodically reviewed and remedial action taken.
- (c) Authorised Medical Attendants who are found to be not following Corporation's instructions or prime facie indulging in irregularities are depanelled from time to time; and
- (d) the Corporation also exercise stricter control in scrutinising the bills for medical expenses in terms of its rules.

Advancing of Loans by Banks to Shipping Companies

4782 SHRI BEZHADA PAPI REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether he is aware that some banks have been advancing big loans to some shipping companies;

(b) if so, the total amounts advanced by banks bank-wise and shipping company-wise during the last three years ending 31st March, 1985;

(c) the details of major terms on which such loans were advanced;

(d) the schedule of payment of the loan; and

(e) in case loan has not been returned as per terms settled upon; the reasons for the same and the steps taken to recover the amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India has reported that during the last three years ending 31st March, 1985, four Indian Commercial Banks have disbursed a total of Rs.108.89 crores to 10 shipping companies for acquisition of ships under the 'Ship Acquisition From Abroad Under New Scheme - SAFAUNS'. In terms of Section 44(1) of the State Bank of India Act, 1955 and Section 13(1) of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970, the details of individual constituents of the public sector banks cannot be disclosed. Hence, the bank-wise and company-wise details cannot be disclosed.

(c) and (d). The loans disbursed under the Government's scheme and 'SAFAUNS' are granted for a period of 12 years with initial moratorium of two years, against guarantee from Shipping Development Fund Committee (SDFC) in favour of the financing bank as security for the loan. The effective rate of interest charged from the shipping companies is 7.5%. The repayment of such loans are to be made

in half yearly equal instalments commencing after the initial moratorium of two years.

(e) Due to Global recessionary trend in the shipping industry the shipping companies have been facing some financial difficulties in repayment of the loans availed by them and therefore, they have approached the Government for some reliefs in the repayments of the loans.

Setting up of Mini Steel Plants

4783. SHRI MURLIDHAR MANE : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a proposal to set up mini steel plants in the country in view of financial constraints is under consideration of Government;

(b) if so, the details thereof;

(c) whether Government also propose to set up some more mini steel plants in Maharashtra; and

(d) if not, the reasons therefor ?

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

(b) Does not arise.

(c) and (d). No such proposal is under consideration of the Government.

Exploration Of Uranium And Other Metals In Andhra Pradesh

4784. SHRI VIJAYAKUMAR RAJU : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that uranium and other rare metals have been found in some districts of Andhra Pradesh ;

(b) is so, the names of the districts where the uranium and other rare metals have been located ; and

(c) the steps taken for their exploration ?

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

(a) Yes, Sir,

(b) Uranium and other heavy minerals have been located in Mehboobnagar, Nellore, Nellore and Prakasam Districts of Andhra Pradesh.

(c) The Atomic Minerals Division of the Department of Atomic Energy has intensified its integrated survey and exploration programme by using multi-pronged strategy for identification of new target areas. Apart from foot-surveys and geo chemical and geophysical methods, airborne gamma spectrometry and magnetometric surveys and remote sensing methods are also being used for the purpose.

[Translation]

**Grant Of Loans To Weaker Sections
In Faizabad District Of Uttar
Pradesh**

4785. SHRI R P SUMAN : Will the Minister of FINANCE be pleased to state ;

(a) whether Government have issued instructions for grant of loan to weaker sections and Scheduled Caste/Scheduled Tribe beneficiaries under special component plan and various schemes meant for the poor without insisting on surety or guarantee ;

(b) if so, the details thereof and when such instructions were issued ;

(c) the number of banks which have advanced loan under above instructions without insisting on surety or guarantee indicating the number of beneficiaries of each category granted loan in Faizabad District of Uttar Pradesh ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE . (SHRI JANARDHANA POOJARY) : (a) and (b). Separate instructions have not been issued by R.B.I. to banks in regard to financing SC/ST beneficiaries under the special component plan. However, Reserve Bank of India have from time to time issued comprehensive set of guidelines to banks regarding liberalised Margin and Security norms etc. in respect of all categories of borrowers for advances under priority sector and weaker sections. As per these guidelines banks should not insist on collateral security or third party guarantee in the case of small loans upto Rs./- 5 000 in agricultural sector and upto Rs. 25,000/- in other priority sectors.

(c) and (d). R.B.I. has reported that the information in the manner asked for is not yielded by the present reporting system. However, according to the latest available information, aggregate advances of Scheduled Commercial Banks in Faizabad District of Uttar Pradesh stood at Rs. 33.19 crores on the last Friday of June, 1984.

[English]

**Cases of Irregularities Detected Against
Employees Officers of the CCI & E**

4786. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state :

(a) whether cases of irregularities/ violation of rules and regulations committed by certain employees and officers of the Chief Controller of Imports and Exports have been detected by Governments ;

(b) the particulars of such employees and officers, nature of irregularities, violation of rules and regulations and other relevant details ;

(c) whether Government have launched prosecution and departmental inquiries against all such persons ;

(d) the results of the prosecutions/ departmental inquiries so far, and

(e) if no inquiries instituted, the reasons, therefor ?

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

(b) 55 cases of irregularities during the period from 1.1.1983 to 30.6.1985 have been detected involving 37 employees and 37 officers. This includes 14 cases involving 7 employees and 13 officers which are still under investigation by the CBI.

(c) In 7 cases prosecution sanctions were given and the case are under trial in the Courts of Law. 9 employees and 1 officer are involved. Departmental proceedings are either under process or inquiries have been initiated in 21 cases involving 13 employees and 14 officers.

(d) and (e). In 13 cases, recognised penalties have been imposed involving 8 employees and 9 officers.

Tax Arrears Due From Big Business Houses

4787. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently decided not to show leniency towards the tax evaders;

(b) if so, the particulars of big business houses detected upto 30 June, 1985 against whom tax arrears of rupees one crore and above are due;

(c) the action proposed to be taken against them; and

(d) the total amount of tax due to be paid by the tax payers against whom rupees one crore and above are due ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Government has never been lenient towards the tax evaders. Appropriate action according to law is taken against the tax evaders and tax defaulters. The names of the industrial houses, registered under section 26 of the MRTP Act, 1969 (based on 31.12.1984) against

whom income-tax demands exceeding Rs. 1 crore were outstanding as on 31.3.1985 (the latest available information) are given in the statement given below.

(d) A sum of Rs. 664.59 crores was payable by the assesseees against whom income-tax demands exceeding Rs. 1 crore were outstanding as on 31.3.1985.

Statement

Sl. No. Name of the industrial house

1. A.C.C. Vickers Babcock Ltd.
2. A.C.C. Limited.
3. Bajaj Auto Limited.
4. Andhra Pradesh Paper Mills Ltd.
5. Century Spg. & Mfg. Co. Ltd.
6. Hindustan Aluminium Corpn. Ltd.
7. Jiyajeerao Cotton Mills Ltd.
8. Kossoram Industries & Cotton Mills Ltd.
9. Mysore Cements Limited.
10. Zuari Agro Chemicals Limited.
11. Escorts Limited.
12. Escorts Tractor Limited.
13. J.K. Synthetics Ltd.
14. Raymond Woollen Mills Ltd.
15. Straw Products Limited.
16. Kamani Engg. Corporation.
17. Larson & Toubro Limited.
18. Modi Industries Ltd. (formerly Modi Sugar Mills Ltd.)
19. Modi Rubber Limited.
20. Carborundum Universal Ltd.
21. National Rayon Corpn. Ltd.
22. South India Viscose Ltd.
23. Orissa Cement Ltd.
24. Bharat Steel Tubes.
25. Synbiotics Limited.
26. Jay Engineering Works Ltd.
27. D.C.M. Limited.
28. Dhrangaḍhra Chemicals Works Ltd.
29. Swan Mills Limited.
30. Mysore Wine Products Limited.
31. Swadeshi Polytex Limited.

**Stay Orders Preventing With Proceedings
Against Indian Tobacco Company**

4788. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the details of the stay orders preventing and/or proceeding further with adjudication proceedings against the Indian Tobacco Company that continue to be operative.

(b) the steps being taken by Government for getting these orders vacated; and

(c) the steps Government have taken for the recovery of arrears from the Indian Tobacco Company ?

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

[Translation]

**Bank Loans Outstanding Against
Agriculture Service Centres**

4789. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) the amount of loans outstanding against the agriculture service centres advanced to them through different nationalised banks in the country;

(b) whether it is a fact that the realisation of this amount has not been possible due to the general stay obtained on a writ filed on behalf of Madhya Pradesh Agro Enterprises Association in 1981 in the Supreme Court;

(c) whether it is also a fact that this stay has not been revoked because the Ministry has not been able to produce a scheme in the Supreme Court to revive these centres; and

(d) whether Government propose to make efforts to get the writ petition revoked speedily so that the huge amount of loans outstanding against these centres can be recovered ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The present data reporting system does not yield the information in the manner asked for. The Agro Service Entrepreneurs filed a petition in the Supreme Court of India alleging that the Government has not discharged its responsibilities as promised under the Scheme. A rehabilitation Scheme submitted in the Supreme Court on behalf of the entrepreneurs, was considered by the Government and it was communicated to the Supreme Court that the matter of the writ petition may kindly be considered on merit.

Frauds in Banks

4790. SHRI MOHD. MAHFOOZ ALI KHAN :
SHRI VISHNU MODI :

Will the Minister of FINANCE be pleased to state :

(a) whether the number of cases of frauds in nationalised banks has increased to such an extent that investigation of such cases has almost become the major part of the work of the Central Bureau of Investigation;

(b) if so, the percentage of cases registered by the C.B.I. in a year in regard to banks;

(c) the name of the State having the maximum cases and the categories of persons who indulge in such acts of frauds;

(d) whether Government propose to bring forward a legislation to check such cases of frauds in banks;

(e) if so, the details thereof; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Central Bureau of Investigation has reported that the number of cases involving nationalised banks registered by the CBI have increased in the last five years from about 19 per cent in 1980 to 26 per cent in 1984 of the total cases registered by the CBI.

(b) and (c). In Central Bureau of Investigation has reported that during the year 1984, it had registered 286 cases relating to bank frauds which were about 24 per cent of the total cases registered by it in that year. The highest number of cases in any state in that year was 43 in Uttar Pradesh. In most of the bank fraud cases Branch Managers of the concerned banks and private parties, who were customers of the banks, were involved. The break-up of persons involved in these cases is as under :—

No. of cases	Persons involved		
	Officers	Award staff	Private parties
286	344	87	241

(d) to (f) At present no proposal to bring forward any special legislation is under consideration of Government. The existing legal provisions are considered adequate to deal with cases of frauds.

[English]

Desire or non-resident Indians to invest in various companies in India

4791. SHRI B.B RAMAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether he is aware that non-resident Indians have expressed great desire to invest their savings in various companies in India ;

(b) if so, the details of the investments sought to be made by non-resident Indians ;

(c) how, far will this affect the Indian entrepreneurs ; and

(d) the steps proposed by Government to safeguard the interest of Indian businessman ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There is good response from the non-resident Indians for investments in India.

(b) The position for the period since April 1982, relating to investment facilities for non-residents of Indian nationality/origin as well as overseas corporate bodies owned at least to the extent of 60% by them, for which data available with the Reserve Bank of India, is as follows :

	Amount (Rs. in crores)
(A) <i>Direct investment</i> (as on 30.6.1985)	315.96
(B) <i>Portfolio investment</i> Actual purchases of Shares/Debentures through Stock Exchange (as on 31.3.1985)	46.87
(C) <i>Bank Deposits</i> Outstanding balances (as on 31.5.1985)	3968.64

(c, and (d). The limit for purchase of one per cent of the paid-up value of the equity shares/convertible debentures in any one company by one non-resident investor subject to the overall ceiling of 5 per cent of the total paid-up value of equity capital/each series of convertible debentures by all eligible non-resident investors on both repatriation and non-repatriation basis under the portfolio investment scheme is intended to avoid any possibility of take-over bids. So far as non resident investment under the Direct Investment Schemes is concerned, the shares are issued to NRIs with the consent of the existing managements of Indian companies and thus the question

of proposing steps for safeguarding the interest of Indian businessmen does not arise.

Acquisition of explosive chemicals by Indian firms from parties having link with us based extremists

4792. PROF. P.J. KURIEN :
SHRI V. TULSIRAM :
SHRI INDRAJIT GUPTA :
SHRI JITENDRA SINGH :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to report appearing in the western press to the effect that certain Indian have been receiving highly explosive chemicals from parties which have links with extremists based in U.S. etc ;

(b) if so, whether any investigation has been conducted into this affairs ; and

(c) if so, the names and other details of those Indian firms the action being taken against them ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P A SANGMA) : (a) to (c). Government have no such information.

Purchase of Computers by Income Tax Department

4793. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Income Tax Department has purchased one crore worth of computers without taking appropriate preparatory steps to develop computer systems in consultation with staff unions ;

(b) if so, the reasons therefor ; and

(c) whether it is now proposed to consult staff unions and associations ?

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

(b) Does not arise.

(c) A dialogue has been held with some of the associations which is, however, inconclusive.

Deposit of amount by cooperative land mortgage bank and given to NABARD for small farmers

4794. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the Central Co-operative Land Mortgage Bank in Kerala has deposited Rs. 5.35 crores, which was given to it by NABARD for disbursement among the small farmers in Kerala, in two commercial banks for earning interest and had not disbursed it among the farmers ;

(b) if so, the action taken in this case ; and

(c) the steps taken to disburse this amount among the farmers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Contributions from NABARD are given by way of reimbursement finance representing amounts already lent by LDBs at the field level. The refinance goes into the pool of resources of LDBs and so it is difficult to segregate and ascertain whether any particular amount invested by LDBs is entirely related to refinance availed of from NABARD. The bank has other resources such as share capital, free reserve and amount received from borrowers on account of repayments.

However, in May '85 on receipt of information that Rs. 5.35 crores was

kept by Kerala Co-operative Central Land Mortgage Bank with two commercial banks as call deposits, NABARD investigated the matter. It was revealed that the bank had some surplus amount of a temporary nature which was deposited as call deposits in commercial banks. The Registrar of Cooperative Societies, Kerala has given post facto approval to the investment. NABARD has ascertained that the entire deposits have been withdrawn from the two commercial banks by 20th June '85.

**Adjudicating Proceedings Against ITC
Pending for Finalisation**

4795. SHRI RAM BHAGAT, PASWAN : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2902 on 12th April, 1985 regarding adjudicating proceedings against ITC pending for finalisation and state :

(a) whether the information relating to Income-tax and Custom duty has been collected; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No adjudication proceedings against M/s I.T.C. Limited relating to income-tax and customs duty are pending for finalisation.

**Sanction of Loan by United Bank of India
to Lokabratl Society of Purlia**

4796. SHRI BASUDEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether this is a fact that a large amount of money was sanctioned to Lokabratl Society of Purlia District by United Bank of India in the year 1972 for giving loan to the farmers of the District;

(b) whether this is also a fact that entire amount remain unpaid and has been misappropriated; and

(c) whether Government propose to initiate an enquiry into this fraud?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). According to Section 13(1) of the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and Banking Companies (Acquisition & Transfer of Undertakings) Act, 1980, no public sector bank is supposed to divulge any information relating to its constituents or to the affairs of its constituents. The Lokabratl Society being an individual account holder is a constituent of the United Bank of India.

**Action Against Companies for Violation
of Foreign Exchange Regulations Act.**

4797. SHRI B. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that certain companies registered in India are earning commissions from some foreign companies and the foreign exchange earnings are being deposited in Swiss Banks and other foreign banks with the result India is deprived from taking it into account as its foreign exchange earnings;

(b) if so, the particulars of the companies which generally do so and whether they inform Government about the same; and

(c) if Government are not informed of the same, whether this amounts to violation of FERA ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Under the provisions of the Foreign Exchange Regulation Act, 1973, companies/firms in India are required to repatriate into India any foreign exchange earned by them by way of commission from foreign companies. Retention of the same outside India without the prior permission of the Reserve Bank of India is violative of the

provisions of the Act. If any instance of unauthorised retention of commission abroad comes to notice, the matter is looked into by the Enforcement Directorate for appropriate action under the Act. No case of unauthorised retention of commission by any company registered in India, in Swiss banks or other foreign banks, has come to the notice of the Enforcement Directorate during the last three years.

Barging of Higher Rate of Interest from States or Foreign Banks

4798. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that on foreign borrowings, the Union Government charge from the State Governments a higher rate of interest than the Union Government to the foreign lenders;

(b) whether stipulated period of repayment of such loan for the State Governments are shorter than what the foreign lender has agreed to for the Union Government; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Central Government raises funds from many sources to finance its Plan and to provide Central assistance for State Plans, external loans being only one such source. Intern l borrowing by Central Government carries interest at 11.5% on market loans of longest maturity and 11% on special deposits. Interest on IBRD loans is also nearly 9%.

State Governments are charged interest at the rate of 8% per annum on loans for their Plan Schemes. A rebate of 1/4% is allowed for timely repayment and interest payment. Central assistance for State Plans (including assistance for externally aided projects) is not given in the form of loans only. Normally 30% is provided as outright grants and 70% as loans.

If the grant element is taken into account the effective interest charged will be less than even 8%.

As regards repayment all the loans to States for Plan schemes are recoverable in 15 years. Relief in the debt burden of the States is provided by the Central Government from time to time on the basis of the recommendations of the Finance Commission.

Evasion of Revenue in Exporting Safety Matches Out of Delhi

4799 SHRI HAFIZ MOHD SIDDIQ : Will the Minister of FINANCE be pleased to state :

(a) whether safety matches are exported from Delhi to the neighbouring States in huge quantity daily defrauding the Government of the revenues like sales and income-taxes of crores of rupees as there is no sales tax on matches in Delhi;

(b) if so, the steps proposed to be taken to check this evasion of revenue;

(c) whether there is any proposal to levy sales tax on matches in Delhi; and

(d) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Sales Tax authorities in Delhi are not aware of any large scale export of hand-made safety matches from Delhi to the neighbouring States, on which there is no local Sales Tax. The Income Tax authorities have also no information in this regard.

(b) The question does not arise.

(c) and (d). The Delhi Administration have informed that representations in this regard have recently been received by the Administration which are under their examination.

**News Item Captioned "Bogus Bank
Loan Cases Detected"**

4800. SHRI THAMPAN THOMAS :
Will the Minister of FINANCE be
pleased to state :

(a) whether Government have seen
the news-item "Bogus bank loan cases
detected" appearing in "Economic
Times" of 21st June, 1985;

(b) if so, the details thereof; and

(c) whether Government have taken
any action against the Manager of the
issuing bank and the commission agent?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) to
(c). Yes, Sir. The allegation mainly
refers to fraudulent activities in advanc-
ing crop loan. No specific bank or bor-
rower has been mentioned in the news
item. However, Reserve Bank of India
has been asked to get the matter
investigated.

**News-Item Captioned—"Bank Helps
Swindle Other Banks"**

4801. SHRI KALI PRASAD
PANDEY :
SHRI MURLIDHAR MANE :

Will the Minister of FINANCE be
pleased to state :

(a) whether he has seen a press
report captioned 'Bank helps swindle
another bank' appearing in the Indian Ex-
press' of 21st July, 1985;

(b) if so, the facts thereof;

(c) the particulars of officials of the
Canara Bank, Colaba Branch, Bombay
and its other branches in other parts of
the country alleged to be involved in the
deal and the action taken against them;

(d) whether it is a fact that the State
Bank of India had submitted a note to
the Reserve Bank of India in this conec-
tion; and

(e) if so, when and the action taken
by the Reserve Bank of India after the
receipt of the said note from the State
Bank of India.

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

(b) and (c). M/s Intercorp Associ-
ates and M/s Shaktiman Enterprises were
granted certain bills discounting limits at
Bombay (Colaba) branch of Canara Bank
and these bills were drawn on another
sister concern Investments and Ventures
Consolidated at Bangalore. These were
co-accepted by the Bangalore (Shivaji-
nagar) branch of State Bank of India.
The bills were discounted from June,
1984. When the bills matured in Decem-
ber 1984, fresh bills were discounted
and earlier bills were adjusted. In Feb-
ruary 1985 all bills were paid before
maturity out of funds received from Ban-
galore. At present there are no liabilities
of the unit at Bombay (Colaba) branch of
Canara Bank. However, according to
the Reserve Bank of India, there had been
serious irregularities in the sanction and
operation of the accounts.

The transactions in the accounts of M/s
Intercorp Associates and M/s Shaktiman
Enterprises are linked to the fraud of
Rs. 3.50 crores at the Bangalore (Shivaji-
nagar) branch of State Bank of India.
M/s. Intercorp Associates were having a
current account at that branch also and
the Branch Manager was purchasing che-
ques for large amounts in the account
unauthorised. In February, 1985, he
purchased seven cheques for an aggregate
amount of Rs. 3.50 crores from the party
drawn on Oriental Bank of Commerce,
New Delhi, but the cheques were returned
unpaid and the branch was saddled with
dues amounting to Rs. 3.50 crores. Out
of the proceeds of the above cheques pur-
chased from the party, the liabilities to
Colaba (Bombay) branch of Canara Bank
were cleared through the bank's Banga-
lore (Langford Town) branch. At the end
of May 1985, the outstandings in the
party's account at State Bank of India,
Bangalore (Shivajinagar) branch were Rs.
356.47 lakhs. The State Bank of India

has placed the Manager and the Accountant of the Branch under suspension. It has lodged an FIR with local police and has also filed a complaint with the C.B.I. Canara Bank has advised the Reserve Bank of India that it does not find any reason to examine the staff aspect to fix responsibility for the transactions as there has been no lapse and their advances stand fully recovered.

(d) and (e). State Bank of India has reported a fraud of Rs. 3.50 crores at its Bangalore (Shivajinagar) branch. On receipt of a report from the State Bank of India, Reserve Bank of India conducted scrutiny of the accounts of concerns at Bangalore (Shivajinagar) branch of State Bank of India and Bangalore (Langford Town) and Bombay (Colaba) branches of Canara Bank during March/April, 1985. The irregularities noticed during the scrutiny have been pointed out to the banks and the R.B.I. is taking the necessary follow-up action. Reserve Bank of India has also cautioned all scheduled commercial banks about the dealings of the concerns connected with the partners of M/s InterCorp Associates.

Estimate of Black Money according to different committees."

4802. SHRI GADADHAR SAHA : Will the Minister of FINANCE be pleased to state the estimated present black money in India according to different committees, commissions and experts year-wise during 1953-54, 1968-69, 1976-77, 1978-79, 1980-84 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY). The Estimates Committee (1980-81-7th Lok Sabha) had recommended that the Government should attempt an estimate of black money in India. Accordingly, the National Institute of Public Finance and Policy have made the following estimates of following years :

Year	Range of black income (Rs in crores)	Percentage of Gross Domestic Product
1975-76	9958 to 11870	15 to 18
1980-81	20362 to 23678	15 to 18
1983-84	31584 to 36786	18 to 21

They have however, admitted that their results are based on numerous assumptions and approximations, each of which could be challenged.

Flight Of Capital From India To Foreign Countries And Banks

4803. SHRI D.N. REDDY : Will the Minister OF FINANCE be pleased to state :

(a) whether Government are aware of the flight of capital from India to foreign countries and banks ;

(b) if so, the estimates for the last three years, year-wise ;

(c) whether the foreign banks in India are helping the flight of capital ;

(d) whether Government propose to negotiate with Swiss banks to disclose the accounts of Indian Nationals illegally held there, as had been done by France and USA ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) While violations of FERA regulations come to notice from time to time and are dealt with severely, there is no question of any flight of capital as such taking place from India to foreign countries and banks. R.B.I. keeps a close watch over foreign exchange transactions and operations by all banks, including foreign banks, and measures are taken as necessary to ensure that illegal transfers are curbed and severe action taken against offenders.

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

(d) No such proposal is under consideration of Government at the present time.

Proposal to implement suggestion of Wanchoo Committee and National Institute of Finance and Policy

4804. SHRI VIJAY KUMAR MISHRA : Will the Minister OF FINANCE be pleased to state :

(a) whether recently released report on aspects of the black money in India envisages severe control on the operation of black money ;

(b) whether in view of the suggestion of the Wanchoo Committee, Government propose to discontinue to resort to any form of voluntary disclosure ; and

(c) whether there is any proposal to implement the suggestion of Wanchoo Committee and those of the Notional Institute of Finance and Policy ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The report of National Institute of Public Finance and Policy on "Aspects of the black economy in India" has been received by the Government recently. The report is now an easily accessible document. The contents of the report are no longer secret.

(b) No scheme of voluntary disclosure is under the consideration of the Government at present.

(c) The suggestion of the Wanchoo Committee have already been considered and implemented to the extent feasible. As regards the implementation of the suggestions of the National Institute of Public Finance and Policy, these will be considered after the public debate on the report is over and suggestions are received.

Loss Suffered To Dhanmandal Jute Mill In Orissa

4805. SHRI CHINTAMANI PANIGRAHI : Will the Minister of Supply and TEXTILES be pleased to state :

(a) whether Government are aware that Dhanmandal Jute Mill in Orissa in which the National Agriculture Federation has a share is incurring loss and is now on verge of closure ; and

(b) if so, whether steps are being taken to save the only jute mill in Orissa from being closed down ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). It is felt that the Hon'ble Member is referring to Konarak Jute Mill Ltd., Dhanmandal (Orissa) which is a joint Venture of State owned Industrial Development Corporation of Orissa and National Agricultural Cooperative Marketing Federation. This Mill is reported to be incurring losses from the year it went into production in 1979 and is thus facing financial crisis. The Mill is running at about 70 per cent capacity. Financial institutions and banks have been moved by the Mill Company to provide necessary relief and assistance to the company to keep it running and make it viable.

Value of Imported Damaged Machines and Import Licences granted to pure drinks, Mohan Machines and Crown Company

4806. SHRI ANANDA PATHAK : Will the Minister of COMMERCE be pleased to state :

(a) the reasons why the same rules are not applicable to Pure Drinks as it is to the other victims of the November, 1984 riots in Delhi;

(b) the value of the imported damaged machines and the import licences granted to Pure Drinks, Mohan Machines and the Crown Company; and

(c) the names of companies which received more than Rs. 10 lakh imported licences ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Same rules, as applicable to other victims of November, 1984 riots in Delhi, were applied to M/s. Pure Drinks (New Delhi) Ltd. for import of machinery damaged in riots.

(b) Information is given in Statement-I given below.

(c) Names are given in Statement-II given below.

Statement-I

The names of firms, value of imported machinery damaged in November 1984 disturbances and value of import licences issued

Name of the firm	Value of imported machinery damaged (including duty, as reported by the firms)	Value of import licence issued
1. M/s. Pure Drinks (New Delhi) Ltd., New Delhi.	Rs. 21 lakhs	Rs. 2,40,00,000
2. M/s. Mohan Machines Ltd., New Delhi.	Rs. 7 lakhs	Rs. 65,00,000/-
3. M/s. Kool Crown Corks Pvt. Ltd., New Delhi.	Rs. 9 lakhs	Rs. 70,00,000/-
4. M/s. Cee Jay Crown Corks Mfg. Co. Pvt. Ltd., New Delhi.	Rs. 8 lakhs	Rs. 60,00,000/-

Statement-II

The names of firms whose machines were damaged in the November, 1984 disturbances and to whom import licences have been issued for more than Rs. ten lakhs.

1. M/s. Pure Drinks (New Delhi) Ltd , New Delhi.
2. M/s. Mohan Machines Ltd., New Delhi.
3. M/s. Kool Crown Corks Pvt. Ltd., New Delhi.
4. M/s. Cee Jay Crown Corks Mfg. Co. Pvt. Ltd., New Delhi.
5. M/s. Delhi Colours (P) Ltd , New Delhi.
6. M/s. Kapoor Air Products Pvt. Ltd. New Delhi.

Measure taken for Growth of Handloom Industry

4807. SHRI HARIHAR SOREN : Will the Minister of SUPPLY and TEXTILES be pleased to state :

(a) whether Government have been making efforts for the growth of handloom industry in different States;

(b) if so, the amount allocated to different States in 1984-85 and 1985-86 for this purpose;

(c) the incentive provided to the artists involved in handloom products in Orissa and other States in those years; and

(d) the details of the measures proposed to be undertaken for the growth of handloom industry in the country in Seventh Five Year Plan ?

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

(b) Since most of the handloom development schemes are implemented on the basis of matching assistance from the Central and State Governments, the release of Central share is dependent on the actual quantum of funds released by the State Governments. Therefore, the Central assistance is released to the State Governments during the year on the basis of the releases made by them. A STATEMENT showing the actual amounts released to different States during 1984-85 is given below. The corresponding figures for the year 1985-86 will be available only at the end of the financial year.

(c) No special incentives are provided by the Central Government to artists involved in handloom products in the States. However, a scheme of giving national awards for master craftsmen, which include the weavers, is being implemented by the Central Government.

(d) The main thrust of the development of handloom sector through the organisational frame work of the cooperatives and the State handloom development corporations, is proposed to be continued during

the 7th Five Year Plan. Besides, as stipulated in the national Textile Policy of June, 1985, greater emphasis will be placed on the modernisation of looms and transfer of technology, adequate availability of raw materials at reasonable prices through the operations of the National Handloom Development Corporation etc., encouraging production of mixed and blended fabrics, strict enforcement of the provisions of the new Reservation Act, removal of cost handicap of handlooms *vis-a-vis* powerlooms by suitable fiscal measures, transfer of the entire production of controlled cloth from the mill sector to the handloom sector by the end of the 7th Plan, strengthening of data base and conducting of census, strengthening of machinery for implementation, supervision and evaluation of handloom programmes, improving of infrastructure for marketing etc. Moreover, with a view to increase the commitment of the handloom weavers to the non-exploitative organisational structure and to improve their working conditions, certain welfare measures like contributory Thrift Fund Scheme and Workshed-cum-Housing scheme have also been launched.

Statement

State-wise central assistance for handloom development during the year 1984-85

Sl. No.	Name of the State	Share capital to Primary Societies	Share capital to Apex Societies	Managerial Subsidy	Modernisation	Processing	Share capital to state Handloom Dev. Corpn.	Export Production Project
1	2	3	4	5	6	7	8	9
1.	Andhra Pradesh	—	55.00	—	—	—	—	—
2.	Assam	11.00	—	—	—	—	—	—
3.	Bihar	11.00	18.00	3.00	9.80	—	—	—
4.	Gujarat	1.54	—	—	—	—	—	—
5.	Haryana	—	5.00	—	—	65.00	38.00	—
6.	Himachal Pradesh	1.34	0.75	0.24	1.085	—	2.00	20.00
7.	Jammu & Kashmir	—	—	0.35	1.74	—	30.73	—
8.	Karnataka	—	5.00	—	—	2.46	—	34.35
9.	Kerala	12.00	5.00	—	—	—	—	—
10.	Madhya Pradesh	6.20	37.50	—	10.83	—	6.00	—
11.	Maharashtra	2.00	4.00	2.50	5.00	8.91	10.00	—
12.	Mizoram	—	—	—	—	—	—	—
13.	Manipur	5.98	3.00	0.69	3.00	—	20.00	—
14.	Nagaland	—	—	—	—	10.00	10.00	—

15. Orissa	8.00	4.00	3.00	21.00	39.94	8.00	—
16. Punjab	—	7.00	—	—	19.89	15.00	3.16
17. Rajasthan	0.75	—	1.00	7.50	35.00	40.00	7.67
18. Tamil Nadu	63.16	50.00	—	10.50	—	5.00	5.00
19. Tripura	0.25	3.00	—	0.23	8.00	—	5.04
20. Uttar Pradesh	50.00	—	5.40	—	—	—	—
21. West Bengal	31.70	30.00	4.82	18.40	—	15.00	6.284
22. Pondicherry	—	—	—	—	—	—	—
23. N.E.H.H.D.C. Shillong	—	—	—	—	12.00	—	—
Total	193.92	228.05	21.00	89.085	211.20	199.73	81.504

Ban on export of frog legs

4808. SHRI KAMLA PRASAD
RAWAT :

SHRI VIJAY KUMAR
YADAV :

Will the Minister of COMMERCE be
pleased to state :

(a) whether Dr. G.M. Oza, a member of the International Union for Conservation of Environment and Nature has expressed the view that the number of frogs being killed every year for export of frog legs can eat about 8,10,000 tonne mosquitos and field insects which in turn will save crops from being damaged and check the spread of malaria ;

(b) whether there is danger of spread malaria in the country and the environment being polluted, if this export is not banned ;

(c) if so, whether Government propose to ban the export of frog legs ; and

(d) if not, the detailed reasons therefor ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI
P.A. SANGMA) : (a) to (d) There is
no authentic report on such view said to
have been expressed by Dr. G.M. Oza.
There is no concrete evidence to the
effect that if export of frog legs is not
banned, there is danger of spread of
malaria and pollution of environment.

It is not proposed to ban this export,
as Govt. have taken various measures
for conservation of resources and restriction
of exports of froglegs, which help
prevent indiscriminate catching and killing
of frogs.

[Translation]

**Purchase of medicines from abroad
which are declared harmful**

4809. SHRI NARESH CHANDRA
CHATURVEDI : Will the Minister of
COMMERCE be pleased to state :

(a) the names and value of the
medicines purchased by Union Govern-
ment during the last three years from
USA, Canada, U.K. West Germany and
France separately ; and

(b) whether Government propose to
continue the import of the medicines
from these countries in future also or
Government propose to manufacture them
in India ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI
P.A. SANGMA) : (a) The import stati-
stics are available upto February 1983.
Provitamins and vitamins, vegetable
alkaloids, harmones, natural or repro-
duced by synthesis, derivatives thereof
and not put up as medicaments,
antibiotics, glycosides glands or other
organs, medicaments, pharmaceutical
goods other than medicaments, etc. have
been imported for Rs. 83.5 crores
(approx.) upto February 1983, from
China, German Federal Republic, Japan,
U.K., U.S.A., France, Canada, etc.
Separate figures-itemwise and country-
wise are not available. Most of the
imports are by Government sector.

(b) During the last three years,
hospitals and medical institutions, any
individual and registered medical practiti-
oners have been permitted to import for
own use the medicines at any one time
for C.I.F. value not exceeding
Rs. 25,000/-, Rs. 1,000/- and
Rs 5,000/- respectively, subject to con-
ditions laid down. This policy has been
continued during the period 1985-88.

It is, however, the constant endeavour
of the Government to increase the indi-
genous production of medicines in short
supply.

**National strategy to raise the
production of cotton**

4810. SHRIMATI JAYANTI
PATNAIK :
SHRI SATYENDRA
NARAYAN SINHA :
SHRI ANAND SINGH :

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

(a) whether his Ministry has evolved a national strategy to raise the overall production of cotton from the present level of 77-78 lakh bales to 95 lakh bales by the end of Seventh Five Year Plan ;

(b) if so, the measures proposed to be adopted for the above purpose during that Plan period ;

(c) the total hectares of land in different cotton growing States proposed to be brought under cotton cultivation during the above Plan period ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) No, Sir. This work is done by Ministry of Agriculture,

(b) to (d). Information collected through the Ministry of Agriculture is given in attached statement.

Statement

The information collected from Ministry of Agriculture is given below :—

(b) Production and distribution of certified seed, distribution plant protection equipment serial spraying against pests and diseases, demonstrations on improved production technology, fixation of support price and arrangements for procurement of kapas.

(c) About 80 lakh hectares.

(lakh hectares)

(d) (i) Established irrigated areas 18.00

(ii) Area in Canal commands 5.00

(iii) Rain-fed areas 56.20

(iv) Non-traditional areas and rice-fallows, 0.80

Trade Agreements with Trinidad and Tobago

4811. SHRI E. AYYAAPU REDDY: Will the Minister of COMMERCE be pleased to state :

(a) whether any trade agreement has been signed between India and Trinidad and Tobago recently;

(b) if so, the terms of the agreement;

(c) the items of exports from India, agreed upon; and

(d) the total quantum of trade between the two countries ?

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

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

(d) The quantum of trade between India and Trinidad and Tobago during the last few years is given below :

(Rs. in lakhs)

Year	Exports	Imports	Balance of Trade	
1981-82	194.28	0.27	(+)	194.01
1982-83	321.00	—	(+)	321.00
1983-84*	617.00	15.00	(+)	602.00
1984-85* (April-Dec. 84)	199.00	1033.00	(—)	834.00

*Figures are provisional and subject to revision.

Mechanism to Control Quality of Stainless Steel Products

4812. SHRI N. TOMBI SINGH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government have any mechanism to control the quality of stainless steel products being sold in the market;

(b) if so, the details thereof; and

(c) if not, whether Government propose to introduce a mechanism to check the overflow of substandard/imitated stainless steel products in the market ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c). At present there is no exclusive mechanism to control the quality of stainless steel products. However, the production of stainless steel in the Alloy Steels Plant, Durgapur and Salem Steel Plant is assured by chemical analysis and checking of physical and chemical properties at various stages of production. Manufacturers of the consumer products may, at their option, adopt ISI Certification marks which assures a well defined system of inspection, testing and quality control during production. To facilitate the producers to produce quality products, Government of India has set up Small Industries Service Institutes, Extension Centres, Regional Testing Centres and Field Testing Stations. The Institutes/Centres advise the producers about the mechanism of inspection etc.

There is presently no proposal for introduction of any additional measures to control the quality of stainless steel products.

Financial Assistance to New Spinning Mills in Maharashtra

4813. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the financial institutions have taken a decision that

because there is enough spindlage in the country it is not necessary to give any financial assistance to new spinning mills;

(b) if so, whether this has caused severe difficulty to the new mills which are under construction in Maharashtra;

(c) whether the Maharashtra Government have urged the Union Government to reconsider the matter; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The financial institutions have taken a decision not to finance new spinning mill projects considering the fact that sufficient capacity has already been created or is under implementation. They have, however, decided to process the proposals which were already under their consideration and had made progress. Institutions have cleared 10 proposals of new spinning units in the State of Maharashtra during the last five years.

(c) and (d). The Maharashtra Government have written in some cases for providing financial assistance to the spinning mills. Government of India have, however decided that considering the availability of capacity already created or which is in the pipeline it will not be possible for financial institutions to provide assistance to any new spinning units.

Income-tax Arrears

4814. SHRI NARSINH MAKWANA : Will the Minister of FINANCE be pleased to state :

(a) the total amount of income-tax which could not be realised during the years 1982-83, 1983-84, 1984-85 alongwith the number of the persons against whom it remained outstanding;

(b) the steps taken to realise the outstanding amount of the taxes and the amount realised out of that as result of those steps; and

(c) the number of the persons from whom taxes were realised by disposing of their properties and the number of the persons who were apprehended and sent

to jail in this connection ?

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

(In crores of rupees)

Financial Year ending	Tax in arrears	Demand created but not fallen due	No. of assesses (Entries)
1982-83	844.93	625.01	28,26,975
1983-84	902.46	907.57	28,95,135
1984-85	1171.48	1347.92	figures not yet received.

(b) The Income tax Act 1961 provides for several steps for enforcing collection and recovery of 'Tax in arrears' such as levy of penalty, attachment of monies due to the defaulter, distraint and sale of movable property, committing the

defaulter to civil imprisonment etc. Depending upon the facts and circumstances of each case suitable steps are taken from time to time. The amount reduced out of arrear (by collection and/or adjustment) during the last 3 years is as under :

(In crores of Rupees)

Financial Year	Amount collected/reduced out of arrear demand
1982-83	568.48
1983-84	679.64
1984-85	1104.47 (Provisional)

(c)

Financial Year	No. of the persons from whom taxes were realised by disposing of their properties	No. of defaulters against whom arrest proceedings initiated	Defaulters committed to prison
1	2	3	4
1982-83	16	1745	—
1983-84	41	593	—
1984-85 (Provisional)	111	644	—

[English]

Holding Company for State Trading Corporation and Minerals and Metals Trading Corporation

4815. SHRI RAMSWAROOP RAM: Will the Minister of COMMERCE be pleased to state :

(a) whether there is a proposal to set up a holding company for public sector trading organisations like the State Trading Corporation and the Minerals and Metals Trading Corporation;

(b) if so, the details of the scheme drawn up in the matter; and

(c) when it will be brought into force ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) to (c). The functioning of State Trading Corporation and Minerals & Metals Trading Corporation including their status is under constant review.

[Translation]

Fee For Inspection By Export Inspection Agency Delhi

4816. SHRI SANTOSH KUMAR SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether Export Inspection Agency Delhi had received information in March that inspection fee which was supposed to be charged from exporters at the time of inspection was not received ;

(b) if so, that reasons for not taking any action by Addition Director even on getting timely informg ion.

(c) the action taken against the Additional Director , or not taking action in time ; and

(d) the reasons for suspending lower level employees ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) It is a fact that the Additional Director, Export Inspection Agency, Delhi in the meeting with the officers held on 26th March, 1985 came to know that there had been cases involving short/non-accountal of inspection fee in Export Inspection Agency, Delhi during 1984-85 and improper maintenance of accounts thereto.

(b) In the meeting which Additional Directory, Export Inspection Agency, Delhi had with his officers on 26th March, 1985 he advised them to take steps to prevent such incidents in future and also to enforce effective supervision by the officers. But he did not take any action against the erring officers employees who were responsible for such lapses.

(c) The Additional Director is on leave and will resume duty on 31st August, 1985. His explanation as to why he did not take any action against the erring officers'employees and also why he did not bring the irregularities to the notice of the Director (Inspection & Quality Control), Export Inspection Council, New Delhi will be called for.

(d) Keeping in view the magnitude of lapses on the part of the ministerial staff who were responsible to account for the inspection fee in proper manner and also the officers who were also responsible to exercise the checks over the functioning of these employees, 3 officers (Group A-2, & Group B-1) and 5 Group 'C' ministerial employees were placed under suspension and Regular Departmental Action have been initiated against them.

[English]

Export of Iron Ore of Barabill Barjmda Sector of Orissa

4817. SHRI BRAJMOHAN MOHANTY: Will the Minister of COMMERCE be please to state :

(a) whether the iron-ore of Barabill-Barjmda sector of Orissa is delivered at

Paradip Port for export at the average price 22 per tonne of ore and whether railway freight from Barabil Via Kharagpur is as much as 120/- and the Port and handling charges at Rs. 47/- per tonne ;

(b) whether Jhankapura Bansbani railway line being complete connecting Barabil to Paradip Via Baitari is proposed to be reduced to 330 kilometres instead of 660 Kilometres and the freight reduction will be around Rs. 60/- per tonne ;

(c) whether his Ministry are contemplating any steps to reduce the transport charges so that the export of iron-ore would be more competitive ; and

(d) whether his Ministry have urged upon the Railway Ministry to complete the total railway line as soon as possible so that mining and export business will flourish in that part of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Average FOB price of iron ore from Barbil-Barajamada Sector of Orissa is Rs. 220.31 per tonne which includes average railway freight of Rs. 113.00 from Barbil via Kharagpur and the average port and handling charge are Rs. 48.46.

(b) The rail link between Jhankapura and Banspani is expected to reduce distance between Barbil and Paradip to 330 Kms. At the current tariff rate the rail freight for distance will be about Rs. 70/- per tonne.

(c) Yes Sir.

(d) This matter has been under consideration of the Railway Ministry, and, construction of a new Broad Gauge line from Jhankapura to Bansbani, covering 176 Kms., has been sanctioned and phase-I of this project comprising of the 33 Kms. distance between

Jhankapura and Daitari has already been completed and opened to traffic.

Refusal of NABARD to Recognise Advances for Construction of Godowns as Agriculture Advance

4818. SHRI JITENDRA PRASADA : Will the Minister of FINANCE be pleased to state :

(a) whether NABARD has refused to recognise advances given for construction of godowns for storage of foodgrains only as agriculture advance ;

(b) whether Government investment of nearly 8,000/- crores in purchasing foodgrains by giving a support price in wheat only is facing damage and destruction due to non-availability of storage space ; and

(c) the action Government propose to take to make easy finance available on low interest for augmenting the storage capacity for foodgrains ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). No, Sir, NABARD has not refused to recognise advances given for construction of godowns for storage of foodgrains as agricultural advances. NABARD provides support to banks by way of refinance in respect of their advances for construction of godowns in rural areas by individuals, partnership firms, joint stock companies, State Warehousing Corporations for the storage of agricultural commodities. Recently the Food Corporations of India had approached NABARD with a Scheme for extending refinance support for construction of 1 million tons storage godown capacity by private parties to be leased to the Corporation. The matter was considered by the Board of NABARD and a decision was taken that the commercial banks could extend financial support for the purpose from their own resources without depending on refinance from NABARD.

[Translation]

**Targets Laid Down for Banks in
Almora And Pithoragarh Districts
Under Self Employment
Guarantee Scheme**

4819. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the target laid down for various banks in Almora and Pithoragarh districts of Uttar Pradesh under self-employment guarantee for educated unemployed youths for the years 1984-85 and 1985-86 ;

(b) whether during the above period all the applicants recommended by the task force in the districts have received bank loans ;

(c) if not, the number of recommended cases in which loans have been advanced ;

(d) whether the percentage of loan advanced to recommended applications differs bank to bank ; and

(e) if so, the reasons therefor and the steps Government propose to take to remove this anomaly ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). Presumably, the Hon'ble Member is referring to the Scheme for providing self-employment to the educated unemployed youth which was introduced in the year 1983-84. The present data reporting system under the Scheme does not generate bank-wise information for each district. However, as per the information available from the State Government, the banks had sanctioned 285 applications against the target of 270 in the year 1983-84 in the District of Almora. For the year 1984-85, 281 applications were sanctioned by banks against the target of 275 in the same district. In the District of Pithoragarh, 177 cases were sanctioned against the target of 170 for the year 1983-84.

For the year 1984-85, 189 cases were sanctioned against the target of 175 in the same district. The operative period of the Scheme has been extended for the current financial year, only recently, data for the year 1985-86 is not yet available.

**Removal of Development officers of
L.I.C. from service for not
achieving target**

4820. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether Development Officers of Life Insurance Corporation have been removed from service during this year for not achieving the prescribed target ;

(b) if so, the number of such Development Officers ;

(c) whether their families are facing acute financial difficulties because of their removal from the service ;

(d) if so, whether Government propose to give them a chance to achieve the target by reinstating them ;

(e) if so, when ; and

(f) if not, the measures proposed to be taken by Government to provide means of livelihood for their families ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes Sir. During the financial year 1984-85 some Development Officers of L.I.C. were removed from service for not conforming to the expense limit, which is with reference to premium income on insurance business secured by them, as prescribed in the Life Insurance Corporation of India (Staff) Regulations, 1960.

(b) The number of such officers is 38.

(c) to (f). On removal from service, the employees of the Corporation are

paid terminal benefits like gratuity, Provident Fund, etc.

The Development Officers are removed from service only after adequate opportunity is given to them to conform to the prescribed expense limit. Hence, it is not possible to reinstate them in the same cadre. However, they may be considered for appointment in Class III posts.

[English]

Meeting on Global System of Trade Preferences

4821. SHRI CHINTA MOHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether a Ministerial meeting on Global System of Trading Preferences took place in New Delhi on 25th July, 1985 as reported in the 'Hindustan Times' of 26th July 1985 ;

(b) if so, the details of aims objects purpose and scope of its deliberation ;

(c) whether any recommendations emerged out of the meeting so how these are proposed to be pursued by the new Chairman ; and

(d) whether earlier recommendations of non-aligned nations in this sphere will continue to be adhered in the coming years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Yes, Sir. The meeting took place on 25th and 26th July, 1985.

(b) The main objective of the meeting was to give political thrust to the on-going process of negotiations on Global System of Trade Preferences (GSTP) and to carry forward the process of finalisation of ground rules for GSTP. The meeting reviewed the progress in the implementation of the GSTP and also developments in the international trading environment affecting developing countries.

(c) The Ministerial Meeting adopted two declarations—one on Global System of Trade Preferences (GSTP) and the other on International Trading Environment affecting the Trade of the Developing Countries.

In the declaration on GSTP, the Ministers agreed that the Negotiating Committee on GSTP should consider in addition to the traditional product by product approach, certain complementary elements for the elaboration of techniques and modalities for the first round of GSTP negotiations. These complementary elements are : (i) across the board tariff reduction through a preference margin upto 10% ; (ii) removal or reduction on non-tariff and para-tariff measures including an undertaking by participating countries not to raise new non-tariff barriers or intensify the existing ones, in respect of product on which tariff concessions have been negotiated ; (iii) special attention to sectors of significant socio-economic importance to the participating countries such as non-textiles handicrafts, processed tropical products, textiles and agricultural products and (iv) organisation of product consultations to promote trade and development through a greater degree of processing, distribution and marketing among developing countries. The Ministers recognised the urgent need for the establishment of an overall legal framework within which the ground rules for the negotiations would be incorporated. The Ministers also agreed on a time table for the negotiations which *inter-alia* envisages that the first round of negotiations should commence not later than 1 May, 1986.

In the Declaration on International Trading Environment, the Ministers have *inter-alia* (i) reaffirmed their commitment to full adherence to the principles, rules and regulations of multilateral trading system and trade liberalisation ; (ii) called upon the international community to take steps for convening an international conference on Money and Finance for Development aiming at fundamental reform of the international monetary and financial system ; and (iii) urged the developed countries to join in a

dialogue to give a renewed thrust to international economic cooperation.

The recommendations on GSTP are expected to be pursued by the Negotiating Committee of the participating countries on GSTP. The recommendations relating to the international trading environment are expected to be followed up by the developing countries in relevant international forums.

(d) The Economic Declaration adopted by the Conference of the Heads of State or Government of the Non-Aligned Countries held in New Delhi in March 1983, *inter-alia*, called for successful and speedy conclusion of the Negotiations on GSTP in accordance with the principles, rules and time table agreed upon in the Declaration adopted at the 6th meeting of the Ministers of Foreign Affairs of the Group of '77' held in New York in October, 1982. The Ministerial meeting on GSTP held in New Delhi reaffirmed the commitment to the Declaration on GSTP adopted at New York.

[Translation]

**SC/ST Officers serving in various
Branches of New Bank of India**

4822. SHRI LALA RAM KEN : Will the Minister of FINANCE be pleased to state :

(a) the total number of officers serving in various branches of New Bank of India and the number of Scheduled Caste and Scheduled Tribe officers among them, branch-wise ;

(b) the number of officers belonging to Scheduled Castes post wise in various branches of this bank in Delhi alongwith the number of reserved posts lying vacant and the number of times efforts were made to fill up the same during the last three years ; and

(c) whether Government propose to clear the back-log during the year 1985 and 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) to (c). New Bank of India has reported that branch-wise and category-wise figures of officers and the total number of Scheduled Caste/Scheduled Tribes officers among them is not readily available as the same is being maintained at Regional Officers level. The total number of officers serving in various branches/offices of the bank as on 31.12.84 were 2,741. Out of them 20 belonged to Scheduled Caste and 2 belonged to Scheduled Tribes. Four Scheduled Caste officers all in the JMG Scale-I are presently posted in the branches/offices of the bank in the Union Territory of Delhi. Since reservation in the cadre of officers is on all India Basis, the question of reserved posts lying vacant in Delhi will not arise. On the all India basis, the bank has reported that the back-log in the various grades of officers in the bank to which direct recruitment is made was, as on 31st December, 1984, 13 in the case of Scheduled Castes and 10 in the case of Scheduled Tribes. In the case of posts filled by promotion, the backlog on that date was 10 for the Scheduled Caste and 6 for Scheduled Tribe.

Regarding efforts made by the Bank to clear the backlog, in respect of direct recruitment, the bank has reported that it is including the same in its tenders placed on the Banking Service Recruitment Board. In respect of promotions, the selection processes have been gone through only once since bipartite settlement in 1982 and reservations for Scheduled Caste and Scheduled Tribe candidates were duly taken care of. The bank has reported that it will take steps to clear the backlog in respect of promotion, to the extent possible, at the time of the next selections.

• [English]

**Promotion of SC/ST employees
in STC**

4823. PROF. M.R. HALDER : Will the Minister of COMMERCE be pleased to state :

(a) the total number of employees working in State Trading Corporation through out the country ;

(b) the number of them who belong to Scheduled Caste and Scheduled Tribe Communities ;

(c) whether reservation quota in promotion of employees is maintained by S.T.C. ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) The total number of employees working in the STC through out the country is 2439.

(b) The total number of employee belonging to SC/ST communities is 282.

(c) and (d). Reservation quota is maintained in promotion. In time bound promotion such quota is not maintained. SC ST are given preference by taking 1 year qualifying period for such promotion at each stage.

Scales of Pay and Service Conditions of Bank Officers

4824. PROF. MADHU DANDAVATE :

SHRI BALASAHEB VIKHEPATIL :

Will the Minister of FINANCE be pleased to state :

(a) Whether it is a fact that the scales of pay and service conditions of bank officers are being revised without any formal or informal bilateral negotiations with the representatives of the association of bank officers; and

(b) if so, whether Government propose to settle the issues regarding emoluments and service conditions through bilateral talks with the associations of officers in banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). "Wage revision for officers in public sector banks is not an issue for negotiation or settlement with the associations of officers. However, as per the practice, Indian Banks' Association representing the managements of banks had consultations with the major unions representing the officers in public sector banks and had thereafter forwarded these recommendations to Government. Government, after examining the recommendations, agreed for a wage revision in terms of which the wage bill of officers is estimated to go up by about 13.5% and resulting in an increase of about Rs. 80 crores per year.

Enactment of Subsidy to Weavers

4825. SHRI V. SOBHANADREESWARA RAO : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total amount given as subsidy at the rate of Rs. 2/- per metre of the cloth distributed as janata cloth for the year 1983-84 and 1984-85;

(b) the break up of this amount State-wise for the above two years; and

(c) in view of the labour wages having gone up in the recent times, whether Government propose to enhance the subsidy amount adequately to help the handloom weavers and enable them to get reasonable returns ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The total amount given as subsidy on janata cloth to various States during 1983-84 and 1984-85 was Rs. 47.24 crores and Rs. 58.28 crores respectively. However, the rate of subsidy was increased to Rs. 2/- per square metre with effect from 1st October, 1984. Earlier it was Rs. 1.50 per square metre with effect from 1st July, 1981.

(b) A State-wise statement showing

the janata subsidy released during 1983-84 and 1984-85 is given below.

(c) The subsidy was enhanced from

Rs. 1.50 per square metre to Rs. 2/- per square metre with effect from 1st October, 1984, in view of the increase in the cost of inputs and wages.

Statement

Statement showing the State-wise amount released as Janata Cloth Subsidy.

(Rs. in lakhs)

Sl. No.	Name of the State/ Union Territory	1983-84	1984-85
1.	Andhra Pradesh	304.52	539.02
2.	Karnataka	132.72	188.90
3.	Kerala	19.68	20.04
4.	Tamilnadu	553.73	690.33
5.	Pondicherry	1.11	---
6.	Madhya Pradesh	199.81	296.84
7.	Uttar Pradesh	1251.15	1378.16
8.	Bihar	589.45	738.22
9.	Orissa	368.33	469.71
10.	West Bengal	360.43	466.28
11.	Gujarat	56.52	93.65
12.	Maharashtra	804.31	822.46
13.	Tripura	43.21	70.77
14.	Rajasthan	2.28	17.73
15.	Assam	38.03	35.72
Total :		4724.30	5827.85

Woollen Blankets May Cost More Owing to Rise in Prices of Raw Materials

4826. SHRIMATI KISHORI SINHA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether woollen blankets will cost more owing to sharp rise in prices of raw materials as reported in the 'Indian Express' of August, 1985;

(b) if so, whether any steps are proposed to be taken to ensure that blankets are made available at cheaper rates at least to the poorer sections; and

(c) whether more rags will be imported to increase supply of wool for the poorer consumers?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The cost of some inputs such as rags for the manufacture of blankets is reported to have gone up, which affect prices to some extent.

(b) Blankets made from shoddy and Indian wool are usually bought by the poorer sections of the society. With a

view to reducing their price the blankets made from shoddy and Indian wool, have already been exempted from excise duty.

(c) Import of woollen rags as well as wool is already under Open General Licence for actual Users.

Corporation for Development of Handloom Industry

4827. SHRI SUBHASH YADAV : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have under consideration a proposals to set up a separate corporation for the development of handloom industry;

(b) whether the Planning Commission has already accorded approval to this proposal;

(c) if the answer to part (a) and (b) above be in affirmative the reasons for delay in setting up of this Corporation; and

(d) the jurisdiction of this Corporation and the terms and conditions for setting up of it and the administrative structure thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). Government of India have already set up the National Handloom Development Corporation (NHDC) for the development of handloom industry in the country.

(c) Does not arise.

(d) Jurisdiction of the NHDC extends to the whole of India. The NHDC is a public limited company registered under the Company's Act of 1956. Its Board of Directors which has 12 members including the whole time Managing Director, is responsible for managing its business, subject to the provisions of the Company's Act and the Memorandum

and Articles of Association of the Company. Besides the head office at Lucknow, the NHDC has also opened 3 regional offices and a few yarn depots in the country for carrying out its business. A statement regarding the main functions of the NHDC is attached.

Statement

The main objects to be pursued by the Company (NHDC) are as under :—

1. To carry on in India or elsewhere, the business of buying, stocking, marketing or otherwise controlling the distribution of all types of yarn, for the benefit of handloom sector.
2. To procure, stock, distribute, sell all types of raw materials, dyes and chemicals needed by the handloom sector.
3. To manufacture, purchase, stock, sell, export or otherwise support and promote the marketing of handloom fabrics directly or through other agencies.
4. To undertake the establishment of spinning mills/silk reeling units on its own and to render financial and other assistance to the State Corporations and such other agencies for the setting up of such spinning mills/silk reeling units for supplying yarn to handloom weavers.
5. To aid, assist, finance or implement any project undertaking or enterprise, whether on its own or in collaboration with an international organisation, a statutory body, company, cooperative society, firm or individuals with capital credit, means or resources for the prosecution of its work and business connected with the production of handloom fabrics, garments or made-ups and for bringing about greater modernisation and pooling of technical resources for achieving higher standards or production.

6. To undertake formulation, organisation and control of multi-state handloom production and processing projects.
7. To act as channel for routing Central Government funds, loans and grants to State Handloom Corporations, Cooperative Societies and other bodies or persons engaged in the promotion and development of handloom industry.

**Transfer of J.M.G. Scale-I Officers
Back to Delhi**

4828. **SHRI GANGA RAM :**

SHRI KESHAORAO PARDHI:

Will the Minister of FINANCE be pleased to state :

(a) whether all the J.M.G. Scale-I officers of 1982 batch, who were transferred out of Delhi, have since been transferred back to Delhi ;

(b) if so, whether those J.M.G. Scale-I officers transferred to Rajasthan region have not been relieved of their charge in their respective places of duty including those posted in Shri - Ganganagar District/Hanuman Garh ; and

(c) if so, the reasons, for not relieving them to join duty in Delhi and when they will be relieved of their charge in Rajasthan Region to report for duty in Delhi ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) State Bank of India has reported that transfer orders transferring them back to Delhi have been issued to all the JMG Scale-I Officers of '1982 batch' who had been transferred out of Delhi.

(b) and (c) The Bank has stated that 107 employees from Delhi were placed at the disposal of Jaipur Module in 1982 consequent upon their promotion for deployment in Rajasthan Branches.

Out of these 107 Officers, 70 Officers have already been relieved for reporting back to Delhi. The Bank has reported that it has made arrangements for the early relief of the remaining 37 Officers also.

**Opening of Bank Accounts in India
by Indian Nationals Abroad**

4829. **SHRI AMAR ROY PRADHAN :** Will the Minister of FINANCE be pleased to state :

(a) whether some Indian nationals have opened the bank accounts in Switzerland ; and

(b) if so, the details of the Indians who have opened their bank accounts in Switzerland and other countries and the steps Government propose to take to ask the Indian nationals to open their bank accounts in India instead of abroad ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India have not granted any permission to Indian nationals to open bank accounts in Switzerland.

(b) Does not arise.

Collection of Funds by Chit Fund

4830. **DR. SUDHIR ROY :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that countless chit fund organisations are still collecting huge sum from the public and duping them; and (b) if so, The measure contemplated to be taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Reserve Bank of India (RBI) have been receiving complaints against the activities of some chit fund companies. However, the directions issued by the RBI to Miscellaneous Non-Banking Companies are not applicable to the Chit Fund Companies.

With a view to regulating the activities of the chit fund companies and matters connected therewith, the Chit Funds Act, 1982 (Central Act 40 of 1982) has been enacted. The State Governments are required to frame rules to give effect to the provisions of this Act. So far, State Governments of Himachal Pradesh, Karnataka, Sikkim, Tamilnadu and West Bengal and the Union Territories of Andaman and Nicobar Islands, Chandigarh, Dadra & Nagar Haveli and Lakshadweep have framed rules to give effect to the provisions of the Act in their respective States/Union Territories. The matter is being pursued by RBI with other States/Union Territories. It is expected that the Act when enforced in all the States, would be conducive to the conduct of conventional chit funds on sound lines and minimise malpractices by organisers.

Break up income tax deducted at source,
Advance Tax, Self assessment and
regular assessment

4831. SHRI K. RAMAMURTHY :
Will the Minister of FINANCE be pleased
to state :

(a) the break-up of income tax deducted at source advance tax, self-assessment and regular assessment during 1983-84 and 1984-85;

(b) the total amount of income tax arrears against pending assessments collected during the year and the number of fresh assessments completed during the said years;

(c) the estimates of revenue from income tax during these years and the

reasons for variation in actuals during the said period; and

(d) the amount of arrears during the said period from those with the taxable limit of above Rs. 50,000 and from Hindu undivided families firms, companies and others ?

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The requisite information is given in statements-I below.

(b) Normally there are no arrears against pending assessments as demands are raised only on completion of assessments. The question of furnishing the figure of arrears of Income tax against pending assessments, therefore, would not arise.

By "Fresh assessments" the Hon'ble Member presumably mean current assessments. The total number of current assessments completed during 1983-84 was 23,47,000. For the year 1984-85 the figures of current assessments completed is not available. However, the total number of assessments completed during 1984-85 was 53.70 lakhs.

(c) The requisite information is given in statement-II attached below.

(d) The information relating to amount of arrears outstanding from those with the taxable limit of above Rs. 50,000 is not available. However, information relating to the demand outstanding in cases where the amount of arrears exceeded Rs. 10 lakhs is available and the same is given in statement-III attached below.

Statement-I

(In Crores of Rupees)

	1983-84	1984-85
1. Tax Deducted at source	1053.70	1100.26
2. Advance-tax	2861.29	2607.81
3. Self assessment	275.77	270.10
4. Regular assessment	289.16	302.84

Statement-II

(In crores of rupees)

Financial Year.	Budget Estimates	Revised Estimates	Actuals	Increase/Decrease of Actuals over the Budget Estimates	Increase/Decrease of Actuals over the Revised Estimates
1	2	3	4	5	6
1983-84	4031.60	4235.00	4191.86	(+) 160.26	(—) 43.14
1984-85	4314.00	4634.00	4497.64 (Provisional)	(+) 183.64	(—) 136.36

It can be seen from the statement that the actual collections have exceeded the Budget Estimates while there is a slight short fall as compared to the Revised Estimates. The short fall as compared to the Revised Estimates is attributable large-

ly to the introduction of Compulsory Deposit (Surcharge on Income-tax) Scheme starting from the financial year 1983-84 under which Company can make a deposit in the Industrial Development Bank of India in lieu of payment of surcharge.

Statement-III

(Figures Provisional)

(In crores of Rs.)

Status	Amount of arrears in which demand exceeds Rs. 10 lakh were outstanding.	
	1983-84	1984-85
Hindu Undivided Family.	14.28	16.01
Firms (Unregistered firm and registered firm.)	39.25	54.58
Companies.	520.60	723.53
Others (including Association of persons and Individuals etc.	123.23	312.56
Total	697.36	1106.68

Smuggling of Gold From Hatti Gold Mines

4832. SHRI V.S. KRISHNA IYER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the output of gold in Hatti Gold Mines during 1984-85;

(b) whether gold is being illegally smuggled from the mines;

(c) if so, the number of cases detected so far; and

(d) whether Government propose to tighten the security at the Hatti Gold Mines ?

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

(a) The output of gold in Hatti Gold Mines during 1984-85 is 8,59,709

(b) Gold smuggling and thefts take place to some extent in every gold mining venture all over the world. The same is the case in Hatti Gold Mines also. However, it is not on a large scale and that such smuggling takes place when rich ore is struck.

(c) The number of cases detected during the year 1983-84 and 1984-85 was 4 and 6 respectively and suitable action was taken.

(d) The strength of the security force which was 107 in the year 1979 has now been increased to 181, including women searchers. A system of sending undergrounds squads into the mine where rich areas are being worked to check smuggling activities have also been started. A perimeter fencing wall of 3 meters height with barbed wire fencing on the top for further security of the mining area has been put up. Besides all these, a closed circuit television net work in the Grinding Section of the Mill covering Grinding Section and James Tables has also been installed to monitor the work going on in this Section round-the-clock so that

there is hardly any chance of smuggling gold from this particularly vulnerable Section.

India Failed to Get Overseas Construction Projects in Middle East/Gulf Countries

4833. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India has failed to get major new overseas construction projects in the middle East/Gulf countries; and

(b) if so, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). No, Sir. Indian companies have been securing overseas construction projects in the Middle East/Gulf countries but this has been a decline in orders for such contracts in the recent past. The major reasons for the decline are :

- (i) Long drawn-out Iran-Iraq war resulting in reduction of contracts in Iraq which has been our major Market.
- (ii) Fall in oil revenues leading to slowing down of construction activities in these countries.
- (iii) Increased competition from capital surplus countries which are offering easy financial terms.

Promotion of Textile Industries in West Bengal in Seventh Plan

4834. SHRI SATYAGOPAL MISRA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the steps Government have taken or propose to take to promote textile industries in West Bengal during the Seventh Five Year Plan period; and

(b) the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). The new Textile policy contains guidelines which are expected to help the development of the textile industry all over the country including West Bengal.

Abolition of Minimum Export Price of Tea

4835. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of COMMERCE be pleased to state :

(a) whether tea planters have demanded abolition of minimum export price of tea;

(b) if so, the reaction of Government thereto; and

(c) whether tea industry also wants withdrawal of Tea (Marketing) Control Order ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) (a) and (b) Representations were received from the tea industry from abolition of minimum export price. It has since been abolished.

(c) There has been such demand from certain sections of the industry.

S.T.C.'s Tuna Fishing Projects with Foreign Collaboration

4836. SHRI DAULATSINHJI JADEJA : Will the Minister of COMMERCE be pleased to state :

(a) the present states of the Various tuna fishing Projects which were to be taken up by the State Trading Corporation with foreign collaboration;

(b) the initial financial outlay of these tuna fishing project which were announced with great public relation fanfare;

(c) when these projects will be completed; and

(d) the details of the projects indicating the present financial cost final project cost etc?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA), (a) to (d). STC proposed to take up initially a Pilot Project to establish the commercial feasibility for a fullfledged operation of Tuna fishing with foreign collaboration. The Pilot project has not been pursued.

Setting up Coal Supply Project in Gujarat

4837. SHRI RANJIT SINGH GAEKWAD : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any progress has been made in regard to the setting up of coal slurry project in Gujarat;

(b) whether Government have chalked out any plan for the purpose;

(c) the expenditure so far incurred on the project by the Union Government as well as by the State Government; and

(d) the location of the project?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (d). In 1981 the Government of Gujarat made a request to the Planning Commission for taking up a slurry transportation project in Gujarat State in the Central Sector. The State Government was informed that action in the matter would be taken after the Working Group appointed by the Government of India submitted its final report. Arising out of the deliberations of the Working Group, a Group under the Chairmanship of Secretary, Department of Coal was constituted to advise on the preparation of a Feasibility Report for establishing a short distance demonstration pipeline for coal slurry transportation in India, connecting a coal source to a power plant. The Group has taken a decision that the location of this demonstration pipeline

would be from New Majri Open-cast mine to Chandrapur thermal power station of Maharashtra State Electricity Board. The scope for coal slurry transportation in the country can be established based on the outcome of the demonstration project.

[*Translation*]

Selling of Janta Dhotis and Sarees at fair prices to poor people

4838. SHRI VIJOY KUMAR YADAV : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that a scheme to sell janta dhotis and sarees to the poor people in some States at fair prices is being implemented ;

(b) if so, the names of those States ;

(c) the reasons why certain States are not implementing this scheme ;

(d) whether it is also a fact that Central Government provide financial assistance to the State Government for the implementation of this scheme ; and

(e) if so, the details thereof ?

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

(b) Only 14 States and one Union Territory are participating in the production of janata cloth. These are Andhra Pradesh, Assam, Bihar, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Orissa, Pondichery, Rajasthan, Tamil Nadu, Tripura, Uttar Pradesh & West Bengal.

(c) All States are eligible to participate in the scheme. However, since 1981 only dhotis and sarees were being allowed to be produced under the janata cloth scheme. The States not producing these items were, therefore, not interested in implemented the scheme. With the introduction of shirting and long cloth with effect from 26.5.1984 it is expected that some more States may join the scheme.

(d) and (e). Yes, Sir. A subsidy of Re. 2/- per square metre is provided on the sale of janata cloth. This rate of subsidy has been gradually increased from Rs. 1/- per square metre at the inception of the scheme in October, 1976 to Rs. 2/- per square metre with effect from 1.10.84. For this purpose, the States participating in the scheme are allotted annual targets for production and sale of janata cloth and subsidy is allowed to the extent of these targets.

[*English*]

Expansion of steel plants in private sector

4839. KUMARI PUSHPA DEVI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether some private sector steel plants have sought the permission of Government to expand their capacities ; and

(b) if so, the names of such private sector steel plants ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Yes, Sir,

(b) Following units (Mini Steel Plants) have applied for substantial expansion during 1985 till date :—

<i>Sl. No.</i>	<i>Name of the Unit</i>
1.	M/s. Andhra Steel Corporation, Bangalore.
2.	M/s. Punjab Iron & Steel Co. (P) Ltd. Jalandhar.
3.	M/s. Western Ministeel Limited, Bombay.
4.	M/s. Kanoria Steel (Prop. Aditya Mills Ltd., Bombay).
5.	M/s. Pratap Steel Rolling Mills (Amritsar) Limited, Amritsar.
6.	M/s. Nava Karnataka Steels Limited, Bellary.
7.	M/s. Vikram Steel Private Limited Rajkot.
8.	M/s. Kumar Steel & General Mills, Bombay.
9.	M/s Kalyani Steels Limited, Pune.

Production of jute in West Bengal

4840. DR. GOLAM YAZDANI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total production of jute in West Bengal in 1984 and price per quintal given by Jute Corporation of India ;

(b) the exported production of jute in West Bengal in 1985 and the price per quintal fixed by Jute Corporation of India thereof ;

(c) the price of jute fixed for 1985 is less than that of 1984, then reasons therefor ; and

(d) the arrangement made by J.C.I. this year for purchase of jute from jute growers in West Bengal ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The estimated total production of jute and mesta in West Bengal during 1983-84 seasons was 41.11 lakh bales. Prices paid by Jute Corporation of India were as below :—

<i>West Bengal</i>	1983-84 (Rs./quintal)
(i) North Bengal White	277 to 284
(ii) South Bengal Tossa	297 to 304

(b) and (c). A Statement is attached.

(d) The Jute Corporation of India has been made responsible to undertake price Support Operation to the extent necessary. The Corporation has geared itself with me, machinery and money in all of its purchase centres to start procurement operation as soon as it is necessary.

Statement

The production of jute and mesta in West Bengal during the current jute season 1985-86 is estimated at 45 lakh bales. The minimum statutory prices fixed by the Govt. for 1984-85 and 1985-86 season for various places in West Bengal are as under :—

<i>Place</i>	<i>Variety</i>	1984-85	1985-86
(i) Coochbehar, Jalpaiguri and Darjeeling Districts.	White (W-5)	202.50	223.00
	Tossa (TD-5)	215.00	235.50
(ii) West Dinajpur and Malda	White (W-5)	207.50	228.50
	Tossa (TD-5)	220.00	245.00
(iii) Murshidabad Bankura and Birbhum	White (W-5)	210.50	231.50
	Tossa (TD-5)	223.00	244.00
(iv) Nadia, Midnapur Burdwan 24-Parganas Hooghly and Howarah	White (W-5)	213.50	235.50
	Tossa (TD-5)	226.00	248.00

Prices fixed for 1985-86 season are more than the prices fixed for 1984-85 seasons.

Grant in aid and devolution of funds to Karnataka

Union Government in 1981-82, 1982-83, 1983-84, 1984-85 and the current year ?

4841. SHRIMATI BASAVA RAJESHWARI : Will the Minister of FINANCE be pleased to state ; the amount of grant-in-aid and devolution of funds made over to the Karnataka by the

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

Statement

Year	(Rs. in lakhs)					
	Plan			Non-Plan		
	Loan	Grant	Total	Loan	Grant	Total
1981-82	8457	8603	17060	1190	735	1925
1982-83	8125	9556	17681	1448	532	1980
1983-84 (RE)	9551	13075	22626	1484	736	2220
1984-85 (BF)	10564	17853	28417	1434	696	2130
1985-86 (BF)	14806	20850	35656	1450	1263	2713

Shapes of Foreign Companies shot-up in the Market

domestic companies, covering all types of industries.

4842. SHRI PRAKASH CHANDRA: Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the fact that value of shares in the market of foreign companies have shot up;

(b) what does that indicate on profitability of the companies; and

(c) how does Government justify its recent action in light of the above ?

(b) The Prices of listed shares are determined by various factors like expected profitability of the company, dividend policy of the company, proposals relating to expansion and diversification of the company, demand for shares as compared to the availability in the market etc. Therefore, the increase in the prices of shares is not always an indication of the profitability of the companies.

(c) The question is not clear.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably, the term 'foreign companies' refers to companies covered under Foreign Exchange Regulation Act, 1973. In the recent past, there has been a considerable increase in the prices of shares which are listed on Stock Exchanges, of companies covered under FERA, 1973 as well as

Check over Illegal Property Deals

4843. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether one of the major reasons of generating black money in the country is property deals according to Raja Chelish Committee report;

(b) if so, whether Government have any control to check these illegal property deals; and . .

(c) if not, the steps Government propose to contemplate in this regard to seize black money ?

THE MINISTER^{OF} OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a), (b) & (c). The National Institute of Public Finance & Policy in its Report on "Aspects of Black Economy in India" have identified real estate transactions as one of the sectors generating black money. Acquisition of properties under Chapter XXA of the Income-tax Act, 1961 is one of the measures of control exercised by the Government to check investment of black money in property deals.

Reservation of Posts for Scheduled Castes/Scheduled Tribes Officers in Foreign Branches of Banks

4844. SHRI NANDLAL CHOUHDARY : Will the Minister of FINANCE be pleased to state :

(a) whether Punjab National Bank gives 15 per cent posts to SC/ST officers while making foreign postings ;

(b) the number of SC/ST officers working in foreign branches of Punjab National Bank, their percentage to total employees in foreign branches ;

(c) whether Punjab National Bank has received representation against treating MT Batch 1978 as trainees at the time of PCR ; and

(d) what measures Government have taken to remove the anomaly in its implementation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). According to existing instructions on the subject, no reservation exists for SC/ST officers in the matter of transfers or postings including postings abroad.

At present, there is no officers belonging to SC/ST category working in any of the foreign branches of Punjab National Bank.

(c) and (d). Punjab National Bank has reported that it had received a representation from the Management trainees who had joined the bank in November 1978 requesting that they should be given annual increments by reckoning the period from the date of their appointments as trainees. The bank has not agreed to this as in its view, this would not be in accordance with the Regulations. Some of the officers have filed a special leave petition before the Supreme Court and the matter is *Sub-Judice*.

Non-Resident Indians Investment in Indian Companies

4845. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) whether the non-resident Indians are showing immense interests and sought shares of old, new and sick industries and on new capital issues even at higher rates;

(b) if so, the details alongwith the amount if any, received under the investment scheme and the action proposed to be taken in this regard ;

(c) in view of interests, whether Government propose to launch major public sector companies with the participation of Government, private and non-resident Indians and set up industries in backward States to accelerate industrial growth ; and

(d) if so, the details thereof and if not, the reasons as to why the companies should not be deprived of the non-resident Indians investment unless they launch projects in other backward areas than where they are operating at present ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There is good response from non-resident

Indians for investment in India. However, Government are not aware of any desire on the part of the non-resident Indians to buy share of companies at relatively higher rates.

(b) The position for the period since April, 1982, relating to investment made by non-residents of Indian nationality/origin as well as overseas corporate bodies owned at least to the extent of 60% by them, for which data is available with the Reserve Bank of India, is as follows :

Amount (Rs. in crores)

(i) <i>Direct Investment</i> (as on 30.6.1985)	315.96
(ii) <i>Portfolio Investment</i> Actual purchases of shares/deb- entures through Stock Exchanges (as on 31.3.1985)	46.87
(iii) <i>Bank Deposits</i> Outstanding Bal- ances (as on 31.5.1985)	3968.64

(c) and (d). At present Government do not have any specific proposal to launch major public sector companies with the participation of the private sector and non-resident Indians. However, the present Industrial Licensing Policy is fully equipped to encourage NRI investment in priority industries and in projects set up in backward areas.

Guidance for Setting up Industries in Falta Export Processing Zone

4846. PROF. BIMAL KANTI GHOSH : Will the Minister of COMMERCE be pleased to state :

(a) whether Government and/or the Falta Export Processing Zone Authority have identified the industries which would be encouraged in the Falta Export Processing Zone in West Bengal;

(b) if so, the details thereof; and

(c) the guidelines, if any, formulated to encourage setting up of such industries in Falta Export Processing Zone ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c). The Falta Export Processing Zone is a multi-product Zone. All types of industries can be considered with preference to such industries as would involve substantial volume of exports, new technologies and atleast the minimum prescribed value addition.

Letters of Intent/Licences Issued for Export of Groundnut and Cashewnut

4847. SHRI C SAMBU : Will the Minister of COMMERCE be pleased to state :

(a) the export feasibility of groundnut and cashewnut crops produced in the country to other foreign countries;

(b) the number of letters of intent or licences issued if any, for exporting groundnut and cashewnut during 1984-85 and in the first six months from January 1985 to date; and

(c) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Reasonable prospects exist for export of Cashew Kernels and HPS Groundnuts.

(b) and (c). Export of Cashew kernels is allowed freely. Export of HPS groundnuts is canalised through National Agricultural Cooperative Marketing Federation (NAFED) within a ceiling of 1,10,000 tonnes. Within the overall canalisation policy, private parties are also allowed to export HPS groundnuts as associates of NAFED against the ceiling ear-marked for them. In 1984-85, 59 authorisation letters were issued by NAFED for export of HPS groundnuts by Associate Shippers. In the period Jan.-July 1985 NAFED has

issued 18 authorisation letters for shipment of HPS groundnuts.

M/s. John Wyeth and Brothers

4848. **SHRI MANVENDRA SINGH:** Will the Minister of FINANCE be pleased to state :

(a) whether M/s. John Wyeth and Brothers of companies were asked by Government to wind up;

(b) whether these companies instead of winding up were allowed to dilute their equity; and

(c) if so, the reasons for the same ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The company was earlier directed by the Reserve Bank of India to wind up its affairs in India, as it was not engaged either in manufacturing or trading activities. On a representation made by the company, it has been decided to allow the company to carry out its activities in the country with 40% non-resident equity. This is as per the provisions of FERA, 1973 and guidelines under S. 29 *ibid*. This dilution of foreign holding has since been given effect to by the Company.

Auxiliary Industries Around Tea Industry to Provide Employment

4849. **SHRI PIYUS TIRAKY :** Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to explore the setting up of auxiliary industries out of the foreign exchange earned by tea industry to create new avenues of employment for the surplus labour force in and around tea industries;

(b) if so, what kind of industries, Government consider suitable for generating more employment; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c). The tea industry is itself one of the most labour intensive industries and the cost of creating employment is low as compared to other agro-based industries. Foreign exchange earned from the tea industry is used for the benefit of the country i.e. for effecting essential imports. The Finance Act 85 includes further to encourage plough back of profit for further development of the tea industry.

Decline in Export of Engineering Goods

4850. **SHRI JAI PRAKASH AGARWAL :** Will the Minister of COMMERCE be pleased to state :

(a) whether the engineering goods export showed a declining trend in the past three years ;

(b) the details of export for each of these three years as against the targets ; and

(c) the steps proposed for promotion of engineering goods export and whether any target has been fixed for Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). No, Sir. Export of Engineering goods during the last three years as against the targets has been as follows :

(Rs. in crores)		
Year	Target	Exports*
1982-83	1400	1250
1983-84	1450	1170
1984-85	1500	1300

* Figures are provisional.

(c) The Government have taken a series of measures for boosting the export of engineering goods. These, *inter-alia*, include continuation and strengthening of the International Price Reimbursement

Scheme, liberalisation of imports for export production, greater stress on marketing and warehousing and lines of credits to some countries.

A target of Rs. 4,550 crores has been fixed for 1989-90 for the export of engineering goods

Bank Note Paper

4851. SHRI RAMESHWAR NEEKHRA : Will the Minister of FINANCE be pleased to state :

(a) the cost of per metric ton of bank note paper imported from abroad including foreign charges ; and

(b) the cost for each metric ton of bank note paper manufactured indigenously ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) For 1985-86 Government have contracted to purchase 5,500 metric tons of bank note paper @ £ 4,650 per metric tons F.O.B. which at the current exchange rate of £6.1865 = Rs. 10/-, is equivalent to Rs. 75,164 per M.T.

(b) The present cost per metric ton of bank note paper manufactured indigenously is Rs. 67,245.

Involvement of State Governments in Credit Camps Organised by Finance Ministry

4852. SHRI S.M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether Chief Ministers of Andhra Pradesh and Karnataka complained that the State Governments are not being involved in the credit camps (Loan Melas), organised by the Union Finance Ministry ;

(b) whether it is a fact that the identification of beneficiaries, processing of ap-

plications, release of subsidies, etc. are being done by the State agencies ;

(c) whether it is also a fact that in Karnataka, the Chief Minister issued directives to the officials not to participate in the "Loan Melas" ; and

(d) whether Union Government propose to reconsider their stand and accommodate the view point of the State Governments ?

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 to the extent possible.

Export and Import of Rice

4853. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of basmati rice exported during the last three years, year-wise indicating the rate at which it was exported ;

(b) whether it is a fact that due to the export of basmati rice, its price in the country has gone as high as Rs. 14-15 per kilograms ;

(c) whether it is also a fact that there is shortage of rice in the country and to meet the demand the rice is being imported ;

(d) if so, the quantity of rice imported during the last three years ; year-wise thereof and how it is being distributed ; and

(e) Government's policy in regard to import and export of rice for the year 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Export of basmati

rice during the last three years, in terms of quantity and value, were as follows :—

Year	Quantity	Value
1982-83 (P)	1,78,078 MT	Rs. 105.22 crores.
1983-84 (P)	1,41,664 MT	Rs. 96.12 crores
1984-85 (P)	4,41,785 MT	Rs. 163.03 crores—

(P) Provisional.

(Source : Processed Foods Export Promotion Council).

(b) There has been some increase in the domestic price of basmati rice. There is, however, no Governmental control in the distribution of basmati rice.

(c) No, Sir.

(d) During the last three years the quantity of rice contracted for import was as under :—

1982-83 : Nil

1983-84 : 7.20 lakh tonnes

1984-85 : Nil

Imported rice on reaching India forms part of the Central Pool and thus issued for public distribution.

(e) Export policy for 1985-86 provides for export of basmati rice under Open General Licence. Export of non-basmati rice is not permitted in the current policy. The current import policy provides for import of Cereals by the

Food Corporation of India on the basis of foreign exchange released by the Government in its favour.

Export of Fish and Fish Products

4854. SHRI MOHANBHAI PATEL
SHRI CHINTAMANI JENA

Will the Minister of COMMERCE be pleased to state :

(a) the name of big companies which are engaged in deep-sea fishing ;

(b) the total quantity of fish and fish products exported during the last three years by these companies, year-wise and company-wise and the value thereof ;

(c) the names of the countries which are importing fish and fish products from these companies ;

(d) whether there is a decline in this trade ; if so the details thereof ;

(e) whether any study has been made to know the causes for the decline ; and

(f) if so, the findings thereof and the steps being taken to boost this industry ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (c). As per the available information, the names of big companies which are engaged in deep-sea fishing and their export of fish and fish products are :

(Value in Rs. Lakhs)

S. No.	Name of Company	Exports of fish and fish products		
		1982-83	1983-84	1984-85 (Provisional)
1.	M/s. Britannia Frozen Foods.	679.59	826.23	528.40
2.	M/s. Chowghule and Co. (P) Ltd.	184.62	17.53	81.95
3.	M/s. I.T.C. Ltd	49.45	146.39	110.72
4.	M/s. Konkani Fisheries (P) Ltd., Visakhapatnam.	60.17	156.21	314.22
5.	M/s. Union Carbide India Ltd.	491.85	502.46	56.85

In addition to these firms, the following firms are also engaged in deep-sea fishing :—

- M/s. Tata Oils Mills Ltd.,
- M/s. Chowgule Steamship Ltd., Bombay
- M/s. E.I.D. Parry (India) Ltd., Madras
- M/s. Phoneix India Marine (P) Ltd, Visakhapatnam.

The important countries which are importing fish and fish products from these Companies are Japan, U.S.A., U.K., France, Netherlands, Belgium etc.

(Apparently, under part (b) of this Question, the Hon'ble Members have desired information on the "Quantity of fish and fish products exported during the last three year" and not "Quality of fish and fish products exported during the last three years", as has been shown in the list).

(d) to (f). There is no decline in the overall export trade of fish and fish products from India, which stood at Rs. 384 29 crores during 1984-85 as compared to Rs. 373 02 crores in 1983-84. However, quantity-wise, export during 1984-85 was 86187 tonnes as compared to 92691 Tonnes in 1983-84. This fall was mainly due to sharp decline in the charter vessels operations and stagnant marine landings.

During the period April to June 1985, export of this item was 18695 tonnes valued at Rs.85.23 crores (as compared to 18354 tonnes valued at Rs. 81.86 crores during April to June 1984), showing an increasing trend, both in quantity and value.

Steps taken to boost this export industry include promotion of Prawn farming, joint ventures and other Schemes for development of deep-sea fishing, diversified fisheries, improvement in fishing gear and crafts, modernisation of processing plants and encouragement for value added items.

Shortage of Coins

4855. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) the amount of the small coins released per day by State Bank of India; and

(b) what steps are being taken to distribute small coins through nationalised banks also where State Bank of India has no branch for the benefit of the common man ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) the information regarding coins released exclusively through State Bank of India branches is not available. However, the R.B.I. have reported that the net quantity of small coins released for circulation through their Issue Offices and agency (i.e. State Bank of India, subsidiaries of State Bank of India and Nationalised Banks) during the last three financial years is as under :—

<i>Financial Year</i>	<i>(In lakh pieces)</i>
1982-83	8343
1983-84	6844
1984-85	9471

(b) Nationalised banks are already involved, alongwith the State Bank of India and its subsidiaries, in the process of distribution of small coins by establishing small coin depots at their branches. Efforts are being made to expand this distribution net-work by establishing more small coin depots.

Exported Diamond and Gold Ornaments

4856. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) the value of diamond and gold ornaments exported during the last three years, year-wise;

(b) whether these are exported direct by the dealers or through some Government agency;

(c) whether it is a fact that in this trade Indias losing a large quantity of gold every year;

(d) if so, the quantity of gold ornaments exported during the last three years; and

(e) the steps being taken to preserve the stock of gold in the country ?

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

(Value Rs. Crores)

Year	Diamond	Gold Jewellery
1982-83	912.83	57.69
1983-84	1188.89	83.38
1984-85	1172.10	85.75

(b) These are exported direct by the dealers as well as by or through Government agencies.

(c) to (e). There is no outgo of Gold from the country by way of export of gold jewellery. Gold equivalent to the quantity used in jewellery exported under the HHEC scheme is obtained from the buyer in advance whereas gold used in manufacture of jewellery exported under the Gold Jewellery Export Promotion and Replenishment scheme is replenished by way of purchases from abroad and sold to the exports of jewellery are effected. Some marginal quantity of gold outgo from the country would be there in the case where gold content in jewellery does not exceed 10 per cent of value or in the case of sales of jewellery to foreign tourists against foreign exchange.

Opening of Zonal/Regional Branches of Bank of Maharashtra

4857. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Bank of Maharashtra has no zonal regional branch offices in some of the States;

(b) if so, the name of such States where the bank of Maharashtra has no zonal/regional branch and the reasons therefor;

(c) whether it is a fact that Orissa State has no zonal or regional branch of this bank;

(d) if so, the steps being taken by Government to have the branches of this nationalised bank in each and every State and particularly in Orissa;

(e) whether it is also a fact that Government of Orissa and the Members of Parliament from Orissa have approached Government in this respect; and

(f) if so the action taken and by when the branches of the said bank will be opened in the State ?

THE MINISTRY OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY : (a) to (d). All public sector banks, including Bank of Maharashtra, decide on the number and location of their zonal/regional offices in such a manner as to secure economy consistent with the needs of efficient and effective supervision and control of the banking operations of their branches. It is, therefore, not necessary for each bank to have Zonal/Regional Office in each State. Bank of Maharashtra has reported that it has no Zonal/Regional Offices in the following States/Union Territories :—

Assam, Bihar, Haryana, Himachal Pradesh, Jammu and Kashmir, Kerala, Manipur, Meghalaya, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tamilnadu, U.P., Andaman and Nicobar Islands, Arunachal Pradesh, Chandigarh, Dadra & Nagar Haveli, Goa, Daman & Diu, Tripura, Lakshadweep, Mizoram and Pondicherry.

Geographical dispersal of banks' branch network is conditioned by several factors such as historical reasons, intrinsic financial strength, quality of manpower and

efficacy of control and supervision mechanism etc. It is not necessarily desirable that all banks should have branches spread over in all the States.

(e) and (f). Government/Reserve Bank of India have not received any proposals from Bank of Maharashtra for opening branches in Orissa. The question of allocating the agreed branch expansion programme in Orissa among various banks can be considered in the light of Branch Licensing Policy for 1985-90 now being finalised by R.B.I.

**Loan Advanced by Indian Bank to
M/s. Gouripore Jute Company
Calcutta**

4858. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether Indian Bank had advanced large sum of money to M/s. Gouripore Jute Company Limited, Calcutta, in recent time;

(b) whether the Allahabad Bank had considered these as sick units and had withdrawn their financial assistances; and

(c) whether Government propose to investigate the matter and institute action against the error makers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (b). In terms of Section 13(1) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, information relating to individual constituents of the public sector banks cannot be disclosed.

(c) There is no proposal for the present under consideration of the Government to investigate into the matter for instituting action against the company or any bank.

Establishment of Regional Rural Banks

4859. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) the number of regional rural banks established in 1984, State-wise; and

(b) the number of such banks likely to be established in 1985, State-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Twenty three Regional Rural Banks were established in 1984. Their State-wise distribution is set out below :

State	No. of RRBs established during 1984
Bihar	3
Gujarat	4
Haryana	1
Karnataka	4
Madhya Pradesh	3
Maharashtra	2
Rajasthan	4
Uttar Pradesh	1
West Bengal	1
Total	23

(b) During 1985 so far ten more such banks have been established. The State-wise number is indicated below :

State	No. of Regional Rural Banks
Andhra Pradesh	2
Bihar	2
Karnataka	1
Haryana	1
Maharashtra	1
Rajasthan	1
Uttar Pradesh	2
	<hr/> 10

There is a budget provision for Rs. 5 crores in 1985-86 for meeting the requirements of Central Government component in the share capital of Regional Rural Banks.

Loans to farmers for development of agriculture in Orissa

4860. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the names of the various commercial banks and financial institutions which have been directed to provide loans to farmers for the developments of agriculture in Orissa ; and

(b) the names of different banks which are providing agricultural credit to the farmers in Orissa during the last three years and the amount of credit

given by each bank during the same period in that State ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) All Commercial, Co-operative and Regional Rural Banks operating in the State of Orissa grant advances to farmers for agricultural activities.

(b) Loans and advances disbursed by Scheduled Commercial Banks, Regional Rural Banks and Co-operative Banks in the State of Orissa for Agriculture as per data available on achievement of targets fixed for agriculture in the Annual Action Plans are as under :—

Bank Group	(Rs. in lakhs)	
	1983	1984
1. Scheduled Commercial Banks	4975.98	4639.49
2. Regional Rural Banks	2778.19	2529.63
3. Co-operative Banks	9155.64	10498.07
Total	<hr/> 16909.81	<hr/> 17667.19

**Assistance provided to projects by
Export Import Bank**

4861. SHRI LAKSHMAN MAL-
LICK : Will the Minister of FINANCE
be pleased to state :

(a) the details regarding the projects
involving Indian exports for which
Export Import Bank of India provided
assistance since its inception in 1982 ;
and

(b) the dividend paid by the Export
Import Bank of India to Government since
its inception year-wise ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) The
details of the projects involving Indian
exports for which Export Import Bank
of India (Exim Bank) provided assistance
since its inception in 1982, are as
under :—

(Rs. millions)

Year	No. of projects	Total project value	Facilities sanctioned	
			Funded	Non-funded
1982	83	8633.5	572.8	1018.8
1983	48	3645.1	808.7	753.3
1984	42	1653.0	1278.8	571.6

(b) Dividend paid by Exim Bank to Govt. of India since its inception, year-wise,
is as under :—

For the year	Remitted in	Amount (Rs. millions)
1982	1983	10.0
1983	1984	20.0
1984	to be remitted	30.0 (provisional)

**Dipka Open Cast Coal
Mine Project**

4862. SHRI B.V. DESAI : Will the
Minister of STEEL, MINES AND COAL
be pleased to state :

(a) whether the Union Government
have sanctioned an investment of
Rs. 56.05 crores for Dipka Open Cast
Coal Mines Project of Western Coalfields
Ltd.

(b) whether the project which is
being developed to meet requirements of
the captive power plant of Bharat
Aluminium Company will achieve pro-
duction capacity of 2 million tonnes of

coal per annum by 1988-89 ; and

(c) the extent to which spending this
much amount on the project is likely to
yield results ?

THE MINISTER OF STEEL, MINES
AND COAL (SHRI VASANT SATHE) :
(a) and (b). Yes, Sir.

(c) The investment on this coal mine
is expected to yield coal production of
the following order during the Seventh
Five Year Plan period :

Year	85-86	86-87	87-88	88-89 onwards
Coal Production (Mty.)	—	0.50	1.50	2.00

**Black money involved in
share transaction**

4863. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether he is aware that a sizeable portion of black money is presently involved in unofficial transactions in shares ;

(b) whether professionals and owners of some laggard companies do not miss the opportunity of unloading these shares at high prices, often buying them again with the prices crash ;

(c) whether such transactions enable them to book profits unofficially and show losses officially in their tax returns ; and

(d) if so, the steps proposed to be taken by Government not only to mop up all such ill-gotten gains but also to discourage and stop such malpractices by stock-brokers and other unsocial elements ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). There is no specific information on this point. All possible measures to check circulation and prevent further proliferation of black money, including administration, legislative and institutional are being taken from time to time.

**STC Failure to Supply Rice to
Kuwaiti Supply Co.**

4864. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) whether the failure of the State Trading Corporation of India to honour its commitment to supply the contracted quantities of rice to Kuwaiti Supply Co. has seriously imparted the trading image of India in the Gulf countries; and

(b) if so, the steps Government propose to take to balk down such deals in future which the State Trading Corporation cannot fulfil ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b). The State Trading Corporation of India had not entered into any contract for supply of rice to the Kuwait Supply Co.

**Exploitation of Lower quality coking
Coal for Steel Making**

4865. SHRI K. PRADHANI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Advisory Board on Energy has suggested a reversal of the policy of increasing exploitation of lower quality coking coal containing higher ash content for steel making;

(b) if so, the consideration which weighed with the Board for such a policy reversal; and

(c) the reaction of the steel industry thereto ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) The Advisory Board on Energy in their report of May' 1985 titled 'Towards a Perspective on Energy Demand and Supply in India in 2001/05' have recommended for reviewing the present policy of mining of inferior grade of Coking coal. The recommendations of the Advisory Board on Energy are under examination in the Department of Coal,

**Share of Iron-Ore Export Target for
1985-86**

4866. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) the iron-ore export target for 1985-86;

(b) the share of Orissa in this; and

(c) the steps taken to achieve this ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) The target for export of iron-ore (excluding Kudremukh concentrates) for 1985-86 is 28 million tonnes.

(b) The share of Orissa iron-ore in the export target will be 1,664 million tonnes.

(c) Contracts for the entire quantity of iron-ore to be exported from Paradip Port, which is the only outlet for export of iron-ore produced from Orissa, have already been concluded by MMTC. Other important steps taken by MMTC are (i) adoption of a liberalised policy for procurement of iron-ore from mine owners (ii) grant of production incentive for supply of higher quantities than as supplied by mine owners during the previous year (iii) offer of discount in sale prices to foreign buyers and (iv) diversification of export markets. Exports during the current financial year are keeping pace with the target.

Settlement of Pending Claims Regarding Enemy Property

4867. SHRI MANORANJAN BHAKTA: Will the Minister of COMMERCE be pleased to state:

(a) the total number of claim cases pending with the Custodian of Enemy Property/O.S.D., Calcutta/Commerce Ministry upto 31st March, 1985;

(b) whether Government have taken any decision to expedite settlement of such claims; and

(c) if so, the latest guidelines in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) 14,752 claims applications were pending for settlement on 31.3.1985.

(b) and (c). Yes, Sir. To expedite settlement of pending claims, Government

have taken various steps from time to time and the latest steps taken are:

- (i) increase the number of panels from 8 to 10.
- (ii) increase in the rate of remuneration, for verification of cases, to the panel members and
- (iii) transfer of the work of disbursement of *ex-gratia* amounts from Bombay to Calcutta.

Import of New Items

4868. SHRI MANORANJAN BHAKTA: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government are proposing to import in the recent future many items which were not imported in the past;

(b) if so, the details of these items; and

(c) the total amount involved thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA): (a) to (c). Government import items required in public interest from time to time. These may include some items which were not imported in the past. No details of such items are available.

Effects of Synthetic fibres Contents in Clothing on Human Skin

4869. PROF. NARAIN CHAND PARASHAR: Will the Minister of SUPPLY AND TEXTILES be pleased to state:

(a) whether Government have undertaken any study to examine the effect of synthetic fibres content clothing on the human skin;

(b) if so, the outcome thereof;

(c) if not, whether such a study is proposed to be undertaken; and

(d) the likely date by which it would be done ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). The Government have not undertaken any study to examine the effects of synthetic fibres content clothing on the human skin.

(c) and (d) There is no such proposal under consideration of the Government at present.

Flouting of RBI Decision by Foreign Banks regarding payment of Interest Rates on short term deposits

4870 PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Reserve Bank of India announced a major policy decision and allowed the scheduled banks to decide on interest rates on short-term deposits on the occasion of 50th Anniversary of the RBI in April 1985 subject to ceiling of 8 percent.

(b) if so, whether foreign banks which are members of Indian Banks' Association flouted this decision and started quoting higher rates;

(c) if so, whether Reserve Bank of India had to reverse its decision on 27th May and re-introduced an interest rate schedule;

(d) if so, whether Government have taken note of the reversal of decision by RBI and flouting of its decision by foreign banks, and

(e) if so, action taken by Government against the foreign banks and steps taken to streamline functioning of RBI so as to avoid recurrence of such reversal in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The Reserve Bank of India had allowed discretion to banks w. e. f. 8.4.85 to determine interest rates on deposits of maturities of more than 15 days but less than one year, within a ceiling of 8 percent per annum. Reserve Bank of India has reported that none of the banks including foreign banks had flouted the directive. However, when a few banks started offering 8 percent per annum even for 15 days' maturities, all banks simply followed suit without considering profitability angle. R. B. I. subsequently reviewed the position, and found that banks were experiencing difficulties in responding to the discretion given to them to fix their own interest rates on deposits of all the maturities extending from 15 days upto less than one year. Consequently, R.B.I. withdrew such discretion from banks with effect from 27th May, 1985 and restored the pattern of periods and rates of interest as were in vogue prior to 8th April, 1985, excepting that the rates of interest on deposits of maturities of between 91 days to less than 6 months, and from 6 months to less than one year were increased to 6.5 per cent and 8 per cent respectively;

As per provisions contained in the Banking Regulation Act, 1949 the power to determine interest rates on bank deposit vests with Reserve Bank of India - however, consultation are held between Government and RBI as and when required.

Formulation of Model Relief Forms for Sick Units by IRBI

4871. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Reconstruction Bank of India (IRBI) has been asked to evolve some 'model parameters' within which rehabilitation assistance would be provided by agencies involved in financing sick units;

(b) if so, the pattern of model relief norms for sick units formulated by the IRBI; and

(c) how these are being acted upon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Industrial Reconstruction Bank of India (IRBI) has reported that the institution is presently engaged in preparing model parameters for rehabilitation of sick industrial units in consultation with Reserve Bank of India and other financial institutions.

**Restoration of Commuted Value
of Pension**

4872. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarted Question No. 2767 on 12th April, 1985 regarding the restoration of commuted value of pension after 10 years to retired Central Government servants and state :

(a) the stage at which the matter stands at present;

(b) whether the Supreme Court has since given any direction or judgement in this case;

(c) if so, the details thereof; and

(d) the further action which Government have taken or propose to take in the matter in the light thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Government are still awaiting the judgement of the Supreme Court.*

**Raising of Euro-Yen Loans to Finance
Capital Projects during 1985 by
Private Companies**

4873. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the private sector companies which had been permitted to raise Euro-yen loans to finance their capital projects during 1985 (uptil 31st July, 1985);

(b) the amount allowed and the rate of interest agreed upon by the lenders and terms of repayment; and

(c) the case in which Government have stood as the surety ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No Company in the private sector has so far raised loan in the Euro-yen market during the year 1985.

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

**Blank foreign exchange permits to
larger industrial houses**

4874. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the names of the large industrial houses and others which are issued blank foreign exchange permits on annual basis during 1984-85 and 1985-86 uptil 31st July, 1985 and the amount thereof for business promotion ?

(b) whether any check is being exercised by the Reserve Bank of India that such permits are not being used for pleasure jaunts by the executives and directors of these companies for business promotion, if so, the details thereof and if not, the reasons therefor

(c) whether there is a move by these business circles to have the validity of these permits extended for three years and get their amounts raised ; and

(d) if so, reaction of Government thereto and the safeguards that are being taken to prevent their misuse ?

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

Export target for 1985-86

4875. SHRI K.S. RAO : Will the Minister of COMMERCE be pleased to state :

(a) the names of the major export items which fetched considerable amount of foreign exchange during the last three years, item-wise

(b) the export target for the year 1985-86 ; and

(c) the items whose exports are expected to be higher than last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) The major export items which fetched considerable amount of foreign exchange during the last three years are : Gems & Jewellery, Leather & Leather manufactures, readymade garments, chemicals & Allied products, Tea & mate, Marine Products, Iron ore, Cotton fabrics, Jute manufactures, Metal manufactures, Tobacco (unmanufactured), Coffee, Cashew Kernels, vegetables & fruits, Spices, Oil cakes, Cotton raw, handicrafts, carpets, Crude Oil and petroleum products.

(b) The export target for the year 1985-86 is fixed at Rs. 11736 crores.

(c) The export prospects of individual commodities or products depend on various international and domestic factors. The items whose exports are expected to be higher during 1985 86 than the last three years include Cashew Kernels ; Cereals, Oil cakes ; Spices, Processed foods, Marine Products, Iron Leather & Leather manufactures, Cotton ore, fabrics, Readymade Garments, Chemicals & allied Products, Engineering goods and Handicrafts.

**Items in which Indo-U.S. trade
to take place**

4876. SHRI K.S. RAO : Will the Minister of COMMERCE be pleased to state

(a) whether Government have taken steps to established better trade ties with the United States ;

(b) if so, the different trade deals recently signed with the U.S.A. ;

(c) the items in which Indo-U.S. trade is proposed to take place ; and

(d) the details of the targets fixed by both the countries in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (d). No formal trade agreement between the two Governments has been signed. However, steps are being taken to intensify export promotion activities and commercial publicity in the USA to increase exports of traditional as well as non-traditional product. The Memorandum Undertaking on transfer of technology signed recently between the two countries will facilitate trade and collaboration in advanced technology between the two countries.

No targets have been fixed for trade between the two countries. The significant items of imports from USA are industrial raw materials, specialised machinery, technological items, fertilizer materials etc.

As regards India's exports to USA, the significant items are largely diamonds, readymade garment, engineering products, leather & leather products, cashew nuts and marine products.

[Translation]•

Proposal for Selling Sick NTC Mills

4877. SHRI C. JANGA REDDY :
DR. A.K. PATEL :

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

(a) whether the attention has been drawn to the report appeared in the 'Statesman' dated 29th June, 1985 that Government are considering a proposal to sell 26 mills of National Textile Cor-

poration so as to reduce the incidence of Government losses ; and

(b) if so, the details thereto and the action proposed in this regard and the perspective official policy regarding nationalisation of sick industrial units ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). Yes, Sir. The potential viability of the heavily losing mills of National Textile Corporation, is under consideration of the Government. There is no proposal regarding sale of mills. The possibility of making them viable is being explored.

According to the new Textile Policy, takeover by the Government or nationalisation of sick units which are not potentially viable does not provide a solution to the problems of sickness and the Government would not, as a rule, intervene in such cases.

[English]

Evasion of Payment of Taxes by Industrialists of Delhi

4878. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether industrial units in Delhi evade payment of taxes and the maximum business done is unaccounted for thereby increasing the black money ;

(b) if so, whether there is any proposal to systematically check the accounts of the industrial units by the Sales Tax, Income Tax and Central Excise authorities ; and

(c) if so, whether a report of investigation will be laid on the Table of the House ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government have no information to sup-

port such an allegation of a general nature.

As regards Sales Tax all registered dealers in Delhi are subjected to annual assessment as well as periodical surveys by the field staff. Surveys are also conducted from time to time and unregistered dealers detected liable to pay sales tax are assessed under the Delhi Sales Tax Act, 1975.

As regards Income Tax all possible measures under the law are taken from time to time when specific allegations regarding particular assessee's evading tax are received.

With a view to check evasion of excise duty resorted to by owners of industrial units enquiries/investigations are carried out and intelligence is developed *suo moto* and also an information system of checking of accounts of industrial units by Internal Audit Wing of the Central Excise department and local jurisdictional offices also exists. Besides, surprise checks are also carried by preventive Officers.

Complaints against Officers of the Rank of Assistant Commissioners of Income Tax etc.

4879. SHRI SOMJI BHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) the number of complaints received during the last three years by Government or the Central Board of Direct Taxes against Officers of the rank of Assistant Commissioners of Income-tax/Commissioners of Income-tax/Directors and above ;

(b) whether any of these complaints were investigated and if so, the results thereof ;

(c) the reasons for not investigating the remaining complaints ; and

(d) whether any action has been taken against these officers where charges

were substantiated during the investigations and if so, the particulars of these officers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) 180 and 63 complaints were received against Assistant Commissioners of Income-tax and Commissioners of Income-tax/Directors respectively during the last 3 years.

(b) 119 complaints were investigated against Assistant Commissioners of Income-tax. As a result of investigation made, one Assistant Commissioner was charge sheeted and one was transferred. 41 complaints were closed after investigation. Investigation in 76 complaints is in progress. In the case of Commissioners of Income-tax/Directors, 43 complaints were investigated. Disciplinary proceedings were initiated in one case. 29 complaints were closed after investigation and 13 complaints are under investigation.

(c) 61 and 20 complaints against Assistant Commissioners of Income-tax and commissioners of Income-tax/Directors respectively were found vague and, therefore, no action was considered necessary.

(d) In the case of Assistant Commissioners one officer was charge-sheeted and one officer was transferred. In the case of Commissioners of Income-tax/Directors, disciplinary processings were initiated in one case.

Levy Procurement of Coconut Husk

4880. PROF. P.J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government of Kerala have sent for approval a scheme for levy procurement of coconut husk ;

(b) if so, the details of the scheme ;

(c) whether sanction has been issued and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) to (d) Yes, Sir. The Government of Karala had sought sanction of Central Government in the Department of Industrial Development for the introduction of a levy system for procurement of coconut husks and for delegation of powers under the Essential Commodities Act. This matter has been examined at length. Certain clarifications sought by Government are awaited from the Kerala Government.

Evasion of Excise Duty by Union Carbide Company

4881. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Union Carbide, a multinational company has evaded Central Excise duty to the tune of more than Rs. 80 crores;

(b) whether more than 42 cases of evasion of excise duty are pending against the company; and

(c) the steps Government propose to take against the company ?

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

(c) Does not arise.

Irregularities committed by U.B.I. in Financing Tea Gardens of West Bengal

***4882. SHRI PRIYA RANJAN DAS MUNSI :** Will the Minister of FINANCE be pleased to state :

(a) whether the U.B.I. is the main Bank to support the tea gardens of West Bengal;

(b) whether Government are aware that number of irregularities are being reported every day about the functioning of this bank;

(c) whether his Ministry propose to make investigations and inquiry into the management of this bank for the period covering 1981 to 1985; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) United Bank of India is one of the financing banks for tea gardens in West Bengal.

(b) Reserve Bank of India has reported that it has not received any serious complaint in the recent past about the functioning of this bank.

(c) No, Sir.

(d) Does not arise.

Agreement by IFCI with International Banks in London

4883. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Industrial Finance Corporation of India has entered into an agreement of 25 million dollar with a group of international banks in London;

(b) if so, the particulars of the signatories to the agreement on both the sides;

(c) the purpose for which the loan has been taken and how it will be utilised;

(d) its terms of repayment and other terms and conditions; and

(e) the share of Andhra Pradesh, if any, from this loan, for development of industry in that State ?

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

(b) The agreement was signed by the Industrial Finance Corporation of India (IFCI), Lloyds Banks International Ltd, S.A., London, Banque Belge Pour L'Entranger Belgium, Banque Belge Limited, London, Credit Du Nord, Paris, Italian International Bank Plc, London, The Royal Bank of Canada (Belgium) S.A. Belgium and Nippon European Bank S.A. (NEB), Belgium.

(c) The agreement has been entered into for on-lending the proceeds of the loan to eligible industrial concerns for financing import of Capital Goods for their projects. *

(d) The terms and conditions of the agreement are set out in the statement given below.

(e) The state-wise allocation of these funds is not being made. However, the financial assistance by way of foreign currency loans from IFCI would be available, on merits, to all eligible industrial concerns in India, including those in Andhra Pradesh.

Statement

1. Amount of Loan	US \$ 25 million.
2. Maturity	8 years including a grace period of 4 years.
3. Drawn-down period	36 months
4. Repayment terms	9 equal half yearly instalments commencing from the 4th anniversary of Loan Agreement.
5. Rate of Interest	1/8 per cent over LIBOR for the entire currency of the loan, on tax spared basis. It could be increased under 'fall back' conditions upto 3/8 per cent over LIBOR.
6. Management fee	3/16 per cent flat.
7. Commitment fee	0.25 per cent per anum on undrawn amounts of the loan commencing 90 days after the date of the Loan Agreement or 150 days from date of Mandate, whichever is later.
8. Out of pocket expenses, legal expenses and other charges	Actuals subject to a ceiling of US \$ 20,000.

Investment by non-Resident Indians

4884. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that most of the money now being invested by the non-resident Indians is black money sent by Indians from India; and

(b) is so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Remittance are made by the non-resident Indians in accordance with the provisions of the Foreign Exchange Regulation Act, 1973. In these cases the Reserve Bank of India has normally to rely only on the declarations made by them. Hence it is not possible to go into the question of ascertaining the sources of these funds unless there are definite and concrete allegations of the contravention of Foreign Exchange Regulation Act, 1973.

Transfer of Accounts of Entrepreneurs from one Bank to Another

4885. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that an entrepreneur who is not satisfied with the servicing of his account by one bank, cannot go to another bank even after repaying all his dues unless he gets a 'No Objection Certificate' from the bank where he is having his account;

(b) if so, the reasons therefor; and

(c) the steps Government propose to take to remove this condition to help the entrepreneurs ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). To ensure financial discipline among the borrowers and to prevent dilution of standards of financial scrutiny on the part of the banks, large borrowers having credit limits of Rs. 50 lakhs and above with one bank have to have the concurrence of that bank before having credit arrangements with another bank. This question does not arise if a borrower has repaid all dues of a bank and ceased to enjoy credit limit from it.

In case of smaller borrowers the bank taking over an account is expected to merely obtain a credit report from the bank from which the account is being transferred.

Reconciling of Unreconciled Amount in State Bank of India

4886. SHRI ANANTA PRASAD SETHI :

DR. CHANDRA SHEKHAR TRIPATHI :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a time limit for reconciling the unreconciled amount in the State Bank of India;

(b) if so, whether it is being followed by the State Bank of India management; and

(c) if not, the steps Government have taken to protect the interest of the depositors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The State Bank of India has reported that although there is no time limit for reconciliation of inter branch transactions, its endeavour has been to reduce time lag to the minimum. As at the end of May 1985, the bank had reconciled 98.5% of the entries. Efforts are being made to improve the position further. The progress in reconciliation is monitored by the top management.

Balancing of different categories of books, which also has a bearing on depositors interests, is done in State Bank of India according to a calendar of balancing. Broadly speaking, these schedules are being observed by the branches. Wherever there are arrears, special efforts are made to secure concentrated attention and efforts to eradicate them. As at the end of 30-6-1985, the bank had some unreconciled accounts at 495 out of its 7200 branches; Every effort is being made to reconcile these by December, 1985.

Raid Conducted on the Office and Residential Premises of the Directors of a Chit Fund Company

4887 SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a raid was conducted on the office and residential premises of the Directors of a Chit Fund Company in Delhi in the month of July, 1985;

(b) If so, the particulars of the Company and its Directors;

(c) the amount of unaccounted cash seized in the raid; and

(d) the action taken against the persons concerned ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). During the month of July 1985, no searches were conducted by the Income-tax Department in Delhi on the office and residential premises of the Directors of any Chit Fund Company. However, the Enforcement Directorate had conducted such searches on 21.7.85 in the office and residential premises of S/Shri Pyarelal Lamba, Om Prakash Lamba, Darshan Singh Lamba and Virendera Kumar Lamba who are the Directors of M/s. Ritu Chit and Finance Company Pvt. Ltd, New Delhi and also searched the office premises of M/s. Gagan Auto & General

Finance & Investment Co. Pvt. Ltd, with which also the above named persons are connected.

The Income-tax authorities have taken over seized cash of Rs. 30,13,180/- from the Directorate of Enforcement. Wherever any violation of Direct Taxes Acts comes to notices, appropriate action is taken as per statutory position.

Loan by Indian Bank to Texmaco Group of Textile Units in Indonesia

4888. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :-

(a) whether in the wake of the recent experience of sticky offshore lendings by Indian banks, a certain degree of nervousness is visible in banking circles in managing loan portfolios;

(b) if so, whether the loan by an Indian bank to the Texmaco group of textiles units in Indonesia was based on 1977 project reports; and

(c) if so, the steps Government are considering to take to remove the nervousness on offshore lending ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE* (SHRI JANARDHANA POOJARY) : (a) It would be more appropriate to say that in the context of general recessionary trends, reduced profitability and their experience, banks are exercising greater caution in undertaking off shore lending.

(b) Reserve Bank of India have reported that assistance to Texmaco was based on project report.

(c) To secure better quality of lending, the Reserve Bank of India has advised the banks to strengthen and improve their systems of credit management and control exercise of discretionary powers by the branch executives. Measures have also been taken to introduce an effective system of monitoring the operations of the foreign branches of our banks.

Financial help to International Management Institute Society

4889. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the financial help for day to day running of International Management Institute Society (India) ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). While no proposal for financial help for day to day running of the International Management Institute Society (India) is under consideration of the Department of Economic Affairs, on a proposal received from the Ministry of Education, the Ministry of Finance (Department of Economic Affairs) forwarded to UNDP in December, 1984, a project entitled 'Education in International Management, for UNDP assistance to the tune of US \$ 9,40,800. The development objective of the project is to contribute to human resource development through education in International Management to meet India's demands in growing international operations. Four institutions were proposed to be covered under the project, as follows :

- (i) Indian Institute of Management, Bangalore.
- (ii) Indian Institute of Management, Calcutta.
- (iii) International Management Institute, New Delhi.
- (iv) International Institute of Foreign Trade, New Delhi.

The UNDP's financial assistance is in the nature of technical assistance to be provided in the form of experts/consultants, training, fellowships and equipment only within the approved project outline. The UNDP have not yet conveyed their decision in the matter.

Irregularities in Coal India Limited

4890. SHRI INDRAJIT GUPTA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Coal Mines Officers Association of India has sent a letter to him alleging irregularities committed at highest level in Coal India Ltd.

(b) if so, the details of allegations made therein ;

(c) whether Government have made any inquiry into these allegations ; and

(d) if so, with what result ?

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

(a) and (b). Yes, Sir. A memorandum was received from the Coal Mines Officers' Association of India in June, 1985 alleging, among other things, irregular allotment of coal to private parties, transfer of an official of CCL at the instance of a local contractor and blacklisting and re-enlisting of firms.

(c) and (d). The allegations are being looked into.

Award of contract for Ash pond in Visakhapatnam Steel Plant

4891. SHRI S.M. BHATTAM : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the estimated cost of the Ash-pond in Visakhapatnam Steel Plant area ;

(b) whether it is a fact that the contract was awarded to a private engineering concern for one crore more than the estimated cost ;

(c) the circumstances and reasons which contributed to such decision ;

(d) whether National Projects Construction Corporation Limited, Hindustan

tan Steelworks Construction Limited, A.P.S.C.C. etc., were consulted in this regard ;

(e) if not, the reasons therefor ; and

(f) the particulars of persons responsible for this decision ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) The estimated cost of the Ash-Pond in Visakhapatnam Steel Plant area at the time of invitation of the tenders was Rs. 8.20 crores. It was subsequently updated to Rs. 8.54 crores.

(b) The contract was awarded to a private company ; but not at Rs. 1 crore more than the estimated cost.

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

(d) No, Sir.

(e) There is no such practice to consult these parties.

(f) Does not arise in view of reply to part (e) above.

Proposal to change the set up of public undertakings

4892. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to bring about basic structural changes in the management set up of public sector undertakings ;

(b) if so, the details thereof ;

(c) whether any effort has already been made in this direction ; and

(d) if so, the details thereof ;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Making structural changes in the management set up of public sector undertakings is a continuing process and various proposals are examined by the Government in this regard from time to time. This is also included in the terms of reference of the Committee to Review Policy for Public Enterprises set up in September, 1984. Though the Committee has submitted its report, it is not in the public interest to divulge the details of the Report or the action proposed to be taken thereon at this stage.

[Translation]

News-item captioned "Subsidy to large farmers opposed"

4893. SHRI SHANTI DHARIWAL : SHRI VISHNU MODI :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news-item captioned "Subsidy to large farmers opposed" appearing in the 'Financial Express' dated 23rd July, 1985 ;

(b) if so, whether the National Bank for Agriculture and Rural Development has recommended to Government to discontinue subsidy to big farmers ; and

(c) if so, the action taken by Government so far on the recommendation of NABARD ?

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

(b) No, Sir.

(c) Does not arise.

[English]

Ban on Recruitment in Public Undertakings

4894. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether there is a ban on the recruitment of workers in all categories in the public sector undertakings;

(b) if so, since when this ban is in operation; and

(c) the number of jobs created in the public sector undertakings during the year 1984 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) & (b). In January, 1984, public sector undertakings were advised that except in the most exceptional circumstances, no new post should be created and that the existing vacancies where action for recruitment has not been initiated should not be filled up.

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

**Estate Duty Clearance Certificate
Granted in Andhra Pradesh**

4895. **SHRI G. BHOOPATHY :** Will the Minister of FINANCE be pleased to state:

(a) in how many cases of deaths that occurred in Arab Countries, Estate Duty Clearance Certificates were granted by the Assistant Controllers of Estate Duty in Andhra Pradesh to the legal heirs of the deceased during the last five years prior to 15 March, 1985;

(b) the total amount of Estate Duty collected in the said cases;

(c) whether Estate Duty was leviable on the compensation amount awarded after death of the deceased and whether it was the 'estate' left by the deceased; and

(d) if not, the measures Government propose to take in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There have been thirty-two Estate Duty

Clearance Certificates issued by the Assistant Controllers of Estate Duty in Andhra Pradesh Charge in the cases of deaths that occurred in Arab Countries to the legal representatives of the deceased during the last five years prior to 15th March, 1985.

(b) The estate duty has been levied and collected in one case only amounting to Rs. 10,352/- as in other cases the principal value of the estates were below the taxable limit.

(c) No case of compensation amount awarded after the death of the deceased has come to the notice of the Department.

(d) Does not arise, in view of (c) above.

**Expenditure on Indiscriminate Import
of Technology Transfer Deals**

4896. **DR. G. VIJAYA RAMA RAO :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that huge expenditure is being incurred indiscriminately on import of technology transfer deals;

(b) if so, the corrective steps taken/proposed; and

(c) whether it is also a fact, that several instances have come to Government's notice involving public sector units and public servants where the Prime Minister is reported to have ordered review and if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No Sir; Government's policy on induction of technology from outside continues to be selective and this also has been reiterated in the Technology Policy Statement announced in 1983.

(c) No information is available with us.

**Application of Japanese Technology in
Steel Industry in India**

4897. DR. G. VIJAYA RAMA
RAO : Will the Minister of STEEL,
MINES AND COAL be pleased to state :

(a) whether Japan which has been buying iron-ore from India and elsewhere is making enormous profits on steel despite paying high prices for iron-ore and coke imported from other countries;

(b) whether India has had an opportunity to study Japanese technology and methods of manufacture and management; and

(c) if so, whether these have been applied to Indian steel industry and with what results ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a). Japan is buying iron ore and coal from different tied sources including India at very competitive prices. The Japanese steel industry which is reported to have earned profits in 1984-85, incurred losses in 1983-84.

(b) India is broadly aware of the tremendous STRIDES the Japanese Steel Industry has made by making systematic improvements in existing iron and steel making technologies,

(c) SAIL plants have also embarked on similar endeavour in updating their iron and steelmaking technologies. SAIL has entered into collaboration agreement for transfer of technology with NKK, Japan. This agreement has become operative only from July, 1985 and it is expected that Indian steel industry stands to gain significantly from it.

**Exploitation of Mineral Resources
of Orissa**

4898. SHRI GIRIDHAR GO-
MANGO : Will the Minister of STEEL,
MINES AND COAL be pleased to
state :

(a) the steps taken by the Government of Orissa and his Ministry to exploit the mineral resources of Orissa during the Sixth Five Year Plan ;

(b) the names of the projects, industries and mineral and metal-based programmes undertaken by the Government of Orissa, Union Government and the private sector ;

(c) the project report prepared and submitted for approval of his Ministry for the projects to be started during the Seventh Five Year Plan by the Government of Orissa, if any ; and

(d) the steps taken by his Ministry on the project reports so far ?

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

(a) and (b). Orissa produces a number of important minerals such as iron ore, manganese ore, chromite, graphite, bauxite, limestone, dolomite and lead ore etc. In the Central Sector the National Aluminium Company Limited is developing a bauxite mine at Panchpatmali of 24 lakh tonnes annual capacity. Bharat Aluminium Company Limited is developing a bauxite mine at Gandhamardhan as alternative source of material to its aluminium plant in Korba. Hindustan Zinc Limited have completed construction of lead mine at Sargipalli. Indian Rare Earths Limited are establishing Orissa beach sand complex to produce ilmenite, rutile etc. In the State Sector Orissa Mining Corporation have developed and are working mines for Chromites, Iron manganese ores, Tin and Semi-precious stones. In the Central Sector the National Aluminium Company Limited is setting up an Alumina Plant of 800,000 tonnes per year capacity of Damanjodi and an Aluminium Smelter of 218,000 tonnes per year capacity at Angul. Steel Authority of India Limited is setting up a Slag Cement Plant at Rourkela of 7 lakh tonnes per year capacity. Orissa Mining Corporation, a State enterprise, has received an industrial Licence for production of 45,000 tonnes per year of Charge Chrome. The Industrial Development Corporation of Orissa was issued a Letter

of Intent for setting up of 165,000 and 65,000 tonnes per year capacity Cement Plant in Sambalpur and Sundergarh district of Orissa respectively. Industrial Promotion and Investment Corporation of Orissa Limited proposes to set up a Ferro-Vanadium Plant at Rajrangpur with a capacity of 500 tonnes per year. In the Private Sector, Ferro Alloys Corporation Limited and Indian Metal & Ferro-alloys Limited, have set up Charge Chrome Plants of 50,000 and 45,000 tonnes capacity per year at Runda and Theruvali respectively. Orissa Sponge Iron Limited is setting up a plant of 1,50,000 tonnes per year of Sponge iron ore at Palaspanga Keonjhar district. Paradeep Phosphates Limited is setting up Phosphatic fertilizer plant at Paradeep.

(c) and (d). No project report for the projects to be started during the Seventh Five Year Plan has been received from the State Government of Orissa.

**Grant-in-Aid Provided for Upgradation
of Standard of Administration in
Tribal Areas During Sixth Five
Year Plan**

4899. SHRI GIRIDHAR GOMANGO : Will the Minister of FINANCE be pleased to state :

(a) the grant-in-aid provided under Article 275 (1) to the States/Union Territories during the Sixth Five Year Plan as per the recommendation of Seventh Finance Commission for upgradation of standard of administration in

tribal areas and other related administration of the States, State-wise details thereof ;

(b) the schemes and programmes undertaken by states to utilise the funds and utilised upto the end of the last year of the Sixth Five Year Plan, State-wise ;

(c) whether Ministries of home, Affairs, Health and Family Welfare and Education respectively have submitted proposals on the basis of Eighth Finance Commission award to get the funds from his Ministry ; and

(d) if so, the details thereof and the funds agreed to be provided during 1985-86, Ministry-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Seventh Finance Commission recommended grants in-aid to the States (Union Territories are not covered by the recommendations of the Finance Commission) for two schemes in the field of tribal administration viz. payment of compensatory allowance to the employees posted in tribal areas and construction of staff quarters. A statement showing the allocation and releases scheme-wise is given below.

(c) The recommendations of the Finance Commission regarding upgradation of standards of administration donot apply to the Central Ministries.

(d) The question does not arise.

Statement

*Upgradation of standards of tribal administration—grants-in-aid recommended by the
Seventh Finance Commission and the amounts released for 1979-84*

(Rs. in lakhs)

State	Payment of compensatory allowance to staff working in Tribal areas		Construction of residential quarters for staff posted in Tribal areas	
	Amount recommended	Amount released	Amount recommended	Amount released
1	2	3	4	5
1. Andhra Pradesh	165.00	165.00	56.00	56.00
2. Assam	146.00	109.50	152.00	155.75*
3. Bihar	621.00	589.84	112.00	90.00

1	2	3	4	5
4. Himachal Pradesh	20.00	20.00	24.00	24.00
5. Kerala	20.00	20.00	40.00	40.00
6. Madhya Pradesh	1056.00	361.00	336.00	1031.00*
7. Manipur	74.00	—	40.00	114.00*
8. Orissa	603.00	503.00	184.00	284.00*
9. Rajasthan	150.00	—	40.00	190.00*
10. Tamil Nadu	22.00	22.00	72.00	72.00
11. Tripura	95.00	95.00	24.00	24.00
12. Uttar Pradesh	1.00	1.00	16.00	16.00
13. West Bengal	98.00	58.00	96.00	136.00*
TOTAL :	3071.00	1944.34	1192.00	2232.75

* Diversion of funds from one scheme to the other was allowed.

Shortage of Producer Steel

4900. SHRI LALITESHWAR SHAHI:
Will the Minister of STEEL, MINES
AND COAL be pleased to state :

(a) whether Government are aware that there is acute shortage of producer steel, i.e. flats of thinner gauge in the country ;

(b) whether it is a fact that Bokaro Steel Plant, which is supposed to produce thinner gauge sheet, has not been able to produce anything during the last two-three months ; and

(c) the way in which Government propose to meet the situation arising out of this shortage in the market ? *

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c). Reports of shortages have been received from a few consumers. The production at Bokaro had suffered on account of a strike lasting from April 5 to May 13, 1985. Despite this, the stocks of Bokaro products of HR/CR coils and sheets have shown an upward trend. Adequate imports are being allowed through licenses and the canalising agency to meet the requirements of the customers.

Allotment of Steel to Industries

4901. SHRI LALITESHWAR SHAHI
Will the Minister of STEEL, MINES
AND COAL be pleased to state :

(a) the number of large scale, ancillary and small scale industries which have been given direct ad-hoc allotment of steel by his Ministry and STEEL Authority of India Limited ; and

(b) the location thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) During 1984-85, the New Delhi Office of Steel Authority of India Limited made allotments of 6208 tonnes of steel to 59 private parties. This requirements 0.2% of total sales by SAIL during the period of such allotment.

(b) These parties are located in the States/Union Territories of Assam, Delhi, Haryana, Maharashtra, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh and Tamil Nadu.

Import of Raw Silk Opposed

4902. SHRI SHANTI DHARIWAL :
SHRI VISHNU MODI :

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

(a) whether Government's attention has been drawn to the newsitem captioned "Raw Silk Import Opposed" appearing in the 'Financial Express' dated 22 July, 1985;

(b) if so, the reasons for purchasing (importing) such a huge quantity of raw silk by Government;

(c) whether Government are re-considering the question of making this purchase (import); and

(d) if not, the reasons for not taking action on the suggestions of the Central Silk Board ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (d). Government have taken note of the newsitem under reference. During April-May 1985, Govt. had received a number of representations, mostly from Handloom weavers, regarding abnormal increase in the price of raw silk and its shortage in the market. Following this, the Central Silk Board was asked to examine the position. While admitting the rise in price in its report, the Board felt that the increase was only of temporary nature due to failure of rains in Karnataka and, therefore, it did not recommend direct import of silk. The situation is under further assessment by the Government. No direct import of Silk has however, actually been made so far during the year. The price of silk have since also shown favourable trend and, demand for imported silk has also come down.

[Translation]

Sale of Steel in Black Market

4903. SHRI SHANTI DHARIWAL :
SHRI VISHNU MODI :

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

(a) whether it is a fact that raw materials are supplied at cheap rates to the small scale industries by Government;

(b) if so, whether attention of Government has been drawn to the news item captioned "Farzi Factory Ke Nam Par Lakhs Ke Lohe Ki Black (Black sale of steel worth lakhs of rupees in the name of fake factory)" appearing in the 'Hindustan' of 19 July, 1985;

(c) if so, the number of such cases which have been brought to the notice of Government during the last three years, full details thereof;

(d) whether Government have taken any action on such cases so far;

(e) if so, the details thereof; and

(f) if not, the reasons therefore ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) No, Sir. Only the State Small Industries Corporations are given rebate by the main producers in the supply of steel so as to enable them to meet their handling expenses in servicing the requirements of the small scale industries under their purview.

(b) Yes, Sir.

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

Employees Suffering From Diseases in Khetri Copper Project

4904. SHRI MOHD. AYUB KHAN :
Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) The number of the employees in Khetri Copper Complex who are suffering from T.B. Silicosis, lung disease;

(b) the number of those who died of these diseases;

(c) the compensation paid to the families of the deceased persons; and

(d) the number of the employees removed from service on this account ?

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

(a) and (b). 475 cases of employees suffering from T.B. have so far been registered in the Hospital since the inception of Khetri Copper Complex in 1967, of whom 11 have died. No case of Silicosis has been registered. No separate record is maintained in respect of cases of lung disease.

(c) No compensation as such is payable as per the rules of the Company. However, in case of death of a workman on account of T.B., his dependants were paid cash benefits varying from Rs. 20,000 to 61,750 according to the rules of the Company.

(d) Five.

Amount Spent for Rural Development and Welfare in Khetri Copper Project

4905. SHRI MOHD. AYUB KHAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the year wise amount sanctioned in the budget and the amount spent under each head till date for rural development and welfare in Khetri Copper Complex;

(b) the significant works undertaken with the said budgetary amount in villages around the said complex; and

(c) whether no work was undertaken except in 1979-80 ?

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

(a) to (c). There is no separate provision in the Budget of the Khetri Copper Complex of Hindustan Copper Ltd. for rural development and social welfare. However, certain schemes for Rural Development have been integrated with the general budget of the Complex. Important jobs undertaken by the Complex in this sphere include :

- (i) construction of metal Road of about 8 Km. length from Khar-khara to Kolihan;
- (ii) construction of metal road from Jodhpura to Khetri Copper Complex;
- (iii) improvement of road from Bilwa village to Chandmari/Kolihan;
- (iv) provision of road lights on a length of 4 Km. for the benefit of nearby villages; and
- (v) provision of drinking water facilities and construction of culverts/causeways for the nearby villages.

Various jobs have been undertaken even after 1979-80 and are continuously being maintained at an approximate cost of Rs. 50,000 per year.

Requirement and supply of power to Khetri Copper Project

4906. SHRI MOHD. AYUB KHAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the total requirement of power for the entire plant, mines, township and other purposes in Khetri Copper Project is 28 megawatt only ;

(b) whether it is a fact that at present 32 megawatt power is being supplied to this project by the Rajasthan State Electricity Board and another 18 Megawatt power can be generated (in emergency) by its D.G. set ; and

(c) what was the necessity of setting up Rs. 30 crore gas turbine and the purpose for which the power generated therefrom will be utilised ?

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

(a) The total requirement of power of the Khetri Copper Complex (KCC) of Hindustan Copper Ltd., including the township, is about 38 MW at present and is likely to go up to 47 MW in the near future.

(b) The Rajasthan State Electricity Board is supplying around 28 MW power to the KCC. The supply, however, has been very erratic with power cuts going upto 100%. In order to operate the essential services particularly at the mines, emergency power of about 15 MW can be generated by the Company from its capacity D.G sets.

(c) The existing power generating capacity of KCC, can hardly serve the essential services and operations of the mines when there is 100% power cut. Hence additional 20 MW Gas Turbine Plant is being installed at KCC to sustain continuous operation of the mines and other plants.

[English]

Absorption of persons whose land was acquired for construction of steel plants

4907. SHRI S.M. BHATTAM :

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

(a) the extent of land acquired from (i) the State Government and (ii) the private land-owners in various States to meet the requirements of the steel plant in the country ;

(b) the number of persons rendered displaced (who lost their lands and houses) at the time of commencing construction of various steel plants and;

(c) the number out of them who were absorbed in the steel plants in different states ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c). The total land acquired for the steel plants, number of families displaced, and the number of displaced persons employed from displaced families, are as under :

Sl. No.	Name of Steel Plant/State	Land acquired in acres		Total	No. of families displaced	No. of persons employed from displaced families
		Private	Govt.			
1.	Bhilai Steel Plant, Madhya Pradesh.	21,898	11,473	33,371	5,703	3,791
2.	Durgapur Steel Plant, West Bengal	11,163	5,221	16,384	2,150	2,150
3.	Rourkela Steel Plant, Orissa	14,775	5,011	19,786	4,251	4,665
4.	Bokaro Steel Plant, Bihar	25,931	4,497	30,428	13,491	14,512
5.	Indian Iron & Steel Company Limited, West Bengal	—	—	323	1,609*	638*
		(Break-up not available)			*(IISCO was taken over in public sector from July 1972. These figures relates to position after taken over)	
6.	Visakhapatnam Steel Plant, Andhra Pradesh	11,870	8,012	19,882	9,592*	1,283
					(As on 30.6.85) (In addition 4372 are working with the contractors engaged in the construction of the steel plant)	

* This is an estimate of total number of families likely to be displaced when all lands (25,780 acres) required have been acquired.

5 Year tax holiday on 100 per cent export-oriented industries

4908. SHRI S.M. BHATTAM : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering a proposal to grant a 5-year tax-holiday in respect of 100 per cent export-oriented industries ; and

(b) whether Government have approved 408 proposals for setting up 100 per cent export projects in different parts of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) In view of the provisions of Section 10A of the Income-tax Act, 1961 (inserted by the Finance Act, 1981) w.e.f. 1.4.1981 which provide complete tax exemption in respect of profits and gains derived by an industrial undertaking set up in any free trade zone for a period of five initial Assessment Years which is available to all industrial units in the free trade zone including those which may not be exclusively export units ; and also amended provisions of Section 80HHC of the Income Tax Act, 1961 as amended by Finance Act, 1985 (w.e.f. 1.4.1986 applicable to assessments for the year 1986-87 onwards), exemption 50 per cent of the profits attributable to export by 100 per cent export oriented units subject to certain conditions, for the present any further concession to 100 per cent export oriented industries is not considered necessary.

(b) Up to the end of March, 1985, 427 units were holding valid approval letters for setting up 100 per cent export projects.

Applications for expansion of spindlages in Kerala

4909. SHRI V.S. VIJAYARAGHAVAN:

SHRI K. KUNJAMBU :

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

(a) the names of private as well as Government spinning units which have applied for expansion of spindlages in Kerala during the past two years ;

(b) whether the applications have been considered favourably ;

(c) whether the restriction with regard to expansion of spindlages has been lifted after the announcement of the new textile policy ;

(d) if not, the reasons thereof ;

(e) whether clear-cut instructions have been issued in regard to applications for expansion of spindlages ; and

(f) if not, when these are likely to be issued ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH): (a) Application for industrial licence for expansion of spindle capacity in the cotton textile mill sector has been received from one unit viz. M/s. Kathaye Cotton Mills, Alwaye.

(b) No, Sir.

(c) to (f). Guidelines laid down for the issue of fresh industrial licences in the spinning sector are contained in the press note No. 8 (1985) series issued by the Department of Industrial Development on 19.3.1985.

Control on Domestic Price of Coffee

4910. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a statutory control on the domestic price of coffee;

(b) whether some control exists in respect of other plantation crops like tea, etc.;

(c) if not, the reasons for controlling the price of coffee alone;

(d) whether this control has resulted in hardship to small growers; and

(e) if so, the steps being taken to mitigate their hardships?

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

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

[Translation]

Non-Payment of Duty Drawback to Exporters in Time

4911. SHRI JITENDRA SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether there is resentment among exporters due to not making payment of Duty Drawback in time which is hampering exports;

(b) whether the payment of Duty Drawback cannot be made within the stipulated period;

(c) if not, the reasons therefor; and

(d) whether a list of such exporters will be laid on the Table whose payments have been withheld for more than one year indicating the reasons for withholding the payment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) While representations are received from time to time from individual exporters/firms/Associations about specific delays, there is no general resentment amongst the exporters as efforts are being made to ensure payment of Duty Drawback expeditiously. In a large majority of the cases payment is made expeditiously.

(b) to (d) Settlement of Duty Drawback Claims (Main and Supplementary) after export takes time on various counts, the main ones being :

(i) non-submission in time of all relevant information/documents by the exporters,

(ii) time taken in testing of samples where required for determining the admissible rates, and

(iii) delay in submission data (and its verification) where brand rates/special brand rates are claimed by the exporters.

A watch is maintained on the disposal of claims and steps are being taken to streamline the procedures to cut down these delays and settle the drawback claims more promptly.

As for the list desired, the time and effort involved may not be commensurate with the anticipated results.

[English]

Decrease in Demand of NTC Products

4912. SHRI MOHANBHAI PATEL : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the number of mills functioning under the National Textile Corporation at present, their number State-wise;

(b) the details of cloth manufactured in these mills;

(c) whether there is a substantial fall in the demand of NTC products and if so, the details thereof; and

(d) the main reasons for less demand of N.T.C. products and the steps taken to solve the problem and catch the market for their products?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) At present, there are 125 textile mills under the National Textile Corporation viz 103 nationalised mills and 22 managed units. State-wise break-up of these mills is as under :

State/Union Territory	Number of Mills Nationalised	Managed
Andhra Pradesh	6	—
Karnataka	4	—
Kerala	5	—
Delhi	1	—
Punjab	4	—
Rajasthan	3	1
Gujarat	12	—
Madhya Pradesh	7	—
Tamil Nadu	14	4
Pondicherry & Mahe	2	1
Uttar Pradesh	5	6
West Bengal	14	1
Assam	1	—
Bihar	2	—
Orissa	1	—
Maharashtra	22	13

(b) The mills under NTC produced cloth during the last 3 years is as given below :—

(in million mts.)

1982-83	...	760.50
1983-84	...	902.00
1984-85	...	920.00

The cloth production pattern of the mills during 1984-85, is as under :

		% age
Coarse		6.00
Lower medium	...	22.64
Higher medium	...	69.01
Fine	...	00.50
Super fine	...	0.43
Blends & others	...	1.42
		<u>100.0%</u>

(c) and (d). The sales of NTC products have increased from Rs. 566.64 crores in the year 1983-84 to Rs. 654.61 crores in the year 1984-85.

**New Institute of Handloom Technology
in the North East**

4913. SHRI N. TOMBI SINGH :
Will the Minister of SUPPLY AND
TEXTILES be pleased to state :

(a) whether Government have established a new Institute of Handloom Technology in the North East as mentioned in the Textile Policy 1981;

(b) if so, the details and progress thereof; and

(c) if not, the reasons therefor ?

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

(b) The Institute was established in Gauhati in August, 82 to cater to the needs of Handloom Industry in North East. The Institute conducts a 3 year Diploma course in Handloom Technology to which 28 candidates per year are admitted from North Eastern States. The first batch of students have successfully completed their course in June, 1985. Apart from the Diploma course the Institute also conducts Four months Short Term Training Courses in weaving,

processing, printing and designing for candidates sponsored by State Government/Handloom Corporation/Apex and Primary Societies.

(c) Does not arise.

**Opening of Rural Banks in North
Eastern Region**

4914. SHRI N. TOMBI SINGH :
Will the Minister of FINANCE be
pleased to state :

(a) whether Government are considering to open more rural banks in the North Eastern Region with special reference to Manipur in the near future;

(b) if so, the details as to time, number and location thereof; and

(c) if not, whether Government propose to look into the inadequacy of the existing arrangements and rural banking facilities in that region ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) and
(b). At present there are eleven regional rural banks covering 38 districts in the five States and 2 U.Ts comprising the North Eastern Region. Their State-wise distribution is as under :

State/U.T.	No. of RRBs	District covered	
Assam	5	10	(10)
Meghalaya	1	3	(5)
Manipur	1	8	(8)
Tripura	1	3	(3)
Nagaland	1	7	(7)
Arunachal Pradesh	1	4	(10)
Mizoram	1	3	(3)
Total	11	38	(46)*

*(Figures in bracket indicate total districts in the State/U.Ts).

(c) Despite operational difficulties arising out of lack of communications & other infrastructure facilities and security arrangements, the Regional Rural Banks in the region have been showing steady progress. Within the constraints the existing arrangement may not be considered as inadequate. As at the end of February, 1985 there were 1236 branches of scheduled commercial banks in the North Eastern Region.

Census of Handloom

4915. SHRI N. TOMBI SINGH : Will the Ministry of SUPPLY AND TEXTILES be pleased to state :

(a) whether government have ever conducted country-wide census of handlooms;

(b) if so, when and the findings thereof; and

(c) if not, whether Government propose to consider conducting the census in view of the changes and improvements proposed to be brought about in the light of the new textile policy ?

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

(b) Does not arise.

(c) Yes, Sir. A census of handlooms at All India level is being planned.

Agency/Agencies of Controlled Cloth in Manipur

4916. SHRI N. TOMBI SINGH : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the agency/agencies through which controlled cloth is released for Manipur.

(b) the quantities and varieties lifted by the said agencies during the last financial year;

(c) whether local consumers cooperative societies can be allotted controlled cloth for distribution; and

(d) if so, the conditions and procedures thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Controlled Cloth is released to the States of Manipur through M/s Manipur Cooperative Consumers' Federation Ltd., Manipur.

(b) The details of controlled cloth lifted by the Manipur Cooperative Consumers' Federation during the last financial year (1984-85) are as under :

(Figs. in Mtrs.)

Dhoty	2,82,500
Saree	56,500
Long cloth	1,67,500
Total :	5,06,500

(c) and (d). Controlled cloth is distributed through retail outlets approved by the state Governments.

Loans Given by SBI to Galadhari Brothers

4917. SHRI C. JANGA REDDY :
SHRI MOHD. MAHFOOJ ALI KHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to a report in the (Delhi) 'Nav Bharat Times' of June 22 last that the State Bank of India, after having loaned to or stood security for Galadhari Brothers in recent years for about Rs. 83 crores was in serious trouble because (i) the loans were given without securing firm guarantees or securities and (ii) no proper documents were procured by the Bank before committing itself;

(b) whether a Director of the bank was keenly interested in getting the loan sanctioned for Galadharis;

(c) the details thereof; and

(d) the action taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Government have seen the Press Report.

2. State Bank of India (SBI) have reported that their Behrain Branch granted credit facilities to Galadhari Bros. and to Mr A.W. Galadhari and his associate companies. The assistance to Galadhari Bros. has been in syndication with some other commercial banks. They have indicated that syndicated facility is secured by first mortgage on land and building and security documents prepared in consultation with the solicitors of the syndicate of banks for the syndicated credit facility have been obtained. In accordance with the statutory provision further details regarding the accounts of the constituents cannot be divulged by the SBI at this stage.

3. The SBI had also extended assistance to Mr. A.W. Galadhari and A.W. Galadhari Holdings Pvt. Ltd. The SBI have reported that in respect of these loans also, the normal documents like promissory notes, bank facility agreements have been obtained. The facility was, however, granted as "clean facility" Mr. A.W. Galadhari and his group of companies have been put under receivership and the SBI have filed claim for the

aforesaid dues with the appointed receiver. The Bank has also referred the matter to C.B.I. The SBI has reported that the outstandings in the account of Mr. A.W. Galadhari and his group of companies amount to 16.412 million US dollars. They hold a cash collateral of 6.729 million US dollars. The matter is being pursued by them with the Official receiver for the settlement of the claim.

4. The SBI has also reported that there is no evidence on record of any Director of the bank being keenly interested in granting credit facilities to Galadhari Brothers.

Foreign exchange earned by export of flowers

4918. SHRI B.B. RAMAIAH : Will the Minister of COMMERCE be pleased to state :

(a) the details of major items of foreign exchange earner ;

(b) whether it is a fact that India is exporting flowers also to other countries ; and

(c) if so, annual exports of flowers and the foreign exchange earned therefrom ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) A Statement is given below.

(b) Yes, Sir.

(c) The estimated value of foreign exchange earned from exports of flowers (excluding live plants) were as under :

(Value : Rs. in Lakhs)

	1982-83	1983-84	1984-85.
(a) Orchids	3.33	4.43	13.96
(b) Cut flowers	11.19	9.44	13.53

Statement

(a) Major items of India's foreign exchange earnings from exports were as under :—

(Value : Rs. in Crores)

Items	1982-83 (Provisional)	1983-84 (Provisional)
1. Tea and Mute	367.53	501.37
2. Coffee and Coffee substitutes	184.20	183.26
3. Tobacco unmanufactured	208.54	149.61
4. Sugar and sugar preparation	62.35	139.86
5. Cashew Kernels	133.97	156.62
6. Vegetables & fruits (other than cashew kernels)	158.80	155.16
7. Oil cakes	149.35	146.29
8. Spices	88.95	109.26
9. Marine Products	349.45	327.30
10. Meat & Meat preparations	80.47	68.32
11. Rice	199.60	147.13
12. Cotton raw	101.16	148.95
13. Iron Ore	373.79	385.34
14. Manganese Ore	14.95	17.98
15. Mica	1855	26.52
16. Cotton Yarn	23.25	19.57
17. Cotton Fabrics	265.52	276.54
18. Readymade Garments.	527.50	607.20
19. Madeup articles wholly or chiefly of cotton	97.01	76.28
20. Fabrics of man-made fibre	21.76	26.52
21. Silk Fabrics	31.71	40.58
22. Jute manufactures	202.76	164.52
23. Coir and Coir mfrs.	24.60	23.48
24. Leather & Leather Mfrs. (Excl. Footwear)	345.88	349.88
25. Footwear	25.92	23.23
26. Chemicals & Allied Product	308.20	277.68
27. Gems & Jewellery	894.03	1288.65
28. Carpets handmade	168.57	194.04
29. Works of Arts	109.61	116.61
30. Metal Manufactures (excl. Iron & Steel)	201.56	194.29
31. Machinery & transport equipment	584.60	493.98
32. Iron & Steel (incl. mfrs.)	55.75	46.43
33. Crude oil	1063.37	1231.09
34. Mineral fuels, lubricants and related products	171.90	361.96
GRAND TOTAL (incl. other Item)	8907.75	9865.30

**Disposal of Properties of Different
Firms of Rajendra Sethia by
Central Bank of India**

4919. **SHRI BHOLA NATH SEN :**
Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bank of India and the Punjab National Bank have taken steps for disposing of the properties held by them in security for the loans advanced by them to the different firms of Rajendra Sethia;

(b) if so, the details of the properties disposed of so far;

(c) the outstanding dues of the banks;

(d) the amount so far realised by the banks by disposing of the properties pledged to the banks; and

(e) the steps taken/proposed to be taken to recover the outstanding dues of the banks from Sethia firms ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). Both the banks have reported that they have taken steps to realise their securities held in the account of M/s ESAL Commodities Ltd. including through disposal of properties. While Central Bank of India has reported that it has not yet succeeded in sale of any property held by it as collateral security in the account, Punjab National Banks reported that it has realised a sum of £ 0 962 million through sale of properties at London. The dues of ESAL Group to the two banks *viz.* Central Bank of India and Punjab National Bank, as reported by them, are about Rs. 68 crores and US \$ 85.916 million, respectively. The amounts realised by them so far in various ways are Rs. 1.20 crores in respect of Central Bank of India and £ 0.962 million on US \$ 7.293 million in respect of Punjab National Bank. The following steps have been taken by banks, as reported by them, to recover their outstanding dues from the firm :—

I. Central Bank of India

(i) It has lodged a claim with official liquidator for uncovered portion of its dues.

(ii) Suit has been filed against insurance companies and others concerned to recover its dues under insurance policies in respect of bills covering exports to Sudan.

(iii) Immovable properties are being put to sale.

(iv) It is executing the decree obtained by it against ESAL (USA) Inc. and is also inviting offers for sale of the aircraft belonging to Rajinder Sethia.

II. Punjab National Bank

The bank is taking all possible steps to recover its dues from the various securities charged to the bank.

**Cigarette Companies to Pay Excise
Duties as Per Supreme Court
Directive**

4920. **SHRI BHOLA NATH SEN :**
Will the Minister of FINANCE be pleased to state :

(a) whether some cigarette companies are liable to pay excise arrears as per the Supreme Court directive to them;

(b) if so, the details of the excise arrears payable by the cigarette companies;

(c) the steps taken/proposed to recover the arrears from the cigarette companies; and

(d) the amount of excise arrears recovered so far from the cigarette companies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) On the 12th July, 1985 the Hon'ble Supreme

Court issued directive in P.M.E. disputes against some companies including three cigarette companies. According to these directives, the Department has been permitted to raise interim demand of excise duty on advertisement expenses not allowed to be deducted from the assessable value.

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

(c) The Collectors concerned have been asked to take further action in terms of Hon'ble Court's Order.

**Audit of Gramin Banks in Gopalganj,
Bihar**

4921. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the audit of Gramin Banks in Gopalganj, Siwan District in Bihar has not been conducted;

(b) if so, the reasons for not conducting the audit; and

(c) when the audit of these Gramin Banks is likely to be conducted ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. The annual audit has been conducted.

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

Corruption in Gramin Banks in Bihar

4922. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether certain charges of corruption are pending against the managers of Gramin Banks in Bihar; and

(b) if so, the details thereof and the action taken against the managers of Gramin Banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Complaints have been made to Government and the NABARD by members of Public including MLAs and M. Ps containing allegations in the functioning of branches of Regional Rural Banks in various States including Bihar.

(b) These complaints are got investigated and appropriate action is taken wherever found necessary in accordance with relevant provisions laid down in the regulations.

**Poor utilisation of the World Bank
Loans for various projects
in States**

4923. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to the notice of the Union Government that there has been very poor utilisation of the World Bank loan sanctioned for various projects in States ;

(b) the names of the States where the poor utilisation of the said loan has been reported to the Union Government ;

(c) whether the Union Government have asked the States for examining the issue and report to the Union Government ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The progress of utilisation of the World Bank loan for various projects in States is under constant review by the Government of India. In some States progress in certain projects is lower than target due to limitation of funds or organisational reasons. In such cases, the Government of India alert the project authorities and State Government with a

view to improving the utilisation. The State Governments have been requested to ensure that adequate funding is available for priority projects including those for which Bank assistance has been sanctioned.

Female employees in B.C.C.L.

4924. SHRI BASUDEB ACHARIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the number of female employees in Bharat Coking Coal Ltd. in the last ten years with year-wise break-up till 1st January, 1985 ;

(b) whether there is a steady decrease in the number ; and

(c) if so, the reasons therefor ?

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

(a) The number of females employee in B.C.C.L. in the last 10 years, year-wise, is as under :

As on	No. of female workers
1.1.1976	21,568
1.1.1977	20,350
1.1.1978	19,754
1.1.1979	18,084
1.1.1980	16,764
1.1.1981	16,466
1.1.1982	16,539
1.1.1983	16,387
1.1.1984	16,247
1.1.1985	16,774

(b) There was a decrease till 1.1.80 and thereafter the number has been more or less at the same level.

(c) The decrease was due to certain Voluntary Retirement Schemes and natural wastage.

Performance of Mouraushin Gramin Bank in Birbhum in West Bengal

4925. SHRI GADADHAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) whether instruction has been issued to the Mouraushin Gramin Banks in Birbhum in West Bengal to provide loan assistance for small marginal farmers, recorded bargadars and grants to assignees of vest land/pattas and for extension of credit facilities to the new recorded bargadars and new assignees of pattas for their coverage under the scheme they are entitled to ;

(b) whether it has been brought to his notice that new recorded bargadars and assignees of pattas are not allowed these facilities ;

(c) whether there is any ceiling limit of the volume of total credit for a particular bank ; and

(d) if so, guidelines to the bank so as to enable these categories of rural poor to get financial assistance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). Presumably the reference is to Mayurakshi Gramin Bank, operating in Birbhum district of West Bengal. Regional Rural Banks have been established with the primary objective of meeting the credits needs of persons having annual income of less than Rs. 6500/- and include, among others, small/marginal farmers, agricultural labourers, rural artisans. A farmers, cultivating land and conforming to stipulations of National Bank for Agriculture and Rural Development for a small farmer is eligible for credit facilities from a regional rural bank, and it includes recorded bargadars and assignee of pattas also. Since all regional rural banks are required to adhere to the above guidelines it was not considered necessary to issue separate instructions in this regard to Mayurakshi Gramin Bank.

(b) No, Sir.

(c) No limit has been fixed for the total credit that may be granted by a regional rural bank. The amount of credit disbursed by a regional rural bank will depend on its resources comprising of deposits, and refinance from sponsor bank and the National Bank of Agriculture and Rural Development and the demand for credit in the area of operation of the regional rural bank.

Incentives to encourage private investment for boosting silk production

4926. SHRI B.V. DESAI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are considering to offer some incentives to encourage private investment boosting silk production ;

(b) whether his Ministry is preparing a strategy to provide necessary inputs in the identified thrust areas ;

(c) whether for increasing the availability of silk, Government have decided to expand acreage under mulberry cultivation ;

(d) whether to boost the silk production, Government have appointed a committee for working out details of a separate Act to be introduced for silkworm seed and chowki-rearing ; and

(e) if so, the other incentives Government propose to provide ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (c). Government have been implementing several schemes for development of sericulture with a view to boosting silk production in the country. Under these schemes, necessary inputs like research and development support, training and extension services and infrastructural facilities have been

provided to the farmers who are mostly private individuals. In terms of new Textile Policy, further emphasis would be laid on development of sericulture during the 6th Plan. As part of this, area under mulberry cultivation would also be expanded and all necessary steps for providing inputs to the farmers would be taken depending on the availability of funds.

(d) and (e). Government have constituted a committee for suggesting necessary steps including enactment of a central legislation for improving the silkworm seed production in the country. The question of providing additional incentives would be examined in the light of the recommendation of the committee.

Discussion with West German Vice-Chancellor about Agreement on Avoidance of Double Taxation

4927. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether he had discussions with the West German Vice-chancellor during his visit in July, 1985 and exchanged instruments of ratification of an agreement on avoidance of double taxation ;

(b) if so, the main features of this agreement ;

(c) to what extent the agreement reached between the two countries will be helpful in India's modernisation efforts ; and

(d) by what time the agreements are likely to be implemented ?

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

(b) A statement containing the main features of the revised Agreement for Avoidance of Double Taxation with respect to Taxes on Income and Capital between the Republic of India and the

Federal Republic of Germany is given below.

(c) The Agreement between the two countries is expected to lead to freer flow of technology and know-how, thus providing an impetus to India's efforts towards modernisation.

(d) The Protocol revising the Agreement shall enter into force one month after the date of exchange of the instruments of ratification viz., 10th August, 1985; and in the case of India it shall have effect in respect of income and capital assessable for any assessment year commencing on or after 1st April, 1984.

Statement

The revised Agreement for Avoidance of Double Taxation with respect to Taxes on Income and Capital between the Republic of India and the Federal Republic of Germany would, in the case of India, cover income-tax, surtax and wealth-tax. The instruments of ratification of this revised Agreement were exchanged on 10-7-1985 in New Delhi. The Agreement provides that the profits of an enterprise of a Contracting State shall be taxable only in that State unless the enterprise carries on business in the other Contracting State through a permanent establishment situated therein. Permanent establishment, *inter-alia*, includes a building site or construction or installation project only if it lasts more than six months. The Agreement also provides that the profits derived from the operation of ships in international traffic shall be taxable only in that Contracting State in which the place of effective management of the enterprise is situated. Notwithstanding this, such profits may be taxed in the other Contracting State from which they are derived provided the tax charged shall not exceed 50 per cent in the first five years after the entry into force of the Protocol and 25 per cent during the subsequent five fiscal years. The Agreement provides that the dividends paid by a company which is a resident of a Contracting State to a resident of the other Contracting State may be taxed in that other State. However,

such dividends may also be taxed in the Contracting State of which the company paying the dividends is a resident, and according to the laws of that State. But if the beneficial owner of the dividends is a resident of the other Contracting State, the tax so charged shall not exceed, in the case of Federal Republic of Germany, 15 per cent of the gross amount of the dividends; and in the case of India, where the dividends relate in whole or in part to a new contribution, 15 per cent of the gross amount of the dividends attributable to the new contribution. The Agreement further provides that the interest arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State. However, such interest may also be taxed in the Contracting State in which it arises and according to the laws of that State. But the tax so charged shall not exceed 10 per cent of the gross amount, if such interest is paid on any loan by a bank and 15 per cent of the gross amount in all other cases. The Agreement provides that royalties and fees for technical services arising in a Contracting State and paid to a resident of the other Contracting State may be taxed in that other State. However, such royalties and fees for technical services may also be taxed in the Contracting State in which they arise, and according to the laws of the State. But in so far as the fees for technical services are concerned, the tax so charged shall not exceed 20 per cent of the gross amount of such fees.

Steps to Discourage Investment in Equity Shares and for the Diversion of Investment in Government owned Financial Institutions

4928. SHRI VIRDHY CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether one of the important reasons of the price rise is due to much money chasing too few equity shares in the stock exchange market ;

(b) if so, how Government intends to curb this practice ;

(c) whether due to investors lure for attractive returns in equity shares Government are deprived of their investment in nationalised banks and nonconvertible debentures ; and

(d) if so, steps taken by Government to discourage investors to invest money in equity shares and also to divert their investment to government owned financial institutions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Inadequate availability of floating stock in the stock market is one of the factors for the rise in the prices of equity shares.

(b) Various measures have been taken by the Government directly or indirectly, and by several other agencies, in this regard. These include, amongst others, encouraging new issues, increasing the floating stock by institutional disinvestment and imposition of margins by the Stock Exchange.

(c) It is not correct to say that attractive returns on equity shares have deprived nationalised banks of their deposits. Aggregate deposits of scheduled commercial banks have increased from Rs. 60596 crores as on the last Friday of March 1984 to Rs. 72115 crores as on the last Friday of March 1985. As regards 1985-86, these deposits have further increased by Rs. 4021 crores, indicating a growth rate of 5.6%, upto 5th July, 1985. Similarly, approvals granted by the Controller of Capital Issues under the Capital Issues (Control) Act, 1947 for raising non-convertible debentures by companies have more than doubled from Rs. 187.82 crores for April-July 1984 to Rs. 410.97 crores for April-July 1985.

(d) In view of Answer to (c) above, the Question does not arise.

Trading in Equity Shares

4929. SHRI VIRDHI CHANDER JAIN: Will the Minister of FINANCE be pleased to state :

(a) whether thousands of equity shares are traded every day without any obligation to give or take delivery under the existing arrangements for "fortnightly settlement; and

(b) if so, effective measures propose to be taken by Government to plug the loopholes in public interest ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Bye-laws of major Stock Exchanges at Bombay, Delhi Calcutta, Ahmedabad and Madras contain provisions according to which in the case of such shares as may be designated by the Governing Board as specified shares, delivery and payment may be extended or postponed by the Governing Board by further periods of 14 days each so that the overall period does not exceed 20 days from the date of the contract. Trading in such specified shares is subject to various regulatory measures such as imposition of different types of margins, etc. with a view to ensuring smooth settlement of transactions.

Ban in Speculative Trading

4930. SHRI VIRDHI CHANDER JAIN : Will the Minister of FINANCE be pleased to state:

(a) whether the speculative trading was prohibited in 1969 but the ban is being circumvented; and

(b) if so, how the authorities are going to enforce it strictly ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) In 1969, the Government issued a notification under Section 16(1) of the Securities Contracts (Regulation) Act, banning trading in securities for "the clearing". However, the Government is empowered under Bye-law 59 of the Bye-laws of Stock Exchanges to permit extension or postponement of the period for the performance of contracts in respect of non-cleared securities beyond 21 days. Accordingly, in 1983 Government have permitted the major Stock Ex-

changes to extend or postpone the period for the performance of contracts entered into in non cleared securities i. e. hand delivery contracts in specified shares by a period of four or five settlement periods of 14 days each, subject to the total period not exceeding 90 days from the date of the contract.

(b) Trading in securities in the Stock Exchanges is governed by the bye-laws and regulations of Stock Exchanges. Various regulatory measures under the bye-laws and regulations such as imposition of different kinds of margins, restrictions on the outstanding business position of members of Stock Exchanges etc., have been taken by the Stock Exchanges on their own and at the instance of the Government with a view to ensuring smooth settlements of transactions in securities. Government are keeping a constant watch on the functioning of Stock Exchanges.

Indo-Nepali Trade and Transit Treaties

4931. SHRI BRAJA MOHAN MOHANTY : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have come across the statement of Foreign Minister of Nepal appearing in the 'Hindustan Times' of 16 July, 1985 wherein he has alleged that Indo-Nepali trade and transit treaties are unequal treaties;

(b) whether any irritants regarding the implementation of the said treaties have been brought to the notice of the Union Government;

(c) if so, the details thereof; and

(d) the reaction of the Union Government as to the comments of Foreign Minister of Nepal ?

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

(b) and (c). The working of Indo-Nepal Treaties of Trade and transit are reviewed every year jointly by representatives of the two Governments in the Indo-

Nepal Inter-Governmental Committee. Comprising of senior officers. Operational and logistical problems if any, are discussed in such meetings and attempt made to evolve mutually satisfactory solutions.

(d) Government regard the reported statement of the Nepalese Foreign Minister as unfortunate, neither reflecting the traditionally good relations between the two countries nor contributing to the further improvement of these relations. Government have emphatically conveyed its views on the reported interview to the Nepalese authorities both in New Delhi and Kathmandu.

Unprecedented Boom in Share Prices

4932. SHRI BRAJA MOHAN MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of unprecedented boom in share prices recently reflected in share market and if so, the reasons thereof;

(b) whether Government have made any in depth study of its impact in the economy;

(c) whether on account of new economic liberalisation policy, surplus funds generated expected to be invested in new industrial ventures is being diverted to be dump in the existing industries and thereby the objective of the industrial expansion is being frustrated;

(d) whether Government have observed that now-a-days much of the transactions in share market are very much speculative in nature and by-passing the forward trading restrictions; and

(e) if so, the reaction of Government.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There has been in the recent past a considerable increase in the prices of shares of various companies listed on Stock Exchanges. The Reserve Bank of India Index Number of Prices of Ordinary Shares (1970-71 = 100) increased from 219.4 for the week

ended 5th January, 1985 to 371.3 for the week ended 3rd August, 1985. The increase in prices of shares was largely due to several favourable factors obtaining in the economy.

(b) Government are keeping a constant watch on the functioning of the Stock Exchanges.

(c) Both existing companies and new companies have been raising funds through capital issue for financing their expansion/new projects. Investments in new industrial ventures have not been adversely affected on account of investments in existing companies.

(d) Trading in securities in the Stock Exchanges is governed by the bye-laws and regulations of Stock Exchanges. Various regulatory measures under the bye-laws and regulations such as imposition of different kinds of margins, restrictions on the outstanding business position of members of Stock Exchanges etc., have been taken by the Stock Exchanges on their own and at the instance of the Government with a view to ensuring smooth settlements of transactions in securities.

(e) The question does not arise in view of answer to (d) above.

Textile Progressing Ingredients Controlled by Reliance Textile, Bombay

4933. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that the main textile processing ingredient are virtually being controlled by only Reliance Textile Group of Bombay and this had resulted in the sickness and discrimination to other unit;

(b) if so, the reasons thereof; and

(c) if not, whether Government propose to review the position ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) There is no such processing ingredient virtually controlled by Reliance Group of Mills.

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

Export of Rice, Wheat and Sugar

4934. SHRI PRIYA RANJAN DAS MUNSI :
SHRI JITENDRA PRASADA :

Will the Minister of COMMERCE be pleased to state :

(a) the total quantity of rice, wheat and sugar exported during 1980-81, 1981-82, 1982-83, 1983-84 and 1984-85 as on 31st March, 1985;

(b) the total foreign exchange earned therefrom;

(c) whether any import of food articles was there in those years, if so the details thereof;

(d) whether export of these food articles in any manner affected the rice and supply of our domestic market in these years; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). The total quantity and value of exports of rice, wheat and sugar since 1980-81 were as under :

(Quantity : '000 tonnes)
(Value : Rs. in Crores)

Year	Quantity	Value
1980-81	852.6	270.01
1981-82	1027.9	417.56
1982-83	845.0	284.26
1983-84 (provisional)	1062.5	358.04
1984-85, (X)	265.2	107.39

('X' Figures for wheat and rice pertain to April-December, 1984)

(Source : DGCI & S, Calcutta and STC)

(c) Import of wheat and rice through the Food Corporation of India and of sugar through the State Trading Corporation of India since 1980-81 were as under :—

Year	Wheat (Quantity contracted)	Rice	Sugar
1980-81	—	—	1.81
1981-82	22.65	—	2.15
1982-83	39.50	—	—
1983-84	21.30	7.20	—
1984-85	—	—	4.96

(d) and (e). Export policy is formulated taking into account the production prospects; assessment of domestic requirement, exportable surpluses likely to be generated, and the probable impacts on the domestic price situation.

Plan for Import and Distribution of Natural Rubber

4935. SHRI K KUNJAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have drawn up an import and distribution plan of natural rubber; and

(b) if so, the details thereof?

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

(b) As per preliminary assessment a demand-supply gap of 29,000 tonnes was estimated for 1985-86. Of this, STC has been allowed to import 20,000 tonnes to meet supply-demand gap upto August, 1985

Financial Institution for Modernisation of Cotton Textiles Industry

4936. SHRI K. KUNJAMBU : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have received suggestions from cotton textiles industry for setting up a separate finan-

cial institution for tackling its needs of modernisation;

(b) if so, the details thereof; and

(c) the reaction of Government thereon?

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

(b) Indian Cotton Mills Federation has suggested that in view of the specialised requirement of the textile industry and the need for concerted efforts to carry out modernisation, a separate agency be established to tackle the needs of modernisation of the industry.

(c) As per the new Textile Policy, a national level Standing Advisory Committee on modernisation of the textile industry shall be set up, which would include representatives of management and labour as also suitable technical experts and representatives of financial institutions. This Committee shall identify on a continuous basis the needs modernisation and the type of modernisation that the industry should adopt.

Complaints Against Banks in Giving Advances Under Educated Employment Guarantee Scheme

4937. SHRI JITENDRA PRASADA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact Government have received a large number of complaints against the banks in giving advances under the "Educated Employment Guarantee Scheme" in Uttar Pradesh;

(b) if so, the nature of the complaints and the action Government have taken thereon; and

(c) the steps Government propose to take so that these complaints do not occur in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Presumably, the Hon'ble Member is referring to the Scheme for providing Self-employment to the Educated Unemployed Youth which was introduced in the year 1983-84. In a Scheme which is being implemented on a large scale not only in Uttar Pradesh but throughout the country, there may always be a few complaints regarding delay/non-sanctioning of loans and availment of loan by non-eligible persons. However, complaints whenever received are got looked into with a view for taking suitable remedial action.

[Translation]

Availability of Tungsten in Chital,
Uttar Pradesh

4938. SHRI HARISH RAWAT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether survey work for tungsten in Chital (Almora, Uttar Pradesh) has since been completed; and

(b) if so, the quality of the tungsten reserves there and the steps being taken by his Ministry for its exploration ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). The Directorate of Geology and Mining (DGM), Uttar Pradesh, is carrying out survey to locate tungsten near Chital in Almora District of Uttar Pradesh. A preliminary estimate of 2

lakh tonnes of low grade tungsten ore with 0.1% WO_3 has been made on the basis present work. Further exploration work in the area by DGM, Uttar Pradesh, is still continuing. Geological Survey of India carried out regional geological and geochemical surveys to locate tungsten in the Almora district of Uttar Pradesh but the results were not encouraging.

Smuggling of Gold and Silver

4939. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that smuggling of gold and silver in India has increased enormously during the last six months due to large difference in the sale prices of these metals in India and its bordering countries; and

(b) if so, the names of the bordering countries and areas thereof from where the smuggling of these items has increased and the steps Government propose to take to deal with the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government and the trends of seizures made during the last six months in 1985 indicate that gold continues to be an item sensitive to smuggling into the country because of increased profitability. However, there is very little smuggling of silver out of the country for want of profitability.

(b) Gold is smuggled into India by air, sea and land from the Middle East countries, Hongkong, Singapore, Srilanka, Maldives, Pakistan and Nepal.

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. The scheme of rewards to informers and Government servants has been liberalised. In addition, appropriate anti-smuggling measures, both short-term and long-term, 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.

Steel Distribution Depots in Hilly Areas

4940. SHRI HARISH RAWAT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) * the number of steel distribution depots or agencies functioning in hilly areas of each State of the country;

(b) whether there is a proposal to relax the existing criteria for opening depots and agencies in these areas keeping in view their difficult geographical conditions; and

(c) if so, the hilly areas where such depots or agencies are likely to be opened during the year 1985-86 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) There are twelve distribution outlets of the main producers of steel in the hilly areas of different States in the country. Their details are given below :—

State	Number of distribution outlets
Assam	5
Nagaland	1
Jammu and Kashmir	3
Himachal Pradesh	2
West Bengal	1
TOTAL	12

(b) No, Sir,

(c) Steel Authority of India Limited proposes to commission a Departmental Stockyard at Dharam Nagar in the State of Tripura.

Opening of branch offices of LIC in U.P.

4941. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the number of branch offices of Life Insurance Corporation in Uttar Pradesh ;

(b) whether some specific norms have been fixed for opening these branch offices ;

(c) if so, whether there is justification for opening some more branch offices in Uttar Pradesh as per the norms fixed

(d) if so, the number and location thereof ; and

(e) the time by which these branch offices are likely to be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The number of Branch Offices of Life Insurance Corporation of India in U.P. is 131 as on 31.3.1985.

(b) Norms for opening new Branch Offices include several factors such as existing field organisation, actual new business production, future business potential of the proposed area population covered by existing branch from which new branch is to be carved out and the distance of the new Branch location from that of the existing branch office.

(c) to (e). The Officers-in-Charge of the Divisions examine the potential for opening of new Branches under their respective jurisdiction and submit their annual plans through the Controlling Zonal Manager for approval of the Central Office of LIC. The Central Office of the LIC has approved the following 12 new Branches for the State of U.P. in the development plans for 1985-86 :—

S. No.	Name	District
1.	Tilhar	Shahjahanpur
2.	Lucknow City (Trans Gomti)	Lucknow
3.	Khatema	Nainital
4.	Sahaswan	Budaun
5.	Kosikalan	Mathura
6.	Aligarh-II	Aligarh
7.	Fatehabad	Agra
8.	Agra Cantt.	Agra
9.	Rasara	Ballia
10.	Mohammadabad	Ghazipur
11.	Shahganj	Jaunpur
12.	Varanasi City (Maruwadiah)	Varanasi

The above new Offices are proposed to be opened during the current financial year on or before 31st March, 1986.

[English]

Shortage of metal scrap and steel scrap

4942. SHRIMATI JAYANTI PAT-
NAIK : Will the Minister of STEEL,
MINES AND COAL be pleased to
state :

(a) whether there have been scarcity
of metal scrap and steel scrap for
manufacturing quality steel in the mini
steel plants and large steel plants ;

(b) whether the shortage and non-
availability of metal scraps have led to
the closure of many mini steel plants in
the country ;

(c) if so, the steps proposed to be
taken to make these scraps available to
meet the demand of steel plants ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE
DEPARTMENT OF STEEL (SHRI
K. NATWAR SINGH) : (a) to (d). The

anticipated gap between demand and
indigenous availability of Carbon Steel
Melting Scrap in the country during
1985-86 is estimated at 10 lakh tonnes.
This gap is proposed to be met by
import of Carbon Steel Melting Scrap,
Sponge Iron and Hot Briquetted Iron.
No report has been received about closure
of any Mini Steel Plant due to non-
availability of Steel Scrap.

Sponge iron plants in Orissa

4943. SHRIMATI JAYANTI PAT-
NAIK : Will the Minister of STEEL,
MINES AND COAL be pleased to
state :

(a) the number of sponge iron plants
which have been set up in Orissa and
other States so far ;

(b) the location of each of these
sponge iron plants ;

(c) the number of sponge iron plants
which have started commercial production
so far ;

(d) the annual production capacity of each of these sponge iron plants; and

(e) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL, (SHRI K. NATWAR SINGH) : (a) to (e). A statement containing a list indicating the lo-

cation and the annual capacity of the units granted Licenses/Registrations for the production of sponge iron in the State of Orissa and other States is given below. Only two units viz., M/s. Sponge Iron India Limited and M/s. Orissa Sponge Iron Limited, Nayagarh are in production. The remaining units are at the various stages of implementation.

Statement

List of Units holding Industrial Licenses/Registration for the production of Sponge Iron

Sl. No.	Name of the Unit	Location	Capacity (in tonnes per annum)
1.	M/s. Sponge Iron India Limited Hyderabad	Kothagudam (A.P.)	60,000
2.	M/s. Bihar State Industrial Development Corporation Ltd.	Ranchi (Bihar)	1,20,000
3.	M/s. Gujarat Industrial Investment Corporation Ltd.	Hajira Surat (Gujarat)	4,00,000
4.	M/s. Steel Authority of India Limited, Ranchi	Ranchi (Bihar)	3,000
5.	M/s. Karnataka State Industrial Development Corporation Limited	Hospet Bellary (Karnataka)	1,50,000
6.	M/s. Saroj Alloys & Steel Limited, Hospet	-do-	20,000
7.	M/s. State Industrial Investment Corporation of Maharashtra	Raigarh (Maharashtra)	4,00,000
8.	M/s. Madhya Pradesh Audogik Vikash Nigam Limited	Raipur (Madhya Pradesh)	1,50,000
9.	M/s. Orissa Sponge Iron Limited	Nayagarh Keonjhar (Orissa)	3,00,000
10.	M/s. Industrial Promotion & Investment Corporation of Orissa	Keonjhar (Orissa)	90,000
11.	M/s. Birla Jute Manufacturing Company Limited	Patrato (Bihar)	40,000
12.	M/s. Hope India Limited, Calcutta	Purulia (West Bengal)	60,000
13.	Shri T.A. Bukhari, New Delhi	BWA (Karnataka)	20,000
14.	Shri Jagdish Prasad, Calcutta	Shivsagar (Assam)	4,00,000
15.	M/s. West Bengal Industrial Development Corporation Ltd.	Jamsol Chakdha Burdwan (W.B.)	1,50,000
16.	M/s. Kesoram Industrial, Calcutta	Keonjhar (Orissa)	1,50,000
17.	Shri Krishnam Raju S. Hyderabad	Distt. Medak (A.P.)	4,00,000

**Opening of staff training centres of
Union Bank of India**

4944. SHRIMATI JAYANTI PAT-
NAIK : Will the Minister of FINANCE
be pleased to state :

(a) the number of Staff Training
Centres set up by the Union Bank of
India in the country ;

(b) the names of the places where
those training Centres have been opened ;

(c) whether Government have
proposal to set up one such Staff
Training Centre of Union Bank of India
in Orissa ; and

(d) if so, the steps taken in that
regard ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) and
(b). Union Bank of India has reported
that it has a Staff College located at
Bangalore and 7 Training Centres located
at (1) Alwaye (Kerala), (2) Ahmedabad
(Gujarat), (3) Bangalore (Karnataka),
(4) Bhubaneswar (Orissa), (5) Bardi
(Maharashtra), (6) Ghazipur (Uttar
Pradesh) and (7) Lucknow (Uttar
Pradesh).

(c) and (d). One Training Centre has
already been set up at Bhubaneswar in
Orissa on 19.7.85.

**Opening of Branches of Union Bank
of India in Orissa and Other States**

4945. SHRIMATI JAYANTI PAT-
NAIK : Will the Minister of FINANCE
be pleased to state :

(a) whether Union Bank of India has
undertaken rapid expansion of branch
net-work in the post-nationalisation
period;

(b) if so, the number of branches of
the bank opened in different States so
far; and

(c) the number of branches of that
bank proposed to be opened in Orissa
and other States in 1985-86 financial
year?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) Yes,
Sir. The number of offices of Union
Bank of India which was only 241 at the
time of nationalisation of major commer-
cial banks in 1969 had increased to 1544
by the end of March 1985.

(b) : A statement showing Statewise/
Union Territorywise distribution of offices
of Union Bank of India as at the end of
March 1985 is given below.

(c) The question of allowing
Union Bank of India to open more bran-
ches 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

*Statement showing State-wise/Union Territory-wise distribution of offices of the
Union Bank of India as at the end of March, 1985*

State/Union Territory	Number of offices
Andhra Pradesh	96
Assam	23
Bihar	60
Gujarat	156

State/Union Territory	Number of offices
Haryana	24
Himachal Pradesh	9
Jammu and Kashmir	5
Karnataka	69
Kerala	106
Madhya Pradesh	128
Maharashtra	227
Meghalaya	2
Orissa	25
Punjab	49
Rajasthan	39
Tamil Nadu	96
Tripura	1
Uttar Pradesh	326
West Bengal	53
Delhi	38
Chandigarh	2
Goa, Daman and Diu	9
Pondicherry	1
TOTAL	1544

[Translation]**Tax Evasion and Resultant Loss**

4946. SHRI KRISHNA PRATAP SINGH : Will the Minister of FINANCE be pleased to state :

(a) the per centage of various taxes evaded and the loss of revenue suffered thereby ;

(b) the extent to which tax evasion has been reduced as a result of the measures adopted by Government during the last three years in order to check tax-evasion; and

(c) the new steps proposed to be taken by Government to check it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No specific exercises have been made to quantify evasion of direct and indirect taxes. Therefore, it is not possible to estimate the percentage of various taxes/duties evaded and the loss of revenue suffered on this account. However, an estimate of black money has been made by National Institute of Public Finance and Policy in their Report on Aspects of Black Economy in India. A copy of this Report has already been laid on the Table of the House. The authors of the Report have admitted that results are based on numerous assumptions and approximates which can be challenged.

(c) As regards direct taxes all admi-

nistrative, legislative, and institutional measures to check evasion thereof are taken from time to time. As regards excise duties, preventive checks and excise controls on factories have been intensified to check the evasion of Excise duties. Government have taken various steps to check evasion of Customs duties. Alert notices are issued from time to time to watch the imports of any particular commodity or by any particular individuals. In cases where suspicion regarding value arises of misdeclaration of contents is apprehended, such cases are referred to Special Intelligence and Investigation Branch for close scrutiny. In appropriate cases, the Economic Wing of the C.B.I. is also associated.

[English]

New Market for Export of Handicraft

4947. SHRI AMARSINH RATHAWA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the measures taken to explore the new market for the export of handicraft and products;

(b) the value of goods manufactured by handicraft, exported during the last three years, year-wise; and

(c) the steps being taken to capture new market in future ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Several promotional measures have been taken to explore and develop new markets and to sustain existing markets for exports of handicrafts. Some of them are as under :—

- (i) Sales-cum-Study team was sponsored for Saudi Arabia, Baharin and Dubai-Feb., 1982.
- (ii) Sales-cum-Study team was sponsored for USA and Canada October-November, 1982.

(iii) An exhibition of carpets was organised in South Korea June, 1984.

(iv) Sales-cum-Study team was sponsored for West Germany, Denmark, Finland, Sweden, Norway, and UK-October-November, 1984.

(v) Sales-cum-study team was sponsored for Hong Kong, Singapore South Korea and Japan-July, 1985.

(vi) Special Exhibition of handicrafts including hand-knotted carpets was organised at Doha during 1984.

(b) Handicraft is a highly decentralised cottage sector. Reliable production data is therefore not available. However according to rough indication the production of handicraft was estimated around Rs. 3250 crores in 1983-84.

The provisional value of exports of handicrafts excluding gem and jewellery during the last three years are as under:—

Year	Value in Rs. crores (Prov.)
1982-83	346.30
1983-84	345.82
1984-85	397.37

(c) The following steps are being taken to sustain the existing markets and develop new markets :

1. Indian handicrafts have been exhibited at Festival of India held in France and USA.
2. An exhibition of handicrafts is proposed to be organised at Kuwait during the current financial years.

3. A Metal Handicrafts Service Centre is being set with UNDP assistance at Moradabad to improve the quality and finish of artmetalwares.
4. Publicity materials including brochure entitled "Master craftsmen of India" are being brought out for publicity abroad.
5. A Export Promotion Council for Handicrafts is being set up to boost up exports of handicrafts.

New Markets for Export of Small Scale Industries Products

4948. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) the measures being taken to explore the new market for the export of small scale industry products;

(b) the nature of goods which are being exported from small scale industries, the agency through which these goods are being exported and who is responsible for maintaining the quality;

(c) the value of goods exported manufactured by small scale industries during the last three years, year-wise; and

(d) the steps being taken to capture new markets in future ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (d). In order to overcome the difficulties which exporters are likely to face in entering a new market under the Import and Export Policy, the registered exporters are given encouragement by providing import replenishment at a rate higher by 10% of the normal rate. This provision is for products including those manufactured by SSI Units and in respect of markets which are specified from time to time. Besides, Market Development Grants, are also given to SSI export houses for

development of markets. A number of measures have been incorporated in the Import and Export Policy for 1985-88 to encourage exports from SSI sector and the Government is constantly engaged in exploring new markets for exports.

(b) Items such as marine products, readymade garments, finished leather and leather products, sports goods, handloom, handicrafts, etc. are exported mostly by small scale units directly or in-directly through Export Houses, Trading Houses, N.S.I.C., STC, State Export Corporations etc. The quality of the goods exported is checked mainly by the Export Inspection Agencies or any other agency authorised for the purpose by the Government.

(c) According to foreign trade statistics compiled by the DGCI & S, India's total exports were Rs. 7805.9 crores in 1981-82, Rs. 8907.8 crores in 1982-83 and Rs. 9872.1 crores in 1983-84. The latest available provisional figure for India's total exports during 1984-85 is Rs. 11396.0 crores. Export statistics are not compiled separately for the small scale sector and the large of industry. However, direct and indirect exports from the small scale sector are substantial.

Sizes of Rupee 1/- and Rupees 2/- Coins scale sector

4949. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether the size and shape of one rupee and two rupees coins are similar to those of old 50 paise and one rupee coins;

(b) if so, whether Government are taking any steps to end the similarity in these coins; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Although the size and shape of the old one rupee coin and two rupees coins are

similar, these two coins are distinguishable because of certain in-built distinctive features. However, on the basis of reports of inconvenience and difficulties experienced by the public it was decided in December 1983 to discontinue the minting of the two rupees coin of the same size and shape as the old one rupee coin.

The new one rupee coin and the 50P coin are different in size and weight and are easily distinguishable from each other. The details of the new one rupee and 50P coins are given below :

Denomination	Weight (In grammes)	Size (in millimeters-dia)	Shape
1 Rupee (new)	6	26	round
50 Paise	5	24	round

Granting of Loans to Educated Unemployed

4950. SHRI CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether any circular has been issued to the effect that while granting the loans to educated unemployed for providing employment, 50 per cent loans should be granted only for setting up of industries ;

(b) if so, the details thereof ;

(c) whether traders and businessmen have been discouraged by this circular ;

(d) if so, whether any step is being taken by Government to liberalise this ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The Scheme for providing Self-employment to Educated Unemployed Youth was started from 1983-84. From the next year, i.e. 1984-85, it was decided that at least 50% of the cases should be sanctioned for industrial ventures. The main objective was not to discourage traders or businessmen but to encourage the creation of productive assets. There is no proposal under consideration to change this stipulation for the present.

[English]

Exports by STC

4951. SHRI CHINTA MOHAN :
SHRI GURDAS KAMAT :

Will the Minister of COMMERCE be pleased to state :

(a) the statistics of total exports made by the State Trading Corporation, total earnings, total expenditure, investment on infrastructure and funds provided by Government during the last three years ;

(b) whether the exports of STC include exports made by private parties in the name of State Trading Corporation ; and

(c) if so, the ratio of such exports with exports made by STC itself ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) Statement-I is given below.

(b) Yes, Sir.

(c) Statement-II is given below.

Statement-I

	(Rs. crores)		
	1982-83	1983-84	1984-85 (Prov.)
1. Total Exports of STC	630.47	796.11	676.49
2. <i>Total earnings</i>			
Profit before Tax	62.66	59.83	62.09
Profit after Tax	24.51	28.83	28.55
3. <i>Total expenditure</i>			
Overheads	15.61	18.14	22.19
Interest Payment (Net)	1.10	(—) 6.84	26.37
Depreciation/Provision/ Write-off	2.00	3.79	1.70
4. Investment in infrastruc- ture on exports projects as on 31st March	0.22	0.34	0.34
5. Fund provided by Government	Nil	Nil	Nil

Statement-II

(Rs. Crores) (Provisional)				
Year	Direct Export	Indirect Export	Total Export	Percentage of Direct to Indirect Exports
1	2	3	4	5
1982-83	221.04	409.43	630.47	35
1983-84	384.98	411.13	796.11	48
1984-85	235.48	441.01	676.49	35

**Proposal to set up Handloom Weavers
Financial Corporation**

4952. SHRI CHINTA MOHAN :
Will the Minister of SUPPLY AND TEX-
TILES be pleased to state :

(a) whether any proposal for setting
up of Handloom Weavers Financial Cor-
poration to cover every District in the
country is pending with his Ministry ;

(b) if so, the details and the present
position thereof ;

(c) whether the existing infrastructure
is not satisfactory in this matter ; and

(d) whether Government propose to
encourage export of handloom products
as a part of National Textile Policy to
boost production employment and better
returns to weavers ?

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

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

(d) Yes, Sir. The new Textile Policy seeks to ensure that inputs for exports are provided at World prices, besides intensifying efforts for product and market development, re-orient marketing strategy and create capacities for fashion and design improvements

Promotion of Exports by Handloom from Tamil Nadu and Andhra Pradesh

4953. SHRI CHINTA MOHAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have set up any regular full-time organisation or a watch dog Committee to protect consumer interests so far as textiles are concerned;

(b) whether Government are aware that retail maximum prices are not on each metre of textile and only wholesale prices are being marked thereon; and

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

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) While Government have not set up any full time organisation or "watch dog Committee" to protect consumer interests, the functions of the Textile Committee *inter-alia* include ensuring standard qualities of textiles both for internal marketing and export purposes establishing or adopting standard specifications for textiles, specification of type of quality control of inspection, providing for the inspection, examination and laboratory testing of textiles etc. The Textile Committee has been directed to take necessary steps for providing greater consumer protection,

(b) Ex factory price and the amount of excise duty are being stamped on each metre of cotton cloth except controlled cloth and cheap cloth produced by mills, as also that processed by independent

power processors. Controlled cloth is stamped with the final consumer price, whereas cheap cloth is stamped with maximum retail price.

(c) The new Textile Policy lays emphasis on evolving a system of marketing and distribution which provides both consumer satisfaction and protection. As per this Policy the Government will take appropriate measures in this direction.

Indian Exports

4954. SHRI CHINTA MOHAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the performance of India in exports so far as textiles are concerned; and

(b) the image of Indian exports and exporters in our potential and actual market ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The performance of India in Textile exports is showing a consistent improvement.

(b) The image of Indian Textile exports and exporters in the export markets, by and large, is good.

[Translation]

Promotion of SC/ST Employees in New Bank of India

4955. SHRI LAL RAM KEN : Will the Minister of FINANCE be pleased to state :

(a) whether there are certain posts in New Bank of India which are filled only on the basis of seniority;

(b) if so, the details thereof;

(c) whether there are different seniority lists prepared for Scheduled Castes/ Scheduled Tribes and general category employees; and

(d) if so, the criteria adopted for affecting the promotion from these seniorities ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) New Bank of India has reported that postings to the following assignments are being made by it only on the basis of seniority. These posts are not considered as promotion posts. They, however, carry Special allowances.

I. Subordinate staff cadre

Peon to Peon-cum-Cash Peon, Peon-cum-Bill Collector,
Peon-cum-Daftri and Head Peon.

II. Clerical cadre

(i) Clerical Cadre to Special Assistant.

(ii) Cashier to Head Cashier/Cashier Incharge.

(c) No, Sir.

(d) Does not arise.

[English]

Opposition to New Textile Policy by
Handloom Weavers and Powerloom
Organisation

4956. PROF. MADHU DANDAVATE : Will the Minister of SUPPLY AND TEXTILES be pleased state :

(a) whether it is a fact that several organisations of powerloom and handloom weavers have strongly expressed their opposition to the new Textile Policy and have demanded that the unequal competition between the organised sector and the decentralised powerloom and handloom sectors should be ended to protect the decentralised sector; and

(b) if so, the steps proposed to be taken to provide protection to powerloom and handloom sectors ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The new Textile Policy has been welcomed by and large organisations of powerlooms and handloom weavers. The new Text policy preserves the unique role of handlooms and also contains several guidelines to enable the handlooms to realise their full potential as also to ensure high earnings for the handloom weaver. These guidelines relate, to among others, the modernisation of improving the technology including smooth transfer of technology supply of raw materials at reasonable prices through the operation of the National Handloom Development Corporation, production of mixed and blended fabrics, and strict enforcement of the provision of the new Reservation Act with a view to giving some direct benefits to weavers, Certain welfare schemes like contributory. Thrift Fund Scheme and Workshed cum-Housing scheme have already launched. The policy also provides for transfer of controlled cloth in a phased manner to the handloom sector. Whereas the new Textile Policy given special protection to the handloom sector, is neutral between the powerloom sector and the mill sector. The policy also provides for harmonious growth of all sectors of the textile industry.

(b) Do not arise.

Losses Suffered by Handloom Workers
at Bhiwandi due to Disturbances

4957 SHRI BALASAHEB VIKHE PATIL : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have made any assessment of the losses suffered by handloom workers at Bhiwandi due to disturbances;

(b) the number out of them who have been rehabilitated;

(c) the financial assistance given by the Union Government to purchase loom which have been destroyed;

(d) the number of those who remain to be rehabilitated; and

(e) the steps being taken by Government in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Due to disturbances at Bhiwandi powerlooms were affected. Government have not received any reports of handlooms being affected by these disturbances.

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

**Alleged Unfair Trade Practices
Followed by Peerless General
Finance Corporation**

4958. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the unfair trade practices followed by Peerless General Finance Corporation by a consumer protection organisation; and

(b) if so, the details thereof and corrective action taken in that regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) & (b). Presumably, the Hon'ble Member is referring to the Peerless General Finance and Investment Company Limited, Calcutta.

Consumer Education and Research Centre, Ahmedabad, has filed a petition under section 36(b) of the MRTP Act, 1969 against M/s Peerless General Finance and Investment Company Ltd, Calcutta, before the Monopolies and Restrictive Trade Practices Commission, New Delhi alleging unfair trade practices.

The Commission ordered preliminary investigation under section 36C of MRTP Act, 1969 in the matter. The company is reported to have obtained a stay order

from Calcutta High Court against the above order.

Financial Crisis in Textile Mills

4959. SHRI SRI HARI RAO : Will the Minister of SUPPLY and TEXTILES be pleased to state :

(a) whether Government are aware that some of the textile mills are facing of financial crisis;

(b) if so, the details of such mills; and

(c) the measures contemplated by Government to help such mills out to save the mills as also the workers ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (c). Industrial units are expected to take up their financial problems with financing institutions. The Government has also set up a group to go into the problems of closed units to evolve a package of assistance for units which are considered potentially viable.

Introduction of OGL Imports Scheme

4960. SHRI N. VENKATA RATNAM : Will the Minister of COMMERCE be pleased to state :

(a) whether Government introduced "open general licence" on imports scheme for certain items, which do not require any licence to import;

(b) if so, the purpose thereof and the items mentioned therein; and

(c) the total value of goods thus imported under OGL scheme for 1984-85?

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

(b) To provide easy and quicker access to import essential item for which there is no indigenous production or indigenous

production is very small as compared to the demand. The items allowed under Open General Licence are given in Import & Export Policy, 1985-88 (Volume-I) - copy of which is available in the Parliament Library.

(c) Separate statistics for import under OGL are not maintained.

Indian Handlooms in serious difficulties in USA

4961. SHRI JAGANNATH PATNAIK : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government's attention is drawn to the news items in 'National Herald' of 5 June, 1985 stating that the decision of U. S. Government to give 90 days grace period from May 31, 1985 under its earlier import norms for entry of Indian Handloom made-ups into U.S.A., has put Indian handlooms into serious difficulties;

(b) whether it is a fact that the India handloom made-up consignments worth rupees one hundred crores have been held up recently by US Custodians as a result of the new US ruling that handloom made-up involving use of machine for stitching cannot be considered cent per cent handloom and therefore the performance does not appears to be satisfactory; and

(c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEX-

TILES (SHRI CHANDRA SHEKHAR SINGH) : (a) Yes, Sir.

(b) and (c). The new ruling of the U.S. Government will not come into effect during the grace period which was operable upto 13th September, 1985, and has now been extended, at our intervention, for another period of 30 days ending September, 30, 1985.

Advisory Committee in Handloom Industry

4962. SHRI LAKSHMAN MALICK : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have set up an Advisory Committee to suggest reservation of articles exclusively for the handloom industry ;

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

(c) the time by which its report is likely to be submitted to Government ?

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

(b) The composition of the Committee and the terms of reference are given in the statement below.

(c) While no time limit has been fixed by Government, it is hoped that the committee will submit its recommendations before the end of this year.

Statement

Composition and terms of reference of the Advisory Committee set up under "The Handlooms (Reservation of Articles for Production) Act 1985"

I. Composition :

- | | |
|--|----------|
| 1. Development Commissioner (Handlooms) | Chairman |
| 2. Director, Indian Institute of Handloom Technology, Salem (Tamil Nadu) | Member |
| 3. Shri Gautam Vaghela, Director (Coordination) Weavers Service Centre, Bombay | Member |

4.	Shri S.C. Jain Deputy Director, Weavers Service Centre, Panipat	Member
5.	Director, South India Textile Research Association (SITRA), Coimbatore	Member
6.	Prof. S.P. Seetharaman, Indian Institute of Management, Ahmedabad	Member
7.	Secretary, Central Silk Board, Bangalore	Member
8.	Secretary, Handloom Export Promotion Council, Madras	Member
9.	Executive Director, National Institute of Design, Ahmedabad	Member
10.	Managing Director, National Textile Corporation, New Delhi	Member
11.	Special Officer, Tamil Nadu Handloom Weavers Cooperative Society Ltd. (COOPLEX) Madras	Member
12.	Director of Handlooms, Government of Karnataka, Bangalore.	Member
13.	Director of Handlooms, Government of Uttar Pradesh, Kanpur	Member
14.	Director of Handlooms, Government of Assam, Dispur	Member
15.	Director of Handlooms, Government of Jammu & Kashmir, Srinagar	Member
16.	Director of Handlooms & Textile Govt. of West Bengal, Calcutta	Member
17.	Textile Commissioner, Bombay	Member
18.	Joint Secretary, Department of Textiles, New Delhi	Member
19.	Shri S.P. Thakur, Organising Secretary, Bhatti Weavers' Cooperative Society, Kulu, Himachal Pradesh	Member
20.	Shri T.R. Dewanger, Chairman, M.P. State Textile Corporation, Bhopal	Member
21.	Dr. Thomas, Chairmain, Khadi & Village Industries Commission Bombay	Member
22.	Shri Rahamatull Ansari, Chairman, All India Handloom Fabrics Marketing Cooperative Society, Bombay	Member
23.	Shri Ranganayakulu, Chairman, Andhra Pradesh Handloom Weavers Cooperative Society Ltd, Hyderabad	Member
24.	Shri Idris Ansari, Bihar	Member
25.	Miss Helena Prehantupta, Ahmedabad	Member
26.	Dr. B.C. Mohanty, Bhubaneswar	Member
27.	Smt. Lotika Vardarajan, 13 A-B, Pandara Road, New Delhi	Member
28.	An Officer of Development Commissioner for Handloom	Member Secretary

II. Terms of Reference

The Advisory Committee shall make recommendations to the Central Government regarding the article or class of articles to be reserved for exclusive production of handlooms. The guidelines for making such recommendations listing such articles or class of articles shall be as follows :—

- (a) the articles or class of articles which is being produced by handlooms for mass consumption ;
- (b) the article or class of articles which is being produced traditionally by handlooms ;
- (c) the level of employment likely to be generated by the production of the article or class of articles referred to in class (a) or clause (b) exclusive by handlooms ;
- (d) the production of interest of persons engaged in the handloom industry and the need for the continued maintenance of the industry ; and
- (e) such other matters as the Advisory Committee may think fit.

**Purchase of beef tallow by
M/s. Hindustan Lever Limited**

4963. **SHRI INDRAJIT GUPTA :** Will the Minister of COMMERCE be pleased to state :

(a) whether any action has been taken against M/s. Hindustan Lever Limited in respect of purchasing of beef tallow in an unauthorised manner and misutilising it in the manufacture of their products ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). Investigations have been taken up and show cause notices have been issued to M/s.

Hindustan Lever Ltd. in respect of purchase of beef tallow imported unauthorisedly.

Rehabilitation Fund

4964. **SHRI ANANTA PRASAD SETHI :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have formulated the details of the scheme to create a Rehabilitation Fund for giving relief to the workers of the textile industry ;

(b) if so, what are the details ; and

(c) when the scheme is proposed to start operating ?

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

(b) Does not arise.

(c) Efforts are being made to start the scheme as soon as possible.

Target Fixed for Powerlooms & Handlooms in the Seventh Five Year Plan

4965. **SHRI LAKSHMAN MALLICK :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have considered the appropriate targets in the Seventh Five Year Plan for powerlooms, handlooms and certain number of metres for mills ;

(b) whether there is any possibility in the handloom sector to generate additional employment ;

(c) if so, the details regarding its progress and the extent to which it has helped in removing unemployment ; and

(d) the present strength of persons State-wise employed and opportunities being created for part-time as well as on regular basis employment ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The 7th Plan Working Group on Textiles has recommended the following targets of production of cloth for the terminal year of the 7th Plan i.e. 1989-90 :—

1. Mill and powerloom Sectors	9900 Million metres
2. Handloom sectors	4600 Million metres

The specific targets would be fixed after the discussions with the Minning Commission are completed.

(b) The increased target of production during the 7th Plan in the handloom sector is estimated to generate additional employment to the tune of nearly 21 lakhs.

(c) During the 6th Plan, the employment in the hadloom sector is estimated to have gone up by nearly 25 lakhs.

(d) State-wise figures are not maintained.

[Translation]

Location of Spinning Mills in U.P.

4966. SHRI R.P. SUMAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the number of spinning mills in the public sector in Uttar Pradesh, location-wise indicating the capacity of each mill;

(b) the varieties of threads being manufactured in each of the said mills and the basis of its consumption;

(c) whether the quality of staple being manufactured in the aforesaid mills is very small;

(d) if so, the quantity of staple being manufactured in each mill and how this is being utilised; and

(e) whether Government are considering any scheme for getting maximum quantity of staple manufactured by the said mills in order to meet acute crisis of staple being faced by weavers in the State, if so, the time by which said scheme will be implemented and if no scheme has been prepared, the reasons therefore ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) At present, in Uttar Pradesh, apart from State Public sector units, there are five spinning units, under National Textile Corporation. The name of the unit, its location and the spinning capacity in each case is as under :

Name of the Unit & Location	Commissioned Capacity
Bijli Cotton Mills, Hathras	25664 *
Shree Vikram Cotton Mills, Lucknow	15296
Swadeshi Cotton Mills, Naini	64620
Swadeshi Cotton Mills, Maunath Bhanjan	24248
Raebareli Textiles Mills, Raebareli	10472

(b) Swadeshi Cotton Mills, Naini produces both cotton yarn and staple fibre yarn. All the remaining units

produce cotton yarn. The entire production of these spinning mills is available for sale in the market.

(c) and (d). The current pattern of production in these mills is as follows :—

		Count Group				
		%age of production to total production				
		0-10	11-20	21-30	31-40	41-60
Bijli Cotton Mills		57.5	24.5	0.3	17.7	—
Vikram Cotton Mills		68.1	—	31.9	—	—
Swadeshi Cotton Mills, Naini	} Cotton yarns	—	—	60.8	23.5	15.5
		—	22.4	71.4	76.2	—
Swadeshi Mills, Maunath Bhanjan.		—	—	25.4	74.6	—
Raebareli Textile Mills, Raebareli.		50.8	—	—	49.2	—

The total yarn production by these units during 1984-85, was as follows :

	Production (in lakh kgs.)
Bijli Cotton Mills	25.75
Vikram Cotton Mills	14.03
Swadeshi Cotton Mills, Naini	12.26 (Cotton) 41.36 (Staple)
Swadeshi Mills, Maunath Bhanjan	14.58
Raebareli Textile Mills	5.29

This yarn is available for free sale in the market.

(e) No, Sir. There is no report scarcity of staple yarn.

[English]

**Raw Materials for Habra Textile
Production Unit**

4967. SHRI R.P. DAS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are aware that the Habra Textile production unit of the Rehabilitation Industries Corporation is now in bad shape for want of raw materials;

(b) if so, the details thereof; and

(c) the steps taken so far by Government to remove the bottlenecks by ensuring raw materials ?

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

(b) The production value of this Centre during 1984-85, was Rs. 16.56 lakhs. During the first quarter of current financial year the production value was of the order of Rs. 55,700/-.

(c) Steps are being taken to ensure adequate supply of raw material to the Centre.

**Memorandum Regarding Sale of
Grey Cloth Below the Prevailing
Rates**

4968, SHRI H.N. NANJE GOWDA :
Will the Minister of SUPPLY AND
TEXTILES be pleased to state :

(a) whether a memorandum of complaints was recently submitted to him by the West Bengal Textile Dealers Association against management of the National Textile Corporation (WBABO) Ltd., Calcutta complaining *inter-alia* regarding sale of a huge quantity of 'grey cloth' below the prevailing rates in the market ;

(b) the other complaints mentioned therein and the facts thereof ; and

(c) the action proposed to be taken against the management or those found guilty in creating losses for the Corporation ?

THE MINISTER OF STATE OF THE
MINISTRY OF SUPPLY AND TEX-
TILES (SHRI CHANDRA SHEKHAR
SINGH) : (a) Such a memorandum of
complaint dated 30-4-85 was received
from the Eastern India Government
Undertaking Textile Mills Agents &
Dealers Association, Calcutta complaining
inter alia sale of a huge quantity of 'grey
cloth' below the prevailing rates in the
market.

(b) and (c). A statement showing the
other main complaints, the facts thereof
and the action taken thereon, is given
below.

Statement

(b) & (c). The main complaints
mentioned in the Memorandum are as
below :

- (i) The present management of NTC
(WBABO) is moving towards ter-
mination of a Agencies tactfully
in order to appoint agents of
Management's choice disregarding
the honest business transactions
of the existing agents. In view
of this, sale of uncalendered grey

sheeting cloth produced by Ram-
poooria Cotton Mills and Bangasri
Cotton Mills were sold at prices
much lower than the prices pre-
vailing in the market during
March-April, 1985, thus adding
loss of a few lakhs of rupees
to NTC.

- (ii) During 1982-83/1983-84, some
quantum of non-controlled cloth
produced by mills under NTC
(WBABO) was routed to Con-
sumers Cooperative Societies
through NCCF on credit and the
outstanding stands at a figure of
Rs. 95 lakhs, which is unrealis-
able. It was further complained
that not a single metre of cloth
found its way to members of the
societies and lots were dumped
in Calcutta market, at prices
lower than those of NTC.
- (iii) Commission payable to the mem-
ber agents of Eastern India
Govt. Undertaking Textile Mills
Dealers Association were alleged-
ly stopped by NTC (WBABO)
Ltd.
- (iv) Alleged illegal and unauthorised
appointment of over 400 em-
ployees in the Marketing Divi-
sion of NTC (WBABO) Ltd.
- (v) There has been deterioration in
the working of NTC (WBABO)
in spite of massive modernisation
programme worth about Rs. 32
crores undertaken by the subsi-
diary corporation.

The facts relating to these complaints
and the action taken by the Govt. NTC
on these complaints are as under :

- (i) Sale of uncalendered grey cloth
was done through Agents and
also directly to different merchants
during the months of March-April,
1985, as per the procedure.
The rates offered by the agents
in most cases were much lower
than the rates, at which this was
sold directly and hence NTC has
found this complaint insub-
stantiated.

- (ii) An inquiry was conducted into the complaint that during the period between 10th January, 1983 and 13th February, 1984, non-controlled cloth worth Rs. 71.31 lakhs was despatched by the mills under NTC (WBABO), to M/S. Adarsh Bazar Wholesale Consumer Store, Patna, without formal orders and the bills were lying unpaid.

As a result of the above enquiries, several procedural lapses were revealed in the despatch of non-controlled cloth to M/S. Adarsh Bazar Wholesale & Retail Consumers Cooperative Stores Ltd., Patna a constituent of National Co-operative Consumers Federation, without formal delivery instructions from the NCCF.

The Adarsh Bazar Wholesale & Retail Consumers Cooperative Stores Ltd., Patna have confirmed having received goods worth about Rs. 80 lakhs from NTC (WBABO) Ltd., Calcutta between January, 1983 and February, 1984, and on their behalf NTC (WBABO) have approached NCCF to accept the above liability. NTC (WBABO) has been instructed to ensure that the matter of outstanding dues from NCCF is taken up immediately and all payments realised without any further delay. A committee consisting of three officials from National Cooperative Consumer Federation (NCCF) and two from NTC (WBABO) has been formed to scrutinise a pending issues regarding the said supply of non-controlled cloth.

Three officers of the subsidiary corporation connected with the above commercial transactions were put under suspension by the subsidiary corporation in July, 1985 pending final enquiry in the matter.

- (iii) The agents who were sold the goods worth Rs. 76 lakhs at a discount of 10.25% on the condition that the goods would be lifted within 2 months against payments, failed to adhere to the schedule of payments committed at the time of finalisation of sale of goods. Further, they did not lift entire quantity of cloth and insisted on lifting higher proportion of goods from fresh production, than the proportion agreed upon mutually. In view of this, they were not allowed commission.
- (iv) A complaint was received regarding mass recruitment by the Board of Directors of the NTC (WBABO) Ltd., Calcutta during the period July, 1984 to November, 1984. The Management trainees who were appointed have since been "disengaged". Two officers, who were found involved in this appointment, have been placed under suspension and Enquiry and investigation is proceeding.
- (v) So far an amount of Rs. 31.44 crores has been spent on modernisation of mills under NTC (WBABO) Ltd., Calcutta till 31-3-1985. The gains of modernisation in productivity, utilisation and production value are as under :—

	1975-76	1982-83	Feb. 1985
Spinning utilisation (%)	63.1	66.1	62.7
Weaving utilisation (%)	48.2	50.9	62.7
Spinning productivity (40 ^s conversion)	47.7	54.9	59.2
Weaving productivity (LPI)	192.0	220.0	228.0
Average monthly production value (nationalised mills) (Rs. in crores)	1.72	3.09	3.47

[Translation]

**Rise in Prices of Raw Jute for Hoarding
by Jute Mill Owners**

4969. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the State-wise production of raw jute in lakhs of bales, during 1984 and 1985;

(b) whether jute mill owners have hoarded sufficient stock by purchasing raw jute as a result of which price of raw jute

have increased considerably;

(c) if so, whether Government have taken appropriate action against these profiteering jute mill owners;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The estimated State-wise production of raw jute and mesta during 1983-84 and 1984-85 jute seasons is as under :

(In lakh bales of 180 kgs. each)

State	1983-84	1984-85
1. West Bengal	41.11	36.20
2. Bihar	9.13	11.45
3. Assam	9.05	9.27
4. Orissa	5.20	5.46
5. U. P.	0.81	1.78
6. Andhra Pradesh	5.75	5.74
7. Meghalaya	0.64	0.91
8. Tripura	0.80	1.01
9. Other States	1.65	1.60
Total	74.14	73.42

(b) to (e). The holding of stocks of raw jute by the jute mills were regulated under Jute (Licensing & Control) Order, 1961, promulgated by Jute Commissioner during the period when prices of raw jute were high. A dehoarding operation was also conducted during the months of June & July 1985 to unearth any excess jute lying with mills and traders. The prices of raw jute have since come down substantially.

[English]

Textile Mills in Bombay

4970. SHRI HUSSAIN DALWAI : Will the Minister of SUPPLY AND

TEXTILES be pleased to state :

(a) the number of textile mills at present working in the city of Bombay;

(b) the number of textile mills that are working in the city of Bombay in the year 1960;

(c) the number of closed mills started functioning by Government of Maharashtra with the financial assistance from the Union Government;

(d) whether re-started mills reinstalled all their employees who were on their pay-roll on the date of their closure; and

(c) the break-up of such employees in each such mill ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) According to the latest available information 54 cotton textile mills are working in the City of Bombay.

(b) 62 Cotton Textile Mills were working in the City of Bombay as on January 1, 1960.

(c) The Maharashtra State Textile Corporation has informed that no mill has been re-started by the Government of Maharashtra with financial assistance from the union Govt.

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

Employment to Retrenched Employees of Cotton Mills in Bombay

4971. SHRI HUSSAIN DALWAI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the steps Government propose to take to give employment to cotton mill workers from Bombay, which are likely to be closed in view of the new textile policy declared by Government;

(b) whether Government are aware that at one stage the mill-owners of Bombay had expressed willingness to shift their mills to backward areas of Maharashtra, provided they were given permission to dispose of huge plots of land occupied by their mills in the city of Bombay; and

(c) whether Government of Maharashtra had turned down their request to put down the incidence of land value in Bombay which had reached at the highest rate in India ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) If any textile mills in any part of the country close down they would do so on account of their intrinsic lack of viability and not in view of the new Textile Policy. It is obvious that loss making units cannot run perpetually. The measures that Govt. proposes to take under the new Textile Policy for the benefit of workers in such inevitable circumstances have been enunciated in the policy, which has already been laid on the Table of the House

(b) Yes, Sir.

(c) According to available information, these cases were not followed up by the parties to the point that a decision could be taken.

Purchase of Raw Jute by J.C.I.

4972. SHRI GADADHAR SAHA : Will the Minister of SUPPLIES AND TEXTILES be pleased to state :

(a) the volume of marketable raw jute available in the market and the volume, percent of raw jute directly purchased by Jute Corporation of India during 1982 to 1984 year-wise, State-wise and the prices per quintal year-wise and State-wise; and

(b) the prices fixed by Agricultural Costs and Prices Commission for the current year ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) A statement is given below.

(b) The minimum statutory price for W-5 Grade of raw jute in Assam has been fixed at Rs. 215/- per quintal for the current jute session 1985-86 on the basis of the recommendations of the Agricultural Prices Commission. Prices for other varieties and grade have been fixed keeping in view the normal market differential.

Statement

The total estimated production of raw jute in the country, the quantity and percentage of raw jute purchased and the prices paid by Jute Corporation of India during the jute seasons 1982-83 to 1984-85, year-wise and State-wise are as under :—

State	Production (‘000 Bls.)	Procurement by JCI, (‘000 Bls.)	Col (3) as % of Col(2)	Procurement price paid by JCI.	
				Variety	Range (Rs./Qtl.)
1	2	3	4	5	6
1982-83					
West Bengal	3885.2	622.8	16.0	TD-5	194.50/229.50
Assam	1006.2	130.9	13.0	W-5	175.00/185.00
Bihar	872.7	69.3	7.9	W-5	184.50/195.00
Orissa	484.0	0.7	0.2	W-5	188.50/188.50
Tripura	97.7	34.0	34.8	Mestabot	159.50/159.50
A.P.	512.9	—	—	Bimlibot	165.50
U.P.	89.6	0.1	0.1	W-5	190.00/190.00
Meghalaya	63.9	1.7	2.7	Mestabot	154.00/154.00
Other States	159.0	—	—	—	—
All India Total	7171.2	859.5	12.0		
1983-84					
West Bengal	4110.9	654.0	15.9	TD-5	255.00/325.00
Assam	905.4	103.9	11.5	W-5	245.00/285.00
Bihar	912.5	53.5	5.9	W-5	245.00/290.00
Orissa	520.0	0.7	0.1	W-5	225.00/310.00
Tripura	79.9	24.1	30.2	Mestabot	260.00/295.00
A.P.	575.4	—	—	Bimlibot	153.00
U.P.	81.4	—	—	W-5	200.00
Meghalaya	64.4	2.9	4.5	Mestabot	225.00/255.00
Other States	164.5	—	—	—	—
All India Total	7414.4	839.1	11.3		

1	2	3	4	5	6
1984-85					
West Bengal	3620.0	683.2	18.9	TD-5	612.50/980.00
Assam	927.0	155.2	16.9	W-5	575.00/920.00
Bihar	1145.0	98.8	8.7	W-5	600.00/910.00
Orissa	546.0	23.8	4.4	W-5	595.00/965.00
Tripura	101.0	28.3	28.0	Mestabot	400.00/800.00
A.P.	574.0	15.6	2.8	Bimlibot	570.00/800.00
U.P.	178.0	4.1	2.3	W-5	800.00/800.00
Meghalaya	91.0	6.4	7.0	Mestabot	650.00/820.00
Other States	160.0	—	—		
All India Total	7342.0	1015.4	13.9		

Participation of Labour in the management of Public Sector undertakings

4973. SHRI V. S. RAO : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose for participation of labour in the management of public sector undertakings; and

(b) if so, the details thereof and the date by which this will come into force?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government notified a scheme of Workers' Participation in Management in December 1983. A copy of the scheme is laid on the table of the House. [Placed in library. See, No. LT-1437/85]. Steps are being taken to implement the scheme as early as possible. A Tripartite Committee consisting of the representatives of the Government, the employers and the trade unions has been set up to monitor the progress of the implementation of the scheme. 42 public sector enterprises have already adopted the scheme, while another 13 have partially adopted it.

Rich Nations not to write off Debts on Debtor Nations

4974. SHRIMATI KISHORI SINHA: Will the Minister of FINANCE be pleased to state :

(a) whether he has seen the news item in 'Indian Express' of August 1, 1985, to the effect that U. S. Central Bank Chief has warned debtor nations that they should not expect remissions of debts they obtained from commercial sources in rich countries;

(b) if so, reaction of Government thereto; and

(c) whether he fears that the "Debt Bomb" may burst on the face of developing nations ?

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

(b) and (c). While some developing countries are experiencing difficulties arising from the debt service burden in the recent years, India is not one of those. The Government's policy in regard to foreign borrowings takes into account the

paramount need to maintain the external debt service situation within limits of prudent debt management.

The Government has been urging in various fora that the approach to medium-term solution of the debt problem should be based on recognition of shared responsibility between debtor countries, creditor countries, international financial institutions and private creditors.

[Translation]

Loans to Consumers by NABARD

4975. SHRI SUBHASH YADAV: Will the Minister of FINANCE be pleased to state :

(a) whether with a view to raising the the fertilizer demand of the consumer to 40 lakh tonnes at the end of Seventh Five Year Plan in 1989-90, various banking institutions including commercial and co-operatives and National Bank for Agricultural and Rural Development will provide a loan of Rs. 400 crores;

(b) whether contribution of the National Bank for Agricultural and Rural Development will be 40 per cent under this scheme;

(c) whether this loan will be in addition to the short-term loan which the 'NABARD' has already sanctioned;

(d) if so, the details in respect of the above loan and category of consumers that will be benefited by this scheme; and

(e) the number of persons State-wise and Union Territory-wise to whom the loan was given by the banks' organisation and NABARD during 1983-84 indicating amount of loan given ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The fertilizer consumption target tentatively fixed for the terminal year of the Seventh Plan, i. e. 1989-90, is 140 lakh

tonnes. The Working Group on Agricultural Credit and cooperation has assessed a requirement of Rs. 8695 crores for short-term credit for seasonal-agricultural operations, including seeds and fertilizers, in the year 1989-90. No specific contribution has been fixed for NABARD.

(c) and (d). The credit limits sanctioned by NABARD include fertilizers distributed to individual agriculturists borrower member of primary societies as part of the kind component of the crop loan. For procurement, stocking and distribution of fertilizers by State Cooperative Marketing Federations necessary financial arrangements are made through a consortium of commercial/cooperative banks. Whenever such Federations are unable to secure the necessary credit from commercial banks NABARD provides refinance facilities to the concerned State Co-operative Bank according to their eligibility for financing such operations.

(e) Data reporting system does not yield information in the manner as desired. However, the credit limits sanctioned for financing seasonal agricultural operations by NABARD to State Cooperative Banks during the last three years have been as under :—

Year	Amount sanctioned (Rs. in crores)
1982-83	1120
1983-84	1245
1984-85	1233

[English]

Loss suffered by Minerals and Metals Trading Corporation

4976. SHRI SRIBALLAV PANIGRAHI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metal Trading Corporation (MMTC) suffered huge loss in foreign exchange towards demurrage charges during 1984-85 ;

(b) if so, the extent of loss suffered ;

(c) the quantum of loss suffered by MMTC during the last three years, year-wise, on this account ;

(d) the reasons therefor ; and

(e) the measures proposed to be taken by Government to improve the performance of MMTC so as to minimise such losses ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). MMTC suffered a loss of Rs. 150.42 lakhs in foreign exchange towards demurrage charges during 1984-85.

(c) The year-wise of quantum of loss suffered by MMTC during the last 3 years on account of demurrage charges is as follows :

Years	Loss in Rs. lakhs
1982-83	36.42
1983-84	91.41
1984-85	150.42

(d) The payment of demurrage at various ports was mainly due to the factors like congestion, especially at Bombay Port, delay in berthing of vessels, bunching of vessels, lower rate of discharge, power break downs, failure of mechanical ore handling plants, strike by dock workers and other agencies at some ports.

(e) The following are the measures proposed by MMTC to minimise demurrage charges :

(i) where single berth has been earmarked and capacity for raw material discharged is limited, the vessels might be diverted to other parts, if possible ;

(ii) resorting to discharge of material in the midstream until berth is made available to a ship ;

(iii) Persuading port authority to allot any available berth other than the berth earmarked for the commodities concerned ; and

(iv) Port authorities have been asked to improve the working of mechanical or handling system.

Public sector undertakings in Tamil Nadu

4977. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) the details of the Tamil Nadu State owned public undertakings to which financial assistance have so far been extended by Union Government ;

(b) the steps taken to get Union Government nominees included in these Tamil Nadu State-owned public undertakings ; and

(c) if not, the reasons thereof ?

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

[Translation]

Compensation of Workers of Jayka Nagar Aluminium Factory

4978. SHRI SHIV PRASAD SAHU : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a provision has been made under section 17 of the Aluminium Corporation of India Limited Acquisition and Transfer of Aluminium Undertaking Act, 1984 to pay the salary, bonus, gratuity and other compensation with interests for the period from 1974 to 1984 to the workers of Jayka Nagar Aluminium Factory which had been lying closed since 1974 and was taken over by Government in 1978 ;

(b) whether a Compensation Commissioner was appointed by Government for this purpose and if so, the action taken so far by him ; and

(c) whether Government will make arrangements for payment of compensation on the same lines to 151 workers of Madanpur Duggu Bauxite Mine in Lohardaga district of Bihar and if not, the reasons therefor ?

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

(a) Yes, Sir. A provision has been made under Sec. 17 of the Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) Act, 1984, whereby every person having a claim against the Company in relation to the Aluminium Undertaking located at Jaykay Nagar near Asansol (West Bengal) as defined in Sec. 2 of the said Act is entitled to file a claim before the Commissioner of Payments within a specified date. The Schedule to the Act lays down the order of priorities for the discharge of liabilities of the Aluminium Undertaking. As per this Schedule, employees' dues on account of unpaid salaries and wages, contributions to be made by the Company and the employees to the Provident Fund and Employees' State Insurance premium relating to Life Insurance Corporation of India and any other amounts due to employees, in respect of any period whether before or after the management of the Aluminium Undertaking, have been assigned Priority Category-I.

(b) Yes, Sir. The Commissioner of Payments has been appointed by the Government under Sec. 14 of the said Act and the assumed charge on 14-1-1985. Thereafter, the Govt. of India notified 1.3.1985 as the specified date within 30 days of which date the claims were to be submitted to the Commissioner of Payments under Sec. 17 of the said Act. About 2903 claims have been received under various categories. After the claims are received, these are required to be examined first. The examination of the claims has been taken up and is in progress. After the

claims are examined, a notice under Section 20 of the Act will be given in the newspapers requiring the claimants to file the proof of their claims. The claims will be taken up for investigation and hearing, and final orders would be passed after that

(c) No, Sir. The Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) Act, 1984 authorises the Commissioner of Payments to entertain claims in respect of the Aluminium Company located at Jay Kay Nagar near Asansol (West Bengal). Since the workers of Madanpur Duggu Bauxite Mine in Lohardaga district of Bihar are not covered by the Act, no compensation is payable to them under this Act.

[English]

P.E.C. cement project in Indonesia

4979. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to set up a PEC Cement Project in Indonesia ;

(b) if so, the estimated cost of the above project ;

(c) whether the establishment of cement project in Indonesia has already been delayed ;

(d) if so, the factors which delayed the establishment of cement plant ;

(e) the steps taken to expedite it ; and

(f) the year by which the above PEC Cement Plant is expected to start commercial production ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) and (b). The Projects and Equipment Corporation of India Limited (PEC) in association with M/s. Walchandnagar Industries Limited

(WIL) is setting up a cement project in Indonesia. The contract value is Rs. 55.7 crores.

(c) and (d). The completion of the project has, *inter-alia*, been delayed on account of the following factors :—

- (i) Delay in finalising plant layouts and detailed specifications by the client ;
- (ii) Under estimation of the quantum of design and engineering ;
- (iii) Insistence by the client that every possible engineering details should be cleared by the consultants appointed by the client ; and
- (iv) Delays in supplies by some vendors and replacement of certain critical items which were supplied vendors.

(e) The project is being regularly monitored at various levels including in inter-ministerial meetings, with a view to identify critical shortfalls and take necessary remedial measures.

(f) The cement plant is expected to be finally commissioned and handed over to the client by March, 1986.

Policy to Invite Foreign Investments

4980 SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have decided to invite foreign investments in the country;

(b) if so, the details regarding the policy of Government so far as the question of inviting foreign investments in the country is concerned;

(c) the details regarding the specific priority areas in which such investments are sought;

(d) the terms and conditions under which such investments would be made

and the incentives that would be offered to the foreign investors; and

(e) what would be the policy about allowing repatriation of profits by the foreign firms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c); Government's policy regarding foreign collaboration continues to be selective and this also has been reiterated in the Technology Policy Statement announced in January, 1983. Foreign Collaborations are normally considered in areas where indigenous technology is not available and if the terms are reasonable.

(d) In some cases, foreign collaboration is permitted along with equity investment. This is general upto the level of 40% of the total equity. In cases where outright purchase of technology only is approved, the foreign collaborator is paid a lumpsum know-how fee and royalty on the value of the domestic production for the period of the collaboration agreement.

(e) As per Government policy, once a foreign investment is approved, no restrictions are placed on the remittance abroad of profits and dividends (subject of course, to payment of Indian taxes) by the foreign investor.

Foreign Companies Having Interest in Indian Companies and Foreign Exchange Drained Out

4981. SHRI KAMALA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there are still foreign companies having interest in the Indian companies and lot of the foreign exchange is drained out of the country;

(b) if so, the details thereof and how much foreign exchange went out of the country during the last 12 months;

(c) the steps proposed to be taken to Indianise then wholly and completely; and

(d) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). A list of FERA Companies operating in India was furnished in reply to Unstarred Question No. 704 answered on 26th July, 1985. Remittances made by such FERA companies for the period 1981-82, 1982-83 was furnished in the Implementation Report in respect of Unstarred Question No. 4709 answered on 24th August, 1984. Similar information for the later period is not readily available at present.

(c) and (d). Government do not propose to insist upon compulsory and total dilution of foreign equity in such companies. The level of foreign holding in such FERA companies was decided in terms of guidelines issued under Section 29 of Foreign Exchange Regulation Act, 1973, copies of which were laid on the Table of the Lok Sabha.

Shortage of Nylon Fabric

4982. SHRI AMARSINH RATHAWA: SHRI MOHANBHAI PATEL :

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

(a) whether it is a fact that there is a shortage of nylon fabric and due to that many other industries which are dependent on nylon fabric are facing great difficulty to get nylon fabric as per their demand;

(b) the quantity of nylon fabric being imported every year and the foreign exchange involved;

(c) the quantity of nylon fabric produced in the country every year; and

(d) the steps being taken to establish more units to manufacture nylon fabric in the country to meet the demand ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a). The Government has not received any reports of any shortage of nylon fabric.

(b) The information is not readily available.

(c) Estimated production of Nylon Filament Yarn Fabric for the last few years are as under :—

1981	...	349.30 M.M.
1982	...	359.70 M.M.
1983	...	388.65 M.M.
1984	...	456.15 M.M.
1985(Jan- to June)		238.65 M.M.

(d) The new Textile Policy provides for fibre flexibility whereby production can rise to meet demand of this fabric also wherever necessary.

Development of Rennet from Fungus

4983. SHRI VIRDHI CHANDER JAIN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a total ban on the import of animal rennet in our country;

(b) if so, the reason thereof;

(c) whether Central Agricultural Research Institute or any other institute has been asked to develop a non-animal rennet of fungal origin, and

(d) if so, progress made so far ?

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

(b) The import of animal rennet has been banned in public interest.

(c) and (d). Research work has been carried out on the development of non-animal rennet of fungal origin at Central Food Technological Research Institute, Mysore. The findings have been published in 'Journal of Food Science & Technology', giving an account of production of fungal rennet substitute for cheese making.

Crisis in Air Conditioner and Refrigerator Manufacturing Units

4984. PROF. RAMKRISHNA MORE: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that small scale units manufacturing air conditioners and refrigerators are on the verge of closure because of discrimination in the matter of excise duty exemption limit; and

(b) if so, the steps Government propose to take to help these small units who are facing acute crisis ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Different exemption schemes have been prescribed for the small scale sector in different areas of industrial production taking into account various factors, such as, the applicable rate of excise duty, the quantum of exemption available for the unit, position of the organised sector, etc. The scheme of excise duty relief applicable to small scale units manufacturing refrigerating and air-conditioning appliances and parts thereof cannot be regarded as discriminatory in nature. There are no reports of closure of small scale units manufacturing refrigerators and airconditioners as a result of the present scheme of excise duty concession to the small scale units. There is no proposal at present to revise the existing scheme.

Proposal to set up Coir Export Promotion Council

4985. SHRI T. BASHEER : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there is any proposal to set up Coir Export Promotion Council;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

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

(b) Does not arise.

(c) Under the Coir Industry Act 1953, the Coir Board has *inter-alia* been entrusted with export promotion functions for coir items.

Declaration of Hyderabad as a Free Port

4986. SHRI V. TULSIRAM : Will the Minister of COMMERCE be pleased to state :

(a) total number of free airports in the country;

(b) whether Hyderabad airport is also a free port;

(c) if not, whether there is any proposal under the consideration of the Government to declare Hyderabad as a free port; and

(d) if so, when ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) There are no such airports in the country.

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

Statement correcting Answer to Unstarred Question No. 693 dated 26-7-1985 *Re* : Allotment of Quotas and Licences for Garments transferred to Apparel Export Promotion Council

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : A typographical error in the figure indicated in reply to part (f) of the Question [Annexure 'A' placed in Library. See No. LT 1438/85], has been noticed. The correct reply to the Lok Sabha Unstarred Question No. 693 is as given at Annexure 'B'.

ANNEXURE—'B'

**Allotment of Quotas and Licences
for Garments Transferred to Apparel
Export Promotion Council**

693. SHRI G. M BANATWALLA :
Will the Minister of SUPPLY AND TEX-
TILES be pleased to state :

(a) whether the work relating to
allotment of quotas and licences for gar-
ments 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 TEX-
TILES (SHRI CHANDRA SHEKHAR
SINGH) : (a) No, Sir. This work has
been with AEPC since the inception of
AEPC.

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

(e) 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 obli-
gation on part of exporters.

(f) According to available information,
as on 31-12-1984 AEPC had collected a
sum of Rs. 3,12,22,513/- on account
of forfeiture of EMDs/BGs.

(g) The amount is to be kept sepa-
rately by AEPC to be spent on export
promotion after obtaining Government's
approval.

12.00 Hrs.

PROF. MADHU DANDAVATE
(Rajapur) : I want to raise a very serious
matter. Please listen to our submission
because that is the submission of the
M Ps. On 21st of this month, 17 MPs
went to attend the funeral of late Longo-
wal.

(Interruptions)

MR. SPEAKER : My information is
different.

PROF. MADHU DANDAVATE :
You have misunderstood it. The press had
commented on that. They say that the
funeral was conspicuous by the absence of
MPs because of the discrimination shown
by the Government and the ruling party
on us, we could not be present.

(Interruptions)

MR. SPEAKER : I do not think
there was anything like that. I have got
the information.

PROF. MADHU DANDAVATE :
Let the hon. Minister make a statement.
We were half an-hour late. Members of
the ruling party were allowed to reach
the funeral in time and only (Interruptions)
.....on technical grounds.

MR. SPEAKER : I must make it
clear because I was myself there.

PROF. MADHU DANDAVATE :
You are not a member of the Congress
party. We are referring to the Congress
party.

MR. SPEAKER : I am not talking about them either. I am only talking of what I saw there. The press has asked me about it. The fact is that myself on behalf of the Prime Minister and the President, Mr. Arun Nehru and the Defence Minister.....

AN HON. MEMBER : What about Mrs. Bajpai ?

MR. SPEAKER : Mrs. Bajpai went there of her own, by the daily service and she reached there. She did not travel with us. Only we three were there.

SHRI INDRAJIT GUPTA (Basirhat) : What about Shri Moopanar ?

MR. SPEAKER : Shri Moopanar might have gone somewhere else. I do not know.

PROF. MADHU DANDAVATE : He went to the funeral.

MR. SPEAKER : I saw them there and I met them there—Mrs. Bajpai and the others. While coming back, I saw members going including Opposition leaders. I got this information that the IAC provided the aircraft for all these members. That is why, I felt that I must clarify the matter. I told the press that they are coming. That is what I told them because somebody from the Opposition came to me and said “We are going.” Mr. Amal Datta came and said “We are going there.” We have been provided this service and we went there.

PROF. MADHU DANDAVATE : My point is, way should there be discrimination ?

MR. SPEAKER : There is no discrimination.

PROF. MADHU DANDAVATE : Not about you. The members of the ruling party were provided aircraft to reach there in time, and the members of the Opposition could not reach in time.

MR. SPEAKER : I saw ; nobody else was present.

PROF. MADHU DANDAVATE : We have nothing against you. We only say that the hon Minister should make a statement against the discrimination.

MR. SPEAKER : I say nobody was there.

PROF. MADHU DANDAVATE : There was discrimination in the arrangements made.

PROF. K.K. TEWARY (Buxar) : It is very unfortunate that the precious time of the House is being taken away on non-issues. The hon. Minister of Home Affairs is here. Yesterday you promised to speak to the hon. Minister of Home Affairs.

MR. SPEAKER : I have already spoken to him.

PROF. K.K. TEWARY : After the heinous murder of Shri Longowal Amritsar Golden Temple has been taken over by extremists and sweets have been distributed and murders have been applauded by Baba Jogendra Singh. The hon. Minister of Home Affairs yesterday made a revelation to the House that Pakistani Government has been imparting training to these extremists and they have been unleashed into Punjab. I wonder why the Government of India has not lodged a formal protest to the Pakistani Government for training the extremists. As this has been established, what steps Government of India is taking in rounding up the criminals ?

MR. SPEAKER : This is a new situation. The hon Minister of Home Affairs is also here. He will take care of it and let you know. (*Interruptions*)

PROF. K.K. TEWARY : It is a very important matter. Elections have been announced. These criminals will make further trouble.

MR. SPEAKER : I will ask the hon. Minister to look into the matter.

PROF. K.K. TEWARY : Why don't you ask the hon. Minister of Home Affairs ?

MR. SPEAKER : I have already told him, I have already done it.

PROF. K.K. TEWARY : Why have they not been arrested ?

MR. SPEAKER : I have already told him.

12.04 hrs.

PAPERS LAID ON THE TABLE

[*English*]

Annual Reports and Reviews on the working of the Engineering Export Promotion Council, Calcutta, for 1982-83 and 1983-84 and statements for delay in laying these papers

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : Sir, I beg to lay on the Table :—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Engineering Export Promotion Council, Calcutta, for the year 1982-83 along with Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Engineering Export Promotion Council, Calcutta, for the year 1982-83.
- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned (1) above.
- (1) (i) A copy of the Annual Report (Hindi and English

versions) of the Engineering Export Promotion Council, Calcutta, for the year 1983-84 along with Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Engineering Export Promotion Council, Calcutta, for the year 1983-84.

- (4) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT-1381/85].

Notification under Dowry Prohibition (Amendment) Act, 1984 and Dowry Prohibition (Maintenance of List's of Presents to the Bride and Bridegroom) Rules, 1985

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARADWAJ) : Sir, I beg to lay on the Table :—

- (1) A copy of the Notification No. S.O. 610(E) (Hindi and English versions) published in Gazette of India dated the 19th August, 1985 appointing the 2nd day of October, 1985 as the date on which the Dowry Prohibition (Amendment) Act, 1984, shall come into force, issued under section 1 of the said Act,

[Placed in Library. See No. LT-1382/85]

- (2) A copy of the Dowry Prohibition, (Maintenance of Lists of Presents to the Bride and Bridegroom) Rules, 1985 published in Notification No. G.S.R. 664(E) in Gazette of India dated the 19th August, 1985 under sub-section (3) of section 9 of the Dowry Prohibition Act, 1961.

[Placed in Library. See No. LT-1383/85]

Notifications under Customs Act, 1962, Consolidated Reports on the working of Public Sector Banks and Regional Rural Banks for the year ended the 31st December, 1983

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : Sir, I beg to lay on the Table :—

- (1) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :—

- (i) G.S.R. 647 (E) published in Gazette of India dated the 13th August, 1985 together with an explanatory memorandum making certain amendment to Notification No. 13-Customs dated the 9th February, 1981 so as to permit the 100 per cent Export Oriented Undertakings to clear 25 per cent of their production and 5 per cent rejects on payment of excise duty into the Domestic Tariff Area.

- (ii) G.S.R. 660 (E) published in Gazette of India dated the 16th August, 1985 together with an explanatory note regarding exemption to goods covered by Notification No. 262/85-Customs and 263/85-Customs dated the 16th August, 1985 from the whole of the auxiliary duty of customs leviable thereon.

[Placed in Library. See No. LT—1384/85].

- (2) A copy of the Consolidated Report (Hindi and English versions) on the working of Public Sector Banks for the year ended the 31st December, 1983.

[Placed in the Library. See No. LT—1385/85].

- (3) A copy of the Consolidated Report (Hindi and English versions) on the working of Regional Rural Banks for the year ended the 31st December, 1983.

[Placed in Library. See No. LT—1386/85]

Review on the working of and Annual Report of Kudremukh Iron Ore Company Limited, Bangalore, for 1984-85 and Statement correcting reply to U.S.Q. No. 2966 dt. 9-8 85 re: Purchase of Iron Ore by IISCO from private mines.

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : Sir, 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 Kudremukh Iron Ore Company Limited, Bangalore, for the year 1984-85.

[Placed in Library. See No. LT—1387/85].

- (ii) Annual Report of the Kudremukh Iron Ore Company Limited, Bangalore, for the year 1984 85 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

- (2) A statement (Hindi and English versions) correcting the reply given on the 9th August, 1985 to Unstarred Question No. 2966 by Shri Indrajit Gupta regarding purchase of iron ore by IISCO from private mines.

[Placed in Library. See No. LT—1388/85].

Notifications under Export (Quality Control and Inspections) Act 1963, Review on the working of and Annual Report of Minerals and Metals Trading Corporation of India Limited, New Delhi, for 1983-84 and Statement for delay

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : Sir, I beg to lay on the Table—

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963 :—

(i) The Export of Dried Shark Fins and Dried Fish Maws (Quality Control and Inspection Rules, 1985 published in Notification No. S.O. 3090 in Gazette of India dated the 6th July, 1985.

(ii) The Export of Dried Fish (Inspection) Rules, 1985 published in Notification No. S.O. 3332 in Gazette of India dated the 20th July, 1985.

[Placed in Library. See No. LT—1389/85].

- (2) 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 Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year 1983-84.

(ii) Annual Report of the Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year

1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

- (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—1390/85].

Annual Report and Review on the working of Centre for Electronics Design and Technology, Srinagar, for 1983-84 and Statement for delay in laying these papers

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : Sir, On behalf of Shri Shivraj V. Patil, I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Centre for Electronics Design and Technology, Srinagar, for the year 1983-84 alongwith Audited Accounts.

(ii) A statement (Hindi and English versions) regarding Review by the Government on the working of the Centre for Electronics Design and Technology, Srinagar, for the year 1983-84.

- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Place in Library. See No. LT—1391/85].

12.06 hrs.

MESSAGES FROM RAJYA SABHA

SECRETARY-GENERAL : Sir, I have to report the following messages

received from the Secretary-General of Rajya Sabha :—

Lok Sabha in regard to the said Bill”.

- (i) “In accordance with the provisions of rule 127 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha, at its sitting held on the 22nd August, 1985, agreed without any amendment to the Essential Services Maintenance (Amendment) Bill, 1985 which was passed by the Lok Sabha at its sitting held on the 19th August, 1985.”

 APPROPRIATION (NO. 5) BILL,
 1985

SECRETARY GENERAL : Sir, I lay on the Table the Appropriation (No. 5) Bill, 1985, passed by the Houses of Parliament during the current session and assented to since a report was last made to the House on the 16th August, 1985.

- (ii) “In accordance with the provisions of sub-rule (6) of rule 130 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Coffee (Amendment) Bill, 1985, which was passed by the Lok Sabha at its sitting held on the 19th August, 1985, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the

12.07 hrs.

 LEAVE OF ABSENCE FROM THE
 SITTINGS OF THE HOUSE

MR. SPEAKER : The Committee on Absence of Members from the Sittings of the House in their First Report presented to the House on 16th August, 1985, have recommended that leave of absence be granted to the following Members for the period mentioned against each :

1. Shri Jamilur Rahman	15th January to 30th January, 1985— Member expired— <i>absence condoned</i> .
2. Shri B.N. Reddy	15th January to 30th January, 1985.
3. Shri Saleem I Shervani	13th March to 31st March, 1985.
4. Chowdhry Girdhari Lal	13th March to 2nd April, 1985 and 8th April, to 15th May, 1985—Member expired— <i>absence condoned</i> .
5. Shri Motilal Singh	8th April to 30th April, 1985.
6. Shri H.N. Nanje Gowda	10th April to 5th May, 1985.
7. Shri Chandra Pratap Narain Singh	13th March to 2nd April, 1985 and 8th April, to 7th May, 1985.
8. Shri Bharat Kumar Odedra	23rd July to 14th August, 1985.
9. Smt. Madhuri Singh	26th July to 23rd August, 1985.
10. Shri Chandra Mohan Singh Negi	23rd July to 23rd August, 1985.

Is it the pleasure of the House that leave as recommended by Committee may be granted ?

HON. MEMBERS : Yes.

MR. SPEAKER : The leave is granted. The Members will be informed accordingly.

12.08 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Minutes of first to fifth sittings

SHRI M. THAMBI DURAI (Dharmapuri) : Sir, I beg to lay on the Table Minutes (Hindi and English versions) of the first to fifth sittings of the Committee on Members' Bill and Resolutions held during the current session.

COMMITTEE ON ABSENCE OF MEMBERS FROM THE SITTINGS OF THE HOUSE

Minutes of Sitting

SHRI MADHUSUDAN VAIRALE (Akola) : Sir, I beg to lay on the Table Minutes (Hindi and English versions) of the sitting of the Committee on Absence of Members from the Sittings of the House held on the 14th August, 1985.

ESTIMATES COMMITTEE

Seventh Report

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : Sir, I beg to present the Seventh Report (Hindi and English versions) of the Estimates Committee on Action Taken by Government on the

recommendations contained in the Seventy-third Report of the Committee (Seventh Lok Sabha) on the Ministry of Information and Broadcasting—Broadcasting.

12.09 hrs.

COMMITTEE ON PUBLIC UNDERTAKINGS

Minutes and First, Second, Third, Fourth and Fifth Reports

SHRI K. RAMAMURTHY (Krishnagiri) : Sir, I beg to present the following Reports and Minutes (Hindi and English versions) of the Committee on Public Undertakings :—

- (i) First Report on Action Taken by Government on the recommendations contained in Ninety-second Report of the Committee (Seventh Lok Sabha) on National Thermal Power Corporation Ltd.
- (ii) Second Report on Action Taken by Government on the recommendations contained in Ninety-first Report of the Committee (Seventh Lok Sabha) on Bharat Petroleum Corporation Ltd.
- (iii) Third Report on Action Taken by Government on the recommendations contained in Eighty-seventh Report of the Committee (Seventh Lok Sabha) on Central Coal Washeries Organisation.
- (iv) Fourth Report on Mineral Exploration Corporation Ltd. and Minutes of the sittings of the Committee relating thereto.
- (v) Fifth Report on Action Taken by Government on the recommendations contained in Ninety-sixth Report of the Committee (Seventh Lok Sabha) on Rehabilitation Industries Corporation Ltd.

**COMMITTEE ON SUBORDINATE
LEGISLATION**

Second Report

SHRI MOOL CHAND DAGA (Pali) :
Sir, I beg to Present the Second Report
(Hindi and English versions) of the Com-
mittee on Subordinate Legislation

**COMMITTEE ON WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES**

Second Report

SHRI K.D. SULTANPURI (Simla) :
Sir, I beg to present the Second Report
(Hindi and English versions) of the Com-
mittee on the Welfare of Scheduled Castes
and Scheduled Tribes on the Ministry of
Steel, Mines and Coal (Department of
Mines)—Reservations for, and employ-
ment of, Scheduled Castes and Scheduled
Tribes in National Aluminium Company
Limited.

12.10 Hrs.

**COMMITTEE ON WELFARE OF
SCHEDULED CASTES AND
SCHEDULED TRIBES**

Minutes of sittings

SHRI K.D. SULTANPURI (Simla) :
Sir, I beg to lay on the Table Minutes
(Hindi and English versions) of the
sittings of the Committee on the Welfare
of Scheduled Castes and Scheduled Tribes
relating to their Second Report.

BUSINESS ADVISORY COMMITTEE

Twelfth Report

THE MINISTER OF STATE IN THE
MINISTRY OF PARLIAMENTARY
AFFAIRS (SHRI GHULAM NABI
AZAD) : Sir,

I beg to move :

“That this House do agree with the
Twelfth Report of the Business Advisory
Committee presented to the House on the
22nd August, 1985.”

SHRI G.M. BANATWALLA : I raise
a point of order before you take up this
motion.

MR. SPEAKER : It is late.

SHRI G.M. BANATWALLA : I have
given them advance notice also. I would
request you.....

MR. SPEAKER : You are late in
your notice.

SHRI G.M. BANATWALLA : I
request you to consider this point of
order very coolly. It is not in a spirit
of confrontation but proper regulation of
the business of the House.

This motion is there before us to adopt
the report of the Business Advisory
Committee.

My point of order is under Rules 288
to 292 of our Lok Sabha. Now this motion
cannot be moved as there is one Item 2
in para 2 of this report. This item refers
to the Supreme Court (Number of
Judges) Amendment Bill, 1985 and one
hour is allocated for the same. But the
Bill has already been passed.

MR. SPEAKER : I know.

SHRI G.M. BANATWALLA : The
Bill has already been passed by this
House. Now, we are having a Report
of the Business Advisory Committee

allocating the time of one hour. My submission is that adoption of this Motion would, therefore, be in retrospective effect with regard to the said item and the Rules 288, 289, 290, 290A, 291, 292 and all relevant rules do not envisage passing a motion with retrospective effect.

The second point is that yesterday this House was totally misled that one hour was allocated when there was no such allocation binding upon the House. The Bill was, therefore, passed after misleading the House. Therefore, you must not certify that Bill also as has been duly passed. I request you to declare this motion as out of order because it is with retrospective effect, not envisaged by our rules.

MR. SPEAKER : The comedy of the situation is that last evening when we were discussing in Business Advisory Committee all these things we took into consideration that it was going to be discussed today. Isn't it ? We had it in mind when we were discussing it.

SHRI G.M. BANATWALLA : It has retrospective effect.

MR. SPEAKER : We had it in mind. We passed it knowingly at that time. All of us knew in the Business Advisory Committee that it was going to be passed this day. We knew it. There is no problem. We have done it earlier also. There is a precedent. It is not a problem. We just did it. We did it knowingly.

(Interruptions)

MR. SPEAKER : We discussed the same subject. Mr. Banatwalla has taken up the same line as we took yesterday.

SHRI G.G. SWELL (Shillong) : Sir, the Motion should be amended.

MR. SPEAKER : There is no problem. We did it knowingly. It is just a normal practice that we omit these things. But your point is well taken;

That is what I can say. I knew somebody would take up this question.

The question is :

"That this House do agree with the Twelfth Report of the Business Advisory Committee presented to the House on the 22nd August, 1985."

The motion was adopted.

12.13 hrs.

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 remaining part of the Session will consist of :—

(1) Consideration of any item of Government Business carried over from today's Order Paper.

• (2) Consideration and passing of :

(a) The Lighthouse (Amendment) Bill, 1985.

• (b) The Narcotic Drugs and Psychotropic Substances Bill, 1985.

(c) The Inland Waterways Authority of India Bill, 1985.

(3) Consideration and passing of the following Bills, as Passed by Rajya Sabha :

(a) The Auroville (Emergency Provisions Amendment Bill, 1985.

(b) The Pondicherry University Bill, 1985.

(c) The National Airports Authority Bill, 1985.

(d) The Standards of Weights and Measures (Enforcement) Bill, 1985.

PROF. MADHU DANDAVATE (Rajapur) : Sir, what about the motion under Rule 194 for postponement of elections ?

MR. SPEAKER : Before we take up submissions, I would inform the House that at 2.45 p.m. the Prime Minister is going to make a statement.

12.15 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

SHRI SAIFUDDIN CHOWDHARY (Katwa) : Sir, I want to make the following submission regarding next week's business.

The recently concluded Assam agreement between Central Government and agitationists has created certain confusion and genuine apprehensions in the minds of the people. Lakhs of people are feeling insecure. Some constitutional points and India's commitment to some international agreements have also come under question with the signing of the agreement. Hence a discussion is urgently required to clarify the whole thing and dispel apprehensions and doubts from the minds of the people.

Of late, the functioning of the Universities has come under severe criticism from different quarters. There is one strong opinion that university and different sections of people connected with it should not enjoy such freedom and rights as they are enjoying now. On the other, the opposing opinion firmly believes that dearth of democratic rights is at the root of all evils. Hence extension of democratic rights is a must for the effective and purposeful functioning of the university. Under the circumstances, strong apprehensions have been aroused in the minds of the people. Hence a discussion on the subject is necessary.

SHRI AJIT KUMAR SAHA (Vishnupur) : I want to make the following submission regarding Business for the remaining part of the Session.

1. The Beedi workers of the country are facing hardship in absence of a comprehensive legislation for them. It is high time the Government should bring a comprehensive Bill to improve the condition of the Beedi workers so that they may get all facilities which are enjoyed by the other factory workers.

2. Wolfarm Mines at Chandapathar in the district of Bankura, West Bengal should be nationalised without further delay.

In view of the urgency, Government should bring both the Bill in this Session.

[*Translation*]

SHRI KALI PRASAD PANDEY (Gopalganj) : Mr. Deputy Speaker, Sir, I would like the hon. Minister of Parliamentary Affairs to include the following matter in the next weeks Business of the House :

The future of the workers of at least six sugar mills which are likely to be closed down as a result of the recent decision of the Bihar State Sugar Corporation has become uncertain. About 1,000 temporary and 3,000 permanent workers of the Hathua Sugar Mill Loria and the New Siwan Sugar Mill alone would be rendered jobless and there is a possibility of ten lakh quintals of sugarcane getting dried up or being burnt in the reserved area of the mill.

It is also understood that the Bihar State Sugar Corporation has decided to run only 5 out of the 11 units this year to effect economy and the units at Vanmankhi, Samastipur, Guraul, Sakri and Varsiliganj will function while the units at Reyam, Hathua Sugar Mills, Loria, New Siwan, Motipur Behta, Lohat and Guraru will remain closed during this year. If the Corporation runs 11 units it will have to incur a loss of

Rs. 9.2 crores. The units it is going to run will incur a loss of Rs. 6 crores while the closure of the other five units will result in a loss of only Rs. 3.2 crores. But the decision of the Corporation to run five units at a loss of Rs. 6 crores and close the seven units which would result in only a loss Rs. 3.2 crores is beyond the comprehension of the people. It is also understood that in Varsiliganj and Guraul areas, the mills do not have capacity utilisation and in the rest of the three units, very little of sugarcane is available in the mills reserved area.

Therefore, I would request Government to issue a direct to the Bihar State Sugar Corporation in this regard that if they want to run only five units, the sugar mill, Loria and New Sewan Sugar mill should be included and some other units which may not be having capacity utilisation may be closed in their place. If it is not possible to do so, then alternative employment opportunities should be made available to those rendered jobless.

[English]

SHRI ANOOPCHAND SHAH (Bombay North) : Sir, I request that the following items may please be included in the business for the next week.

(1) I would like to draw the attention of the hon. Railway Minister to a growing problem of railway services in Bombay. I might mention that the suburban services are quite inadequate here. Thus, the commuters find it very difficult to reach to their destination on time. One such case is the need for introduction of such a service between Visar and Andheri. It is understood that while its introduction is justified on merits, the delay in its introduction is causing a lot of problems for the commuters.

I would request that this may be included for discussion.

(2) In this 20th century, telephone service is an essential facility for trade and other services. Needless to say, if

we have to survive, telephone service has got to be given to the needy persons. There is no doubt that we have made an around progress in this industry.

However, there are cases where provision of this service, though very much required, is not to be seen in near future. One such case is Malad in Bombay. In Malad area, total pending requests for telephone connections have gone upto 23527. The requests were made as early as 1971 which have not been considered so far. This is particularly true for Malad which is lagging behind the greatest in Bombay.

I request that this item may be included for detailed discussion next week.

SHRI SOMNATH RATH (Aska) : Sir, the following matter be included for discussion in Government Business in the coming week, commencing from 26th August, 1985.

Orissa stands in Marine Inland Brackish Water Fisheries sources, development of which can contribute substantially to the socio-economic conditions of the poor fishermen of the State. The Seventh Plan envisages increase of Marine Fish Production to 1,00,000 MT by the end of the plan period the level of 54,000 MT by the end of the 6th Plan. Construction of the Fishing Harbour at Gopalpur, besides at Paradip, Dhamara, Astarang, requires special attention. Brackish Water fishing has got great potential in the coastal districts of Ganjam, Puri, Cuttack and Baleswar. There should be Brackish Water Fish Farmers Development Agency in Ganjam district. The fishing Harbour at Gopalpur alongwith the commercial harbour under construction with Central assistance requires special and foremost attention of the Central Government. It should be expedited. Berthing facilities for deep sea fishing at Paradip should be approved and financial assistance be given by the Central Government soon. Under the inland fishing project, with World Bank assistance, Orissa Fish Seeds Development Corporation, establishing modern hatchery at Bhanjanagar, require to be expedited. Since the local people have

[Shri Anoop Chand Shah]

cooperated in giving their lands, special attention should be given for employment of the people of the area for smooth running of the Project. The welfare programme for Pisciculturist and fishermen should be given top priority. The Central Government is requested to approve the project and assist the Orissa Government in granting sufficient funds to achieve the object.

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : I beg to submit the following matter to be included in the next week's Government business in the House.

Orissa is a backward State both economically and socially. There are not enough railway lines which pass through this State. Only a few kilometres of new railway line was added after independence. There is no direct train for the people of western part and southern part to come to Bhubaneswar which is the State capital. Now, passengers have to come from Bolangir, Kalhandi, Koraput and parts of Ganjam District to Bhubaneswar and Puri by changing trains and routes. This is causing delays and difficulties. Hence, a proposal was submitted by the Orissa Government to Railway Ministry for introducing a direct train called Mahanadi Express from Titlagarh or Raipur to Bhubaneswar and Puri to provide direct train facilities. If Mahanadi Express is introduced, it will go a long way in serving the people of these regions. Also, it will help the movement of goods traffic.

Therefore, I request the Ministry of Railways to introduce Mahanadi Express as early as possible connecting Titlagarh or Raipur with Bhubaneswar.

[Translation]

SHRI BIRBAL (Ganganagar) : Mr. Deputy Speaker Sir, I want to raise the following matter next week in the House and, therefore, I may be granted leave to do so :

In the Indira Canal area, the farmers had been getting regular water supply

for irrigation since 1975, but now the staff of the Irrigation Department are not allowing them this facility. During every successive crop, their turn for water supply is overlooked.

I would, therefore request the Irrigation Minister to issue orders to the Rajasthan Government to see that the areas which were being supplied water for irrigation since 1975 should be permanently put on the roster for this purpose so that they have their turn on time. Further I would submit that Ganganagar district has been included in the Indira Canal area and a survey should again be conducted there to bring more and more land under the command-area so that the farmers of that area may be saved from starvation. These measures will also result in an increase in the production of foodgrains in the country.

[English]

SHRI C. JANGA REDDY (Hanamkonda) : Railway Economic and Technical Survey Committee of Railway Board visited several States for selecting a suitable site for setting up a Coach Factory with a capacity of 1000 coaches per year. The Committee visited Khazipet in Warangal District in Andhra Pradesh also. The Government of Andhra Pradesh has come forward to provide various facilities including land, water or electricity. It is learnt that the Committee has recommended Khazipet as the most suitable place for setting up Coach Factory. It is however, learnt that the Government of India is now setting up the Coach Factory in Punjab. Warangal District is having a lot of unemployed youth who are turning to violent naxalite activities out of frustration. The Coach Factory as recommended by the Survey Committee should, therefore, be established at Khazipet with full capacity to build 1000 coaches per year, as a third one, as there is necessity of coaches also.

As per the Presidential Order, zonalisation in Andhra Pradesh has been made applicable to the recruitment to various posts in Government services and to admissions to various institutions in general education. But admissions to the profes-

sional college like Medical and Engineering have not been covered by the zonalisation scheme with the result that a large number of seats in the Medical and Engineering Colleges of the backward Telengana Region are being taken away by non-local candidates and the people of Telengana region are denied their legitimate right as opposed to the letter and spirit of the Presidential Order which is being subjected to exploitation by those from affluent areas.

With a view to safeguarding the legitimate and genuine interests of the people of the Telengana Region, it is proposed that the Presidential Order be modified suitably to cover admissions to professional colleges also under zonalisation scheme and the seats to the extent of 85 per cent be reserved for local candidates leaving the remaining 15 per cent for open competition.

In view of the urgency, the above subjects may be included for discussion in the coming week.

SHRI CHINTAMANI JENA (Balasore)
I would like the following subjects to be included in the business for next week.

1. In spite of all sincere efforts by the Government the free sale sugar has become a rare commodity. It is being sold at a rate ranging from Rs 8/- to Rs. 10/- per KG in various parts of the country, particularly in States like Orissa, West Bengal, Andhra Pradesh, Madhya Pradesh, etc. This very important subject needs to be discussed to ensure easy availability of free sale sugar and that too at a reasonable price.

2. Large scale pest attack on the current Kharif crops specially paddy crops and vegetables in many parts of the country, particularly in the States like Orissa, West Bengal, Andhra Pradesh, Madhya Pradesh, etc., has become a matter of great concern for millions of farmers. It requires immediate precautionary and preventive measures, or else the farmers shall be put to great losses. This subject needs to be discussed in the next week.

SHRIMATI BIBA GHOSH GOSWAMI (Nabadwip) : I request inclusion of the following matter in next week's business :—

The river Ganga has been eroding valuable lands on the upstream and downstream of the Farakka Barrage. The Ganga Erosion Committee with the Member (Floods), C. W. C. as Chairman had submitted its report in January, 1980. The erosion problem is progressively increasing in recent years and on the Right Bank downstream of the Barrage, if not checked now, the river will engulf the railway line, National Highway, State Highway and the Feeder Canal of the Farakka Barrage Project, thus defeating the very purpose of the Project. According to the decision at the 34th meeting of the Farakka Barrage Control Board on 5.1.1984 the General Manager, Farakka Barrage Project submitted in November, 1984, two estimates for a total of Rs. 18 crores for immediate protection works against bank erosion. The Technical Advisory Committee to the Farakka Barrage Project in its 69th meeting in January, 1985 urged for the early implementation of these works "since it cannot brook further delay".

In view of the urgency of the matter, Lok Sabha should take it up before adjourning *sine-die*.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H.K.L. BHAGAT):
Mr. Deputy Speaker, Sir, I am grateful to the hon. Members for the number of points that they have raised. That shows their great interest in the business of the House and they also know that these matters are considered by the Business Advisory Committee. As things stand today, I have announced Government business during the remaining part of the session. Therefore while expressing my appreciation for what the hon. Members have raised, these matters will be considered by the Business Advisory Committee and as things stand now, I cannot say whether these matters will be included in the next week's business.

12.32 hrs.

LIGHTHOUSE (AMENDMENT) BILL*

THE MINISTER OF STATE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI Z.R. ANSARI): I beg to move for leave to introduce a Bill further to amend the Lighthouse Act, 1927.

MR. DEPUTY SPEAKER : The question is :-

"That leave be granted to introduce a Bill further to amend the Lighthouse Act, 1927."

The motion was adopted.

SHRI Z.R. ANSARI : Sir, I introduce the Bill.

12.33 hrs.

NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES BILL*

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : I beg to move for leave to introduce a Bill to consolidate and amend the law relating to narcotic drugs, to make stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances and for matters connected therewith.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to consolidate and amend the law relating to narcotic drugs, to make stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances and for matters connected therewith."

The motion was adopted.

SHRI VISHWANATH PRATAP SINGH : Sir, I introduce the Bill.

12.34 hrs.

DISCUSSION *RE* : REPORT OF NATIONAL INSTITUTE OF PUBLIC FINANCE AND POLICY ON "ASPECTS OF BLACK ECONOMY IN INDIA"—

Contd.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : Mr. Speaker, Sir, yesterday, we had a very stimulating debate on the report on black economy, and Shri Amal Datta who is here said that this report is tailor made to what the Government wants to do. I assure you that this was not the purpose of the debate. What I meant was that before taking any decision, let the House be benefited by the suggestions of the hon. Member who have an insight into the various aspects of the report and, precisely, that is what the debate has done. I am grateful to him that he complimented me for having brought this report out and it is the intention to bring out other reports also, like the Abid Hussain Committee Report, and this will be a general stance. Members have commented on the estimate, of blackmoney and I think it is much lower than what it is in existence.

Now, there may be differences about quantification of blackmoney, but qualitatively, we all do agree that it is in sizeable proportion and its over-proportion does concern us and action is necessary. On this point, there is no difference of opinion. Mrs. Geeta Mukherjee in her eloquent way touched every aspect of the report from the beginning to end. She said that it contained germs of plague; but in spite of the germs of plague all over in the report—she might have said it—she did concede some positive elements of it. So, there are areas

where there is no plague in that report. So, I will confine myself first to those positive areas, on which perhaps there is agreement on both the sides of the House—i.e. the positive aspect where we have no differences, for example on tightening of laws for better enforcement ; on action against tax evaders, and on funding of election expenses—quite a few Members spoke for it, but as Finance Minister, I cannot off-the-cuff react to it ; but certainly, that was the essence of what many Members said.

There was also agreement about simplification of tax laws, and on the need for integrity among officers and politicians. I think on these we all, on both the sides of the House, agree, i.e. with the essence of the report. So, there are positive germs also, apart from plague ones.

SHRI AMAL DATTA (Diamond Harbour) : These were all known before the report came. For these, we need not require the report.

SHRI VISHWANATH PRATAP SINGH : No ; sometimes we make a formal statement and analysis. For instance, a doctor may diagnose a patient and tell him : 'You have cold'. The patient may say : 'I know it. Since the time I came from home, I have had cold.' So, certain things are known even prior to diagnosis.

But there have been differences of opinion, and strong differences of opinion in areas of reduction of taxes, of reduction of controls, about the scheme for Bonds for Slum Clearance and on another step for unearthing black money. These are the points on which there have been differences of opinion. But on 5 or 6 points, there has been agreement.

So, I will first start with areas of disagreement. Shri Dube yesterday quoted a very interesting example of a mother-in-law having filaria. She kicks the daughter-in-law, and the daughter-in-law says : 'Well, this is a very soft foot

by which you are kicking' He compared Government's action against tax evaders with this. He said we should prepare a strong boot to kick them with. I assure you that we are preparing the boot. But we are not going to wait till we get the boot. Whatever we have got, we will kick with it. Whatever gunpowder we have got under the law, we will use it right away. If we have not muzzle-loading gun, we will use the muzzle-loading gun to-day. When we have the cannon, and better weapons, we will use them. We are forging them.

SHRI AMAL DATTA : Don't use the sten gun.

SHRI VISHWANATH PRATAP SINGH : We will fight with whatever weapons we have got. We will not wait till the law comes. We will amend the law also.

One of the recommendations which also finds support from both the sides—generally, I feel—relates to the tax evader. Regarding the principle of *me rea* which is applied to-day—the Law Minister is also here ; I will be coming to him—the recommendation is that every act should be punishable, and the onus of proof should be on the tax evader. Without committing the Government, I think this is a positive suggestion, and I think I will positively examine this ; in consultation with the Law Minister. It will give much bite to our present law.

Then about the recommendation in the report regarding special courts. Already we have accepted this. Several States, after the announcement of the Budget, have set them up. Delhi has set up special courts ; but I am not personally satisfied with the present arrangement. I want to come up with much more effective special courts. For this, we would be inter-acting with the Law Ministry, as to how to make these special court, by themselves, much more effective. But under the present arrangement, we will certainly go ahead with the setting up of special courts.

Then there is a recommendation that in searches and seizures, there should be

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a selective approach, so that there is sufficient evidence to finally convict a person. I think that is a good recommendation ; it is a recommendation which says that the tax department should do its own work, and not go on a wild goose chase, so that there is harassment all over, but the end-result is not much.

This is precisely what we have started to gether information first and then go in for searches and raids. There is a recommendation about the delay in processing of cases of searches and seizures and that the delay should be shortened. I think that is a good suggestions and we are also looking into it how can shorten it and what necessary changes would be necessary.

Mr. Suba Reddy yesterday said about the raids and commented on that. We have organised on these lines the operations of *ketu* and *kali*. Two major operations were done, apart from in between also. Now, some of the results are interesting which have come in the Press also. In *ketu* there were five major persons who were controlling 60 per cent of the illegal transactions in foreign exchange. 12 persons of that syndicate are in COFEPOSA behind the bars and the government has done it. They admitted an annual turn of Rs. 184 crores, and the *modus operandi* was that not much account was kept except 3-4 days ; that was on telephone and they have their own way of trust for doing all these things. Goods worth Rs. 4 1/2 crores were seized. There was a cartoon in one of the papers showing Rs. 4 1/2 crores and one small rat was killed by a gun. It is not a question of one rate but the expression on other faces ; that is more important. It has a deterrent effect ; it has a multiplier effect. Then there was an operation in *kali*. 18 persons were arrested. The total arrests made were 35, 12 under COFEPOSA. Foreign exchange documents and transactions over Rs. 10 crores were caught and invoice manipulation of Rs. 4.7 crores was there; goods seized were also of Rs. 4.35 crores. In Delhi, about Rs. 15 crores worth of transactions took place. I will

not go into detail because it is not a subject of debate. Then there is a case of Surat tin plates. We were debating on prices of fruits and vegetables, black-marketing and profiteering. There was a raid on four persons in Delhi at once place on one day which yielded unaccount, money and jewellery, etc. of Rs. 87 lakhs. One major industrialist in Bombay, sugar industrialist was aided and that had an effect on sugar prices in Bombay. You know the name had come even in the Parliament against whom we are taking prosecution action. I would not go into the individual name, but the overall achievement is good. Upto 1985, we have seized gold worth Rs. 122 crores against Rs. 66 crores last year, almost double. Sorry, there is a value of seizure. Gold worth Rs. 31 crores was seized for this year against about Rs. 6 crores last year. The exact figure is Rs. 5.76 crores. So, it is five times that of last year. The number of detention is much higher. Then there is a *prima facie* unaccounted assets of about Rs. 10 crores upto 31st july, in this financial year against Rs. 6 crores last year. What I mean to say is that there is a political will to deal with such people also. Already, we are further going to strengthen it by having our Economic Intelligence Bureau. We will have integrated Intelligence Bureau and integrated action on customs, excise, income tax and others. But still, some of the people in the Press have taken to criticise our actions. They have become fond—at last—of the Finance Minister, and almost every day there is a write up or on editorial regarding these raids.

SHRI C. MADHAV REDDY (Adilabad) : Only one section of the Press, not all.

SHRI VISHWANATH PRATAP SINGH : Not all, yes. I must acknowledge that one section have supported me. It was pointed out that the budget presented by me, was supported by the big business. A section of the Press had said that 'it is the big business that is supporting the Budget'. At least we have now some big business Press which is attacking the Finance Minister if that was a valid argument—although I do not

think, that it is a valid argument—and at least some doubts will bedispelled.

Shri Anadi Charan Das yesterday said that we should not go back on this. I am very much strengthened by the hon. Member's opinion and I do not feel strengthened that now we have taken up the right path, and I am grateful to him, and with the assurances given we will continue to take that path. We will continue it.

Now we come to areas where there have been differences of opinion : and I think that this is not only a difference of opinion on individual items, the perceptions of economy that we have and it is deeper than that, on the basis of our political or economic thinking. And that is, on the rate of taxes put on the public and private sector. The issues that have been raised, I feel, concerning the rate of taxes, are of very small arena to debate these issues. It is much more than this debate, how we see the economy we are owing the sources of production and how the production should be organised—these are all more fundamental issues than to be discussed in a debate here.

On the one side there are people who profess a zero taxation, or zero per cent taxes. On the other side there are proponents who say that there should be one hundred per cent taxation, in exports, etc., and we are between zero per cent and 100 per cent.

SHRIMATI GEETA MUKHERJEE (Panskura) : But, 98 and 2 both are between zero and 100.

SHRI VISHWANATH PRATAP SINGH : Yes. We are somewhere near 50. So, we will always be attacked from the right as well as the left. These objections will be there.

SHRI S. JAIPAL REDDY (Mahbub-nagar) : From the extreme right,

SHRI VISHWANATH PRATAP SINGH : And also from the left. Some

say, "you are not liberal enough". Others will say that "you are too liberal". That will be there. We have taken the middle path and we will continue. Some say that we should help the private sector and others say that we should help the public sector. Anyway, we have adopted a mixed economy, or opted for a mixed path. We have said, 'Yes, we will have a public sector'. We have also said, "We will have a public sector, we will have a healthy public sector,"; and we have a private sector, and that is how we have charted our course.

Well, in a mixed economy what should be the 'mix' ? The essential point that has been raised is this. It should be 2 per cent or more, here it is question of having much more, or as to how much more we can give to the private sector, how much we can do to the public sector, how much resources we may have for public spending, how much relief we can give to the private sector. So, here, it is a question of judgement. Government has to view various things and come to a judgement. We have to exercise our judgement in this regard.

SHRI B.R. BHAGAT (Arrah) : One point.

SHRI VISHWANATH PRATAP SINGH : I have not finished. I have to expound my view. I am not yielding. Let me make my full statement. It is very clear in our perception also that the public sector will continue to have the commanding heights of economy. There is no going back on this. On this there is no question of any doubt. But agriculture continues to be in the private sector. There is no provision to take over agriculture. That contributes 45 per cent of the GNP.

There are people on your side who say that the agriculture should be in the State sector.

AN HON. MEMBER : No body said so.

SHRI VISHWANATH PRATAP SINGH : That is your philosophy. If you go to your Philosophy you will say so.

There are contradictions in the mixed economy. These economic class conflicts are not eliminated. We have to manage it by our various anti-poverty schemes, etc. Certainly our goal is to remove this poverty conflict in a democratic manner and to go in a better egalitarian society where there is more justice and less exploitation. That is our path. Mr. Priya Ranjan Das Munsi and Kumari Tara Devi yesterday mentioned about the socialist commitment of the Congress. That is precisely our path that in a democratic framework we progressively go ahead and eliminate the exploitive system that is there. In between the contradictions are there. You can always criticise those things. There is contradiction in wealth. So we are operating within this framework. I also concede the point that so long as we organise the society on a profit motive, black-money will be a problem. It is difficult in principle to contradict this sort of proposition. But once you organise it, then certainly everybody will try to take advantage of it. That is why, we are not relying on reduction of rates only. We said clearly that along with reduction of rates we would apply the rod also. Because of the element of greed and it is a human tendency also, we have mixed measures. We have no illusion that just reduction of taxes will bring us tax revenue voluntarily. I am not punishing the tax payers at all. They are not the target. Tax evaders are the target. That will continue. We are making the law tighter.

When we have the tax structure it is not only the evasion of tax and generation of black-money that is in mind but it is the growth aspect that is in mind and to have the structure that will be conducive to growth and finally to revenue as growth goes up.

One of the recommendations in the Report is of doing away with deductions. Several deduction we have taken away.

The escape routes that tax evaders have adopted lawfully, have been plugged. More we will try to plug in future.

When we discuss rates, I think, we should not consider it hypothetically. Take for instance personal taxation. In 1983-84 about 19.5 per cent of the revenue came from salaried class. And that is the class which cannot escape. You raise rates and this class gets nailed out. In 1983-84, the same year, the contributed from public sector to corporate tax was 58 per cent. So, the hiking up of rates means from your own public sector you are taking about 58 per cent—more than half. Whom are you feeling? It is from one pocket to the other, and we are making ideological debates on this very issue of tax rates. Let us see what is happening. So, I just wanted to put before the hon. Members this aspect also.

Then there is the suggestion on smuggling that the prices of those items which are smuggled should be attempted to be reduced, because the potential of smuggling depends on the prices here and abroad. If the difference is high, the potential is high and the price is more, and if the potential is less, the price is less. I think this is a reasonable suggestion but we have limits of our foreign exchange. How far can we do it? If you allow gold to come openly and if you have the foreign exchange for that, there will be no smuggling. But we just do not have the foreign exchange though we know that for everything that is being smuggled, something is going out. Nobody is gifting it at the risk of his life. So, we have to have mix of policy-economic policy to try to reduce the prices and also administrative measures to physically stop smuggling—and take administrative deterrent action. And that is what we are trying. In our new textile policy also we have tried to reduce manmade fabrics price, but it must be passed on to the consumers. I warn the industries that if they do not pass it on to the consumer, we are not going to give them any concession. It is not a concession given for them to pocket it and not to pass it on to the consumer.

We are coming with an indirect tax reform by next year and in between also we will do something. Already we have done something. On fertilizer we have reduced customs duty from 65 per cent to zero per cent, on power we have reduced customs duty from 65 per cent to 25 per cent, on pulses we have brought it to zero per cent, on many items of electronics we have brought it to zero per cent or to a very low percentage. The idea is that ours has now become a high-cost economy. If we levy duties right from the start and since in power and fertilizer much public sector investment is there, the whole cost of product goes up from year to year and that product becomes priced at a high level, and the whole economy pays for it. So, instead of taking revenue one time and making all the time high cost, it is better to have low costing so that people finally get cheaper product and by growth or expansion of demand, by buoyancy, we get the revenue back. But it will take a little longer time. So, this is the thinking that we have on our customs duty reform and on our excise duty reform, to see how far we can contribute to this and that unnecessary taxation does not stop our growth. In this the idea is that the raw material may be taxed at lower rate, then the intermediate goods, and the consumer goods. We do not need to heavily tax the finished products. In these areas where there is indigenous capacity, we will have to give protection but also we have to ask the indigenous industries how much protection do they want. They are giants, they are FERA companies; they are MRTP companies which have established themselves over the years, but they are still grown up babies and are always asking for protection. We have to tell them that alright, we will give them protection, hundred per cent, two hundred per cent, three hundred per cent, but there has to be some limit. They owe a duty to the people and the consumer of this country. They cannot go on extorting profit from them just because of government protection. They owe it to the people here to become more efficient and cheaper. But between this, there is a contradiction between immediate revenue loss and the long-term growth. So, we will have to face it. We cannot take a revenue loss right in one year

though we will get revenue later. So, this will have to be phased out over a few years so that revenue loss is not much by the time we regain it in coming years by economy.

13.00 hrs.

Now, about the public spending, the Report has made out that the public spending is one of the causes. I do not agree that public spending as such is one of the causes. In fact, public spending is the prime mover of the economy. Much of the public sector will be sick if there was not enough public spending. And there is a correlation between the growth of the industry and private sector and public spending. So, we support the public spending as such, but the loopholes which lead to corruption certainly should be plugged. So, for that we should not reduce the public spending, but try to plug the loopholes.

I agree that the wasteful expenditure within Government should be curbed. We are making a serious exercise department-wise. If there are directorates or organisations which are redundant only having some staff and officers and no contribution, certainly the axe will fall on them. We will soon come with a proposal to cut wasteful expenditure.

There was a suggestion on stamp duty. I think this relates to the State Governments and the Central Government cannot do much about that.

There was a suggestion about introducing bonds for slum clearance and for real estates. For these one scheme has been suggested. Shri Mahajan, Shri Jena, Shri Dogra and Shri Rajhans have strongly supported this proposal in the Report, while it has been equally strongly opposed by several other Members. Well, there are strong reasons on both sides. On opposing it we have seen that various disclosure schemes have not had that much effect. Bearer bonds have become a circulating instrument to cover up black-money, though they had mopped up Rs. 1,000 crores at that time. There is also a feeling

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among the honest tax-payers that they have to pay whereas those who have not paid are getting the benefit. So, there are weighty arguments on both sides. The others hon. Members who have supported it they have in mind perhaps that this money can be brought into the mainstream and that in future it will become a source of revenue and we can tax it. When it comes in the mainstream it will make a healthy contribution to the economy and will also lead to growth apart from being a source of revenue. So, both sides have weighty arguments. What I can say at the moment is that I will weight both sides of the arguments before I come to any conclusion.

With these words I thank the hon. Members very much for their valuable suggestions.

MR. DEPUTY-SPEAKER : Now, we go to next item.

JUDGES (PROTECTION) BILL

[English]

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARADWAJ) : Sir, I beg to move :

“That the Bill for securing additional protection for judges and others acting judicially and for matters connected therewith, be taken into consideration ”

The hon. Members are aware that the Judicial officers Protection Act, 1850 as it exists at present provides that no Judge, Magistrate, Justice of the Peace, Collector or other person acting judicially shall be liable to be sued in any Civil Court for any act done or ordered to be done by him in the discharge of his judicial duty, whether or not within the limits of his jurisdiction provided that he at the time, in good faith, believed himself to have jurisdiction to do or order the act complained of; and no officer of any Court or other person, bound to execute the lawful warrants or orders of any such Judge, Magistrate, Justice of the Peace, Collector

or other persons acting judicially shall be liable to be sued in any Civil Court, for the execution of any warrant or order, which he would be bound to execute, if within the the jurisdiction of the person issuing the same.

The proposal is to provide for immunity against any Criminal or Civil action or proceeding against any person who is or was a Judge, in respect of any act, word or deed, committed, spoken or done respectively by him while acting or purporting to act in the discharge of his official or judicial duty or function. It is also proposed that this would not debar or prevent the president or the Central or State Government or the High Court or any other appropriate authority as may be prescribed by any law to take such civil, criminal or departmental action against a Judge as may be considered appropriate.

The main difference between the existing provisions and the proposed provisions relating to protection of judicial officers are that :

- (i) the proposed provision would confer immunity not only in civil action or proceedings, but also in criminal action or proceedings;
- (ii) immunity would be available even after the person has ceased to be a Judge; and
- (iii) the requirement of good faith is not required to be met for conferring the immunity.

I am confident that the whole House would support this Bill.

Sir, I may also add that the provisions in the present Bill are based on the 104th Report of the Law Commission where these recommendations were made and they were pending for a long time. We are trying to implement them in this Bill.

SHRI AMAL DATTA (Diamond Harbour) : You could have mentioned it in the Statement of Objects and Reasons

SHRI H. R. BHARADWAJ : It is not there in the Statement of Objects and Reasons.

MR. DEPUTY SPEAKER : Motion moved :

"That the Bill for securing additional protection for Judges and others acting judicially and for matters connected therewith, be taken into consideration."

Now, the time allotted is only one hour. I request hon. Members to be brief.

Shri H. A. Dora.

SHRI H. A. DORA (Srikakulam) : Mr. Deputy Speaker, Sir, while welcoming this Bill in so far as it relates to the Judges officially designated as such ; so far as it relates to the persons who are now made as Judges by virtue of the provisions of this particular legislation, I am opposing it.

Sir, I may be permitted to submit that this is a Bill for securing additional protection for Judges. And then it says 'and others acting judicially and for matters connected therewith'.

So, Sir, this is a Bill intended not only for the Judges (who are officially designated as such) but also for those who are not so officially designated as such.

The Statement of Objects and Reasons appears to be very attractive. But it has got deeper meaning than the apparent one. I may be permitted to read out this portion, I quote :—

"Judiciary is one of the main pillars of parliamentary democracy as envisaged by the Constitution. It is essential to provide for all immunities necessary to enable Judges to act fearlessly and impartially in the discharge of their judicial duties. It will be difficult for the Judges to function if their actions in court are made subject to legal proceedings, either civil or criminal."

It is nowhere stated in the Statement

of Objects and Reasons that it also relates to those who are not officially designated as Judges.

Now, Sir, the main Clause that has been introduced is Clause 3. I may be permitted to submit that there are some grammatical variations in the cognate expressions that were introduced in this Clause itself. This Clause says :—

"Notwithstanding anything contained in any other law for the time being in force and subject to the provisions of sub-section (2), no court shall entertain or continue any civil or criminal proceedings against any person who is or was a Judge, for any act, thing or word committed, done or spoken by him when, or in the course of, acting or purporting to act in the discharge of his official or judicial duty or function."

Here, there is a deeper meaning than the apparent one. I would like to submit and clarify as to the deeper meaning therein. Here, 'duty' is a word which is termed as a noun. It is qualified by two adjectives, 'official or judicial'. This noun is qualified by an adjective 'official' and also another adjective 'judicial'. So, this Act applies not only to the judicial duties that have been discharged by the Judges officially designated as such, but also his official duties. It refers not only to judicial duties, but it also refers to official duties.

Now, a Judge is defined in clause 2 of this particular Bill as follows :—

"In this Act, "Judge" means not only every person who is officially designated as a Judge, but also every person—

(a) who is empowered by law to give in any legal proceeding"

It is not stated therein as a 'judicial proceeding'. Even an executive Magistrate, a Deputy Tehsildar, who is em-

[Shri H.A. Dora]

powered to discharge the functions of an executive magistrate, a tehsildar who is empowered as an executive magistrate under the Criminal Procedure Code, particularly in relation to Section 107 Cr. P.C., the executive magistrates are empowered to discharge legal proceedings, those which are not strictly called as judicial proceedings, they are also protected under this particular Act. Therefore, what I would like to submit is, the first thing that is to be seen in this particular aspect is that the individual dignity is exposed to manifest peril. If the acts of those persons are safeguarded by virtue of the provisions of this Act...

(Interruptions).

MR. DEPUTY-SPEAKER : Please conclude.

SHRI H.A. DORA : I may be permitted more time.

MR. DEPUTY-SPEAKER : I cannot give you more time.

SHRI H.A. DORA : I may be given some more time. Let me complete the argument and explain the inherent weaknesses in the Bill.

Here it is stated that no court shall entertain or continue any civil or criminal proceeding pending in the courts, they shall be now taken away from the file. I am not bothered about it. What about the future course of action so far as this particular clause is concerned? The expression is 'word, committed, done or spoken by him in the discharge of his official duty'—here the relative pronoun is there. 'While discharging his official duty'—suppose the word used is 'bastard', suppose the executive magistrate says that 'you are a bastard'. A person who is there before him, if he says that he is a bastard, he is protected under the law. Therefore, my submission is, the individual dignity is exposed to manifest peril by introducing this particular Bill, and that apart, I may be permitted to say something and close it.

MR. DEPUTY-SPEAKER : One minute more, and try to complete it.

SHRI H.A. DORA : Executive officers, even the Deputy Tahsildars, as I have already stated, are now elevated to the post of justice by virtue of this particular Act. Therefore, what I would like to submit is the legal proceedings and official duties should not be clubbed along with the judicial functions.

MR. DEPUTY-SPEAKER: Shri Shantaram Naik, I will give only five minutes for you. For the person who initiated the discussion I gave ten minutes. For all others only five minutes each.

SHRI SHANTARAM NAIK (Panaji) : It is a welcome thing that the hon. Minister has considered to bring this Bill in order to give protection to the judges. I would like to make a few observations and give suggestions which the hon. Minister may kindly take note of.

MR. DEPUTY SPEAKER : Definitely he will. Don't worry.

SHRI SHANTARAM NAIK : Sir the question is, first of all, I have not seen any legislation where this protection is not afforded to judges. You tried to make some distinction here, but I could not follow that distinction clearly. In other words, every piece of legislation contains this provision. Otherwise it means that only today when we pass this Bill we give protection to judges and previously they could be prosecuted under various laws for discharging their duty as judicial officers. I don't think it is the case.

Secondly Sir, in the preamble to the Bill, the wordings which are used are : "for securing additional protection for judges and others acting judicially". I think these wordings do not fit in legislative drafting. There is some sort of a wrong construction of this sentence. Actually what should have been there is this. "For securing additional protection for judges and persons discharging judicial functions" instead of saying "and

others acting judicially", it should be, "and persons discharging judicial functions". These wordings, I suppose, are not proper in that line. You may please consider this suggestion.

Thirdly, these are all piecemeal legislations. I don't think why a consolidated legislation could not be brought covering various aspects of judges. Yesterday we discussed a legislation of two or three lines saying about the number of judges. Should we have one legislation only to specify the number of judges? This is something which is not understood. Matters connected with judges should be covered in one consolidated legislation. Protection, number of judges, everything could have been brought in one legislation. We brought a legislation only to raise the number of judges from 17 to 25. These things take a lot of time of the House.

I will give some more examples of piecemeal legislations. I have seen so many legislations wherein different aspects of the same subject are there. For instance: Village Panchayat Chairman Qualification Rules, another set is Village Panchayat Chairman disqualification Rules, Village Panchayat Chairman Confidence Rules, Village Panchayat Chairman no confidence Rules. These are examples of disintegrated pieces of legislations. We should have brought one piece of legislation at one place. In fact, we should have a two tier system—one Act and one set of rules in all the legislations that we bring before this House.

Sir, providing only a sort of literary protection to judges will not do. They require some physical protection also. We have got certain provisions in penal code that in respect of hurt and grievous hurt committed against a judge the person concerned will be prosecuted under a penal code. As far as offences like hurt, grievous hurt committed against the judicial officers are concerned, there should be some special provisions. For these offences we should have punishment in excess of what is provided for in Indian Penal Code and they should be made compulsory. For instance, in every place we have got imprisonment and fine. As far as offences against

judicial officers are concerned, I recommend that compulsory imprisonment should be provided for.

Lastly, each judicial officer, right from the junior judge should be provided with cars to go to their houses and come to the courts. They should also be provided with servants at their residence, because they should not be made to run after their personal work, thereby endangering safety to their lives. This sort of ancillary things which are required should be given to them. Only then can we say that we have really given them protection, not merely giving protection in the literal sense of the term.

SHRI AMAL DATTA (Diamond Harbour) : Mr. Deputy Speaker, Sir, I expected that the Minister while introducing the Bill will at least be able to explain to us what is the purpose of bringing forward this Bill. The purpose which is stated here does not explain anything at all. There is already protection for judges. What was the occasion for bringing forward this Bill. In the Long Title it is said, "for securing additional protection for judges and others acting judicially". Why this additional protection was thought to be necessary?

Now, in the course of his introductory speech the Minister has said that this is in pursuance of 104th Report of the Law Commission. But there is no mention about it in the Statement of Objects and Reasons. If it had been mentioned, then one could have known what was the reason which impelled the Law Commission to ask for the passing of such a legislation. Obviously the learned Minister has not acquainted himself with these reasons.

That being so what I object to here is the enlargement of the definition of judges. The category of persons who can now claim privilege under this Bill are not only those to whom we traditionally regarded as judges, namely, those sitting in Civil and Criminal courts but any person who is conducting legal proceedings even though he may not be a judge in the normal sense of the word yet he gets this

[Shri Amal Dutta]

immunity and this is very bad. This immunity should not be given and particularly not only when acting in judicial capacity but also acting in his official capacity and not only in the decision that he gives but the act he does or the words that he speaks in the course of those proceedings. This should not be there. Supposing a person is going through legal proceedings and then something happens and the official catches him by the neck and throws him out. There will be no redress for it because of the Bill which we are going to pass. You can immune the decision but why for acts done during the course of proceedings and during the course of his duty.

Sir, once I did a case where the Magistrate had kicked a person who was obstructing his way. For that it was necessary to get the sanction of the Government to institute criminal proceedings against him provided he does it in the course of his official duty. The question that I raised was that when he was going down the stairs he was not performing his official duty.

But this was not upheld by the Court, the concerned District Judge or the High Court Judge. Now, the magistrate going down from his chamber to get into his car is supposed to be working in official capacity and therefore he can kick anybody and he kicked a person and nothing could be done against him. This is the kind of immunity which you are giving to these people. In the course of the official duty, they can do anything and everything. So anything and everything to do against a person is allowed here and he enjoys the immunity. So, Sir, this is not going to serve the purpose and it is not going to make the judiciary a stronger pillar of the Constitution. Thank you.

PROF. K.V. THOMAS (Ernakulam): Sir, I support this Bill because the purpose of this Bill is to give protection to the Executive Officers who have to, sometime, perform their duty as judicial officers. Sir, you know that the District Collector, the R.D.O. and Tehsildars sometimes have to do their duty as judi-

cial officers. These officers, when they function as judicial officers, have to be protected. I think this Bill is only aimed at giving due protection to the judicial performance of these Executive Officers.

Sir, often we are talking about the independence of judiciary. Ours is the biggest democratic country in the world and we have faced many acid tests and we were able to withstand these acid tests because there is an independent judiciary. Sometimes we have posed a question to ourselves whether there is an attempt to have a committed judiciary. Sir, looking into the political picture of our country, there are judges who have later taken to political activities and there are politicians who have become judges. So, when you look into this background, it is quite natural that we think of committed judiciary. Everybody in this country will agree that there cannot be committed judiciary. The judiciary has to be independent. That is why when judges are appointed, there is a consultation between the Chief Justice, the Chief Minister of the State concerned and only after having some kind of understanding between the Chief Minister and the Chief Justice of the High Court that the decision is taken. But in some States, there have been instances when separate lists were sent. So, keeping all these things in view, we have to look at the judiciary. In this connection, I would like to quote the statement of Mohan Kumaramangalam who said:

"It is entirely within the discretion of the Government of the day to appoint persons considered in its eyes the most suitable as having the most suitable philosophy to occupy the highest judicial office in the country."

Every Government has got a political leniency. When the Government takes any decision regarding judiciary, it should always be careful and its attitude should be above suspicion, as there is the saying that "Caesar's wife should be above suspicion". We should make all efforts to see that the independence of the judiciary is maintained at all costs,

because any suspicion against the judiciary will hamper our democracy.

SHRI THAMPAN THOMAS (Mavelikara): Mr. Deputy-Speaker, Sir, this Bill seeks to give more immunity to judges and also certain other persons acting judicially.

In this context, may I bring to the notice of the House the criticism made by certain retired Supreme Court Judges including Justice V.R. Krishna Iyer? While speaking recently on the occasion of centenary celebrations of the Kerala High Court, he said that the judicial system in our country was deteriorating. Also, the investigative writer, Shri Arun Shourie in his publication, *Second Reign of Mrs. Gandhi*, has devoted a full chapter to deterioration in judiciary. I am bringing this to the notice of the Government that while the Government is proposing to give more immunity and more privileges to the judges, it should pay proper attention to the independence of the judiciary. I am not against giving protection, giving immunities to the judges, but at the same time there should be an evaluation of the concept of independence of judiciary, and they themselves should also be able to maintain the independence and dignity of the judiciary.

Recently, I have seen in certain cases how the functioning of the judiciary is going on. Using the immunity of this House, I do not want to make much of criticism of the judiciary here but at the same time, I would like to point out that there is no system, there is no code of conduct between the bar and the bench in the matter of practising before the Supreme Court, High Courts and the lower courts. Practically, we find that certain judges have their own relations, brothers and others, practising in the same court. And when such a thing happens, naturally the people who approach the court have apprehensions. Such a situation is bound to create apprehensions in the minds of the clients. It is likely to lead to soft approaches in certain cases. Shri Arun Shourie, in his book, *Second Reign of Mrs. Gandhi* has given clear-cut examples in the relevant chapter.

We have seen that the Kerala High Court in the last two or three months has punished certain weeklies who wrote something against the judgements of the High Court. They invoked the provisions of contempt of court against them and they were punished. Even a practising advocate in the court was punished yesterday; I read that in the newspaper. He wrote an article in a weekly criticising something. The court is very vigilant to invoke their authority, invoke the contempt of the court provisions, and punish those who criticise them.

In the light of this, the Government will have to think, how much immunity will have to be given to the judges, and how the independence of the judiciary will have to be maintained.

I would suggest that we must formulate a code of conduct for the bar and the judges.

Now, what is the criterion for appointment of judges? An advocate is appointed as a judge of the High Court; the advocate has to be of a certain standing at the bar. I know that an advocate, who has got good income by his practice would not accept the office of the High Court judge only for the sake of money. He accepts it only because he has already made sufficient money through his profession, and he wants to accept it just to acquire a position, because this is considered a very high position. This will help him in the marriage of his children etc. He, therefore, accepts the office. Otherwise, from the point of view of monetary gain, he may not agree. He accepts it because of political and other considerations. Perhaps he may not be acceptable to the Bar or the Bench. So, in this regard my suggestion is to have judicial services in India just like the Indian Administrative Service and other Services for which we are selecting the people. So, to manage the courts, to have a judicial service and to have the judges got appointed on the basis of their merit and their credit and their contributions to the judiciary would be much better rather than to appoint them on the basis of satisfaction of a particular authority and

[Shri Thampan Thomas]

to give it to certain sections alone. So, in the overall, when I have to say something about this Bill, I have to say that a look at our overall judicial system is necessary at the present context and in the light of that only immunities and will have to be given. It is stated here in this Bill that it is to give freedom and immunity and also to build up a system on the basis of democratic principles, etc. Clause 2 says that the Central Government or the State Government have the power to take action against judiciary. By retaining that clause, what immunity are you giving? Nothing. Then, what are you doing? You are bringing the Tahsildars, the Executive Officers, and the Collectors who are at the beck and call and call of those people under this 'Immunity'. Therefore, I plead that it is not fair. This Bill has to be opposed.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Deputy Speaker Sir, I have not been able to understand one thing. I had heard and also read in the newspaper that a judge misused his chamber,

[English]

While performing his duty he committed rape. He called his counsel saying that he wanted to ascertain something and then he committed this crime. Article 14 says that all men are equal before the Law. When he goes for a morning walk, he is not given a police officer. I do not understand why this legislation is required. When a man while performing his duties misbehaves, he can be prosecuted under the IPC. I do not understand why he should be given protection.

In the villages in the Munsif Courts, villagers sometimes do not know how to give their statements and they speak in a language which the judge cannot follow. Then the judge says :

[Translation]

Ass. An ass is speaking.

[English]

He abuses the people. Then, there are

judges who lose their temper. What should we do? If a man gets angry for no reason and purpose, what should be done? The counsel goes on citing rulings and asks the judge to hear him and the judge says : "No, no. I do not want to hear. I have already made up my mind." The counsel wants his argument to be heard. But the judge does not listen. I have not followed as to why this protection has been given to the judges.

SHRI G.M. BANATWALLA (Ponnani) : Mr. Deputy Speaker, Sir, there can be no two opinions about the laudable objective mentioned in this Statement of Aims and Objects. Nobody can ever question the need to grant necessary immunity and protection to judges in discharge of their functions. The entire question arises because the definition of the term 'judge' as has already been pointed, is widened. It is widened to include such public servants who may be required to act judicially and to give some definitive judgement. My point is that, when a particular public servant is required to act judicially, he is required to give a definitive judgement. He is therefore called a judge.

Now, in keeping with the terminology, that you extend to him and call him a judge, in view of the fact that he is acting judicially, it would be wrong to subject him to any departmental action by the Government. He is acting judicially and so long as he is acting judicially, it is against the very spirit of the Constitution that he should be made subject to departmental inquiry for anything said or done by him during that particular process. Therefore, in keeping with other judges, civil and criminal proceedings may be instituted by him or a person may with the sanction of the Government institute any civil or criminal proceedings against him. Then, this reserving or retaining the part of the departmental inquiry, even against a public servant at a time when he is acting judicially for the purpose of definitive judgement undermines the very concept of the judicial system that we have under the Constitution. Therefore, I have come before this House with the amendment to delete this power of departmental in-

quiry against such persons.

The second point which I have to make is that there are enough laws at present which give due protection and immunities to the judges, for example, We have Section 197 of the Code of Criminal Procedure Act, 1973 in regard to this subject. We also have Section 77 of the Indian Penal Code dealing with this subject. We also have the Judicial Officers Protection Act. Now, in pursuance all the provisions mentioned here, at least three statutes show that there is what is called the need for the persons acting judicially to act in good faith. It is absolutely necessary that any person discharging his duties should discharge them in good faith. Otherwise immunity degenerates into a licence? But here is the Bill in which this requirement of good faith has been totally deleted and the hon. Minister has been very true to the House in pointing out in his speech while piloting the Bill that this requirement of good faith has been omitted. I therefore have another Amendment to say that the acts done by him should be in good faith.

Mr. Deputy Speaker, Sir, we need not be afraid that this would mean a plethora of prosecutions, challenging the good faith of our judges and others acting judicially. Here it is untenable because the laws today stand for prosecution of judges, and the necessary sanction is needed from the Government, as I have pointed out under Section 197 (Cr. P.C.) Therefore such apprehensions need not be there. This condition for acting in good faith is absolutely necessary because we must have a judicious balance between immunities and the necessary restrictions that should be there. Finally, I will conclude by saying that it is necessary, in the interests of the Judiciary itself, that this need for good faith or protection against anything done *mala fide* by any person acting as judiciary is maintained because, if it is maintained, it will create a greater confidence in our judicial system. Therefore, I submit that it is important to have confidence in Judges, as also in the system under which they dispense justice.

It is necessary that these ideas are duly incorporated in the Bill through the amendments that I propose to make. Otherwise, the Bill has to be opposed.

[Translation]

DR. G. S. RAJHANS (Jhanjharpur) : Mr. Deputy Speaker, Sir, I support this bill and in this connection I would draw your attention to a few things.

I would like to relate an actual incident. In some State, some judges kept their sons with them because they had been practising in the court. When the newspapers brought this fact to light, the judges, in collusion with the lawyers, ruined the reporter, the editor and the publisher of that newspaper. None of these persons could live in peace until these judges were transferred from there. What method did the judges adopt to harass them? Whenever a date for the hearing was fixed it was postponed on one pretext or the other. So, Sir, I would say that the judges should be given immunity so that they can work fearlessly but all the same, the newspapers who may bring the above type of cases to light may also be given immunity so that they too can report such matters fearlessly. Immunity should be provided not only to the judges but also to the fourth estate—the press—so that they can work fearlessly.

Secondly, I would request you to provide physical protection to judges. It is a practical suggestion. Today, what is happening in Bihar? The judges bail out the criminals in no time. When I asked them why they did so, they asked promptly what sort of protection they themselves had when the criminals could kill them any time. They further said that of course, that day they might be in service but when they retired the criminals would kill them within no time. Therefore, I would submit that besides giving them immunity, they should be provided with physical protection also.

Today, the plight of the judges is miserable. In small towns, the judges go to office on foot while others travel by car. The judges should get salary according to their status so that they may maintain a

[Dr. G. S. Rajhans]

reasonable standard of living in society. To conclude, I would once again say what the judges should be given immunity but those who report about them should also be given immunity.

With these words I conclude.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARADWAJ): At the outset, I must thank the hon. Members for making certain valuable suggestions. I finally concede, as I did in my opening remarks, that we are making a little deviation in the matter of good faith. I know that there are occasions when there is tension between a Judge and a Counsel. I have practised law for 20 or 25 years or more. I have had an occasion when the Judge seriously differed with me. He even went to the extent of telling me that my argument was nonsense. But you will appreciate that when we enter a noble profession, a profession where nobility must prevail, we also simultaneously that a judicial officer with all the restraints, with all the training, sometimes, due to certain circumstances, may say something which he should not say. I am happy that a normal concern about the protection to judge is there unanimously in every member's mind. But the question is when a judge is occupying his chair and the counsel is addressing some arguments, or a litigant is addressing some argument, normally, it is very difficult to say that there is a complete unanimity the two. There are moments of heat, there are moments of exchanges which are normally ignored. When we counsels are arguing against each other, if you see you will find that we took like sworn enemies of each other. But the moment when we come out of the court room and take coffee together, we forget everything because the heat is left the court room, because it will be difficult for the system to sustain. If we note down that a particular judge said this observation and he is going against me, it is the duty of the counsel to persuade him and correct it. If you find that he is not proceeding on the lines which are the law of the land, it is there where our assistance is needed.

Nobody can deny in this country that the freedom of the Press serves the society to great extent. In some of the cases, I had defended the Press where they were to be gagged. But we had succeeded always. You will remember that no judge has been able to convict a member of the Press so far on a wrongful charge. This is the success of the system; this is the success of all of us who participate in the system. But do you deny this aspect? One of the important editors was prosecuted in the Supreme Court for contempt because he wrote certain things saying that judges' relations were practising the court; and it is the judges themselves who said, nothing doing; we will ignore it in view of the sincerity of the man concerned; it had no merit. The ingredient of malice was not there. Therefore, there was no contempt. There were matters in so many important trials where counsels outstripped their jurisdiction and told a judge that he had a dinner at somebody's house; therefore, he should not try it. Under the normal laws of contempt, it would have been a contempt straightway and nobody could save the counsel. But the court said, no, we were all part of the same system; we will ignore this. So, you will appreciate the idea here if during the arguments certain things were said without malice and if the judge and a counsel and other concerned persons discussed those things, cases should not go outside the court.

In this House, some very important members made points which were controverted from the other side. That does not mean that we should file cases against each other. The immunity is provided here. The Law Commission in 104th Report had gone into this. I am sorry, this aspect was not elaborated in the aims and objects in the legislature or elsewhere, this could have been highlighted. If you permit me, I would just read what the Law Commission recommended. Exactly, the same provision has been incorporated. The Law Commission said something about it in para 10.3. The provisions in the Act for the protection of judges should be revived as under and then he had quoted. Similarly, he wanted that the definition of the judge should be

elaborated and the Law Commission in the 104th Report, para 5.2 said as follows :

“Justice should appropriately be defined in Indian Penal Code by Section 19 of the IPC”

The word ‘judge’ has been given the following meaning and then the whole definition is reproduced and thereafter they said, we had recommended that this very definition should be incorporated in the Judges Protection Act. So, something is there. Now, what is the definition that has been provided ? I will just read briefly for your benefit. It read as follows :

“In this Act, ‘Judge’ means not only every person who is officially designated as a Judge.....”

Normally people think that only a judge who sits as a sub-judge or a magistrate or even a magistrate people confuse that he is not a judge.

I am reading Clause 2 of the Bill :

2. I am this Act, ‘Judge’ means not only every person who is officially designated as a Judge, but also every person—

(a) who is empowered by law to give in any legal proceeding a definitive judgment, or a judgment which, if not appealed against, would be definitive, or a judgment which, if confirmed by some other authority, would be definitive; or”

What is wrong with this definition ? When you decide about the rights of the people in the society, you must give a person how has to adjudicate on this and the person who adjudicates is deemed to be a judge. This is the normal jurisprudence that when somebody is appointed to a particular place he judges the issue, even if

we go to the normal nomenclature, we have to give him some protection.

Then in part (b) of the said Clause (2), it is said—

“2(b) who is one of a body of persons which body of persons is empowered by law to give such a judgment as is referred to in clause (a).”

I do not think that this is any anomaly, much less, depriving a person whom you put as a judge. Even an arbitrator or a Magistrate, is functioning as a judge, even though he is not a judge. But we give him limited protection. For the purpose of those proceedings he holds a civil court and whom you delegate to be a judge, to adjudicate upon matters, he has to be given some protection. If you do not give him this protection, it is not fair.

• Then there was some controversy about the official and judicial functions. Barrister Datta knows it.

SHRI AMAL DATTA : The question is, there are judicial duties in the court. How do you say it is the same as official duty ?

SHRI H.R. BHARADWAJ : I am coming to it. You wanted only the judicial duty to be protected. Suppose, you are an administrative Judge, you are writing the reports on all those judges. If there is a corrupt judge, you write that he is a corrupt judge. Then, he files a suit against you, saying that “You held me corrupt, you must come to the court.”

Then, how will you perform your duties as an administrative judge ? Every Judge has to do both the judicial and administrative duties. Even functioning on the administrative side you have to be protected. This is the question which has been gone into in all these issues and when he is functioning administratively, he is not functioning judicially. But he deserves to be protected.

SHRI AMAL DATTA : How is a Secretary in the Government protected ? In administration also persons are writing reports about their subordinates. But those subordinates cannot go to the court and held them responsible,

SHRI H.R. BHARADWAJ : I tell you that for the judiciary we are giving this protection. When they are functioning, they have to do their duty fearlessly. I am only defining 'judicial' and 'official'. You said that there is an official duty of an administrative judge. It is far more difficult than a judicial judge because he decides and writes reports on other brother judges. There are very important and other aspects are also to be decided by the judges. He is writing about the outsiders. In the contempt of court issue, it has been decided that contempt is both for the judicial functions as well as for the administrative functions. That Orissa case decided that even if you say something against the administrative action of the High Court it is contempt of court. There is absolutely no anomaly. But this is only a small thing

Considering the tensions of life, the judges, as we hold them in high esteem, should be given protection. The society has sustained these tensions. I have submitted that there was an apprehension expressed in the Press and other places. No journalist has so far been convicted by any Judge even though he has written something which was not consistent with the dignity of the court. Famous cases are known to everybody. I only request the hon. Members to appreciate this.

MR. DEPUTY-SPEAKER : The question is :

"That the Bill for securing additional protection for Judges and others acting judicially and for matters connected therewith, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER : We shall now take up Clause by Clause consideration of the Bill.

The question is :

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

MR. DEPUTY-SPEAKER : Now, to Clause 3 there are amendments, by Shri Bholanath Sen and Shri Banatwalla. Are you moving ?

Clause 3—Additional Protection to Judges

SHRI BHOLANATH SEN (Calcutta South) : I beg to move—

Page 1,—

after line 20, insert—

"(1A). No officer or employee of the Central Government or the State Government shall make adverse comments against a Judge for any act, thing or word committed, done or spoken by him when, or in the course of, acting or purporting to act in the discharge of his official or judicial duty or functions.

(1B). In the event of any breach of the provisions of sub section (1A) the officer or employee concerned shall be liable to such disciplinary action as may be prescribed by rules made under this Act". (1)

Page 2,—

after line 6, insert—

"Provided that if any officer or employee of the Central Government or the State Government or the Supreme Court of India or any public undertaking criticises any act, thing or word committed, done or spoken by a Judge or any other person acting judicially in the course of acting or purporting to act in the discharge of his official or judicial duty or function,

such officer or employee shall be liable to disciplinary action as may be prescribed by the Central Government under this Act." (2)

SHRI G M. BANATWALLA (Ponnani) : I beg to move—

Page 1, line 20,—

after "act" insert "in good faith". (3)

Page 1, line 20,—

add at the end—

"except with the previous sanction of the Central Government or, as the case may be, the State Government." (4)

Page 2, line 5,—

for "civil, criminal, or departmental proceedings or otherwise"

substitute—

"civil or criminal proceedings". (5)

14.00 hrs.

SHRI BHOLANATH SEN : This Bill which is under the consideration of the House speaks of civil or criminal proceedings. I have yet to see any High Court judge or any Supreme Court judge being civilly or criminally proceeded against or for that matter the District Judge proceeded against for any judgment ~~having been~~ delivered in the course of his work as a judge. But what is the object? I find from the Statement of objects and Reasons that the object is to keep the judiciary as the main pillar and keep it free from interference by the executive. What is happening is that the judiciary has the protection under the Constitution and various other laws. It is the executive officers like Income-tax Officers, Customs Officers, etc. who are doing judicial work in the matter of assessment or in the matter of passing orders, who are being protected now. Those people who do the judicial work though they are not empowered as judges,

are being given protection by this Bill. They will not be troubled for taking any bribe or for showing any favour to a citizen of this country. Judiciary does not need any protection. There is no complaint from the judiciary that they are being harassed for their judicial work. It is the officials who are seeking protection because they are deciding everyday a lot of important claims. It has been declared by the Supreme Court that every taxing authority is doing quasi-judicial work. And always there is an appeal. If that is the position, why should they be protected? Have they not got enough work to extract money if they want to do? If there is a dishonest officer, he does it. And you are giving another protection to him that he cannot be sued civilly or criminally. It is very peculiar that even if a crime is committed, the person against whom the crime is committed, cannot say anything. It is anticipated that the officers will commit crime, because civilly, criminally, departmentally or otherwise these things can be taken up by the courts. But a citizen cannot say that he has been blackmailed that he has been assessed wrongly, that the official wanted to take bribe from him and all that. Those who are creating problems or grievances are being proceeded against under Article 226 and people are moving the Supreme Court and the High Courts. But these people are now being given protection. Clauses 2 and 3 will include statutory arbitration. If they take bribe I cannot possibly do anything. Only the Supreme Court and High Courts can take civil or criminal or departmental proceedings against him. Why should protection be given to him when I have a right under the law to go against him? Why should a citizen be deprived of his right under the law. Already because of concentration of greater power in the hands of small men they are doing acts of dishonesty. This concentration of power should not be there. This should be reviewed and they should be open and subject to all provisions of law which an ordinary man is liable to face. Therefore, I submit that so far as the judiciary is concerned, there is no problem.

I have seen in the newspapers and on

[Shri Bholanath Sen]

television that the officers are making grievances against the High Court and the Supreme Court judges or against judicial system. Publicity is being given as if they are the most honest men. You will be surprised to know that in Calcutta there were over hundred contempt of court cases against those very officers who are saying that the judiciary is creating problem in the matter of realisation of revenue. He is described in the paper as a lone crusader. Now, a lone crusader being an officer here Mr. Deputy Speaker Sir, they are saying that the judiciary should not be interfered with. Here is an officer of the executive who says that he is the lone crusader and all the judiciary is wrong and whatever the judiciary is doing, it is preventing the State from realising the revenue. What is this? There is no protection for the judiciary. Judiciary is not being taken care of. That is why I have said that no officer or employee of the Central Government or of the State Government shall make adverse comments against a Judge for any act, thing or word committed, done or spoken by him when he was acting as a Judge. A civil case is nothing compared to the publicity of adverse criticism that is being given in the Press. An individual may be sued in a civil court but the publicity is being given through the Press by an officer who is an officer subordinate to the Ministry. He gives a statement against the High Court. How will the rule of law be upheld? We, in this country, are being governed by the rule of law and the Constitution. I can understand about judiciary, but why should these officers be given all the benefits? I find in the Statement of Objects and Reasons the word 'court' appears, but in the Bill itself the word 'court' does not appear. On the contrary, what appears is the description of an executive officer who has to decide. He also becomes a judge but he does not hold a court. The description also creates a suspicion that it is a handwork of those people; it is an officers protection act. Where is the question of official act of a Judge being subjected to civil or criminal proceedings? Has there been any? And if there was any, that was against the Chief Justice of Calcutta

High Court when he passed an order against the Registrar. That came up before the Supreme Court and the Supreme Court divided the duty saying the Chief Justice is doing judicial work, and in the matter of appointment of the Registrar, he is doing the official work.

But it was again under Article 226. Where is the question of criminality? Has anybody ever complained? Let the Minister tell us that there has been a single case where a judicial officer has been sued civilly or criminally for his judgement. This Bill is really not being considered seriously. It will give a clock to the executive officer.

SHRI G.M. BANATWALLA : Mr. Deputy Speaker, Sir, I have moved my amendments 3, 4 and 5. I have already explained them adequately and there is no need for me to make further submissions. I request the House to accept my amendments.

THE MINISTER OF LAW AND JUSTICE (SHRI A.K. SEN) : My hon. friend Shri Bholanath Sen has said that Income-tax Officers and others are sought to be protected. The definition of a Judge is the same as in the Indian Penal Code and that has stood the test of time for judicial protection. This is how the Indian Penal Code defines a Judge, and the Law Commission itself quotes it in its Report where it seeks protection for the Judges. This is how it is defined in Section 19 :

"The word 'Judge' denotes not only every person who is officially designated as a Judge, but also every person—

- (2) who is empowered by law to give in any legal proceeding, civil or criminal, a definitive judgement, or a judgement which, if not appealed against, would be definitive, or a judgement which, if confirmed by some other authority would be definitive; or
- (b) who is one of a body of persons which body of persons is empowered by law to give such a judgement."

SHRI AMAL DATTA : The words 'civil or criminal' which you have just read out, are not there in the Act.

SHRI A.K. SEN : Because we are giving them civil protection,

SHRI AMAL DATTA : You are giving protection to those also who are not Presiding Officers of a Civil or Criminal court, you have omitted those words.

SHRI A.K. SEN : I have said 'legal proceedings, civil or criminal'.

SHRI AMAL DATTA : No, it is not there. You please see.

SHRI A.K. SEN : This is very clear. This does not include Customs Officers. I have seen this.

You see the comma. This is very clear. It says :

"who is empowered by law to give in any legal proceeding a definite judgment, or a judgment which, if not appealed against, would be definitive...etc ..

Now, the Law Commission has very clearly said that there have been several cases—and Mr. Bholanath Sen knows possibly—whch are still pending cases filed against judges in civil courts for defamation and it is impossible for any judge to function if he is protected in criminal court and not in the civil court. This was the lacuna which the Law Commission pointed out. Therefore, we are seeking to remove this lacuna.

MR. DEPUTY-SPEAKER : Has Shri Bholanath Sen leave of the House to withdraw his amendment nos. 1 and 2 ?

SEVERAL HON. MEMBERS : Yes.

Amendments Nos. 1 and 2 were, by leave, withdrawn

MR. DEPUTY-SPEAKER : Shri Banatwalla, are you withdrawing your Amendment ?

SHRI G.M. BANATWALLA : The hon Minister has not opposed my amendments. I ask the House to accept them.

MR. DEPUTY-SPEAKER : I now put the Amendment Nos. 3, 4 and 5 moved by Shri G.M. Banatwalla to the vote of the House

Amendments Nos. 3, 4, 5 were put and negatived

MR. DEPUTY-SPEAKER : The question is :

"That Clause 3 stands part of the Bill."

The Motion was adopted.

Clause 3 was added to the Bill.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 4 stands part of the Bill."

The Motion was adopted.

Clause 4 was added to the Bill.

MR. DEPUTY-SPEAKER : The question is :

"That Clause 1, Enacting Eormula and Title stand part of the Bill."

The Motion was adopted.

Clause 1, Enacting Formula and Title were added to the Bill.

SHRI H.R. BHARADWAJ : Sir, I move that the Bill be passed."

MR. DEPUTY-SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

MR. DEPUTY-SPEAKER : Now we go to next item No. 24.

14.13 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

ESTATE DUTY (AMENDMENT)
BILL

[*English*]

THE MINISTER OF FINANCE AND
COMMERCE (SHRI VISHWANATH
PRATAP SINGH) : Sir, I beg to move :

"That the Bill further to amend the
Estate Duty Act, 1953, be
taken into consideration."

Sir, this short and simple Bill has been introduced in pursuance of the announcement made in the speech this year that the Government propose to abolish the levy of estate duty in respect of estates passing on deaths occurring on or after 16th March, 1985.

Clause 2 of the Bill seeks to insert in the Estate Duty Act a new section 5C which provides that the Estate Duty Act shall cease to apply to the levy of estate duty in respect of any property, other than agricultural land, which passes on the death of any person on or after the 16th March, 1985.

As regards levy of estate duty on agricultural lands, the hon. Members are no doubt aware that the Estate Duty (Amendment) Act, 1984 sought to discontinue levy of estate duty in respect of agricultural lands. As a result of the said Amendment Act, the Estate Duty Act, has ceased to apply to the levy of estate duty in respect of agricultural lands situated in all the Union Territories and all the States except the States of Andhra Pradesh, Karnataka, Manipur, Nagaland, Punjab and Tripura. The Legislatures of these six States are yet to pass enabling resolutions under Article 252 of the Constitution adopting the proposal relating to discontinuance of levy of estate duty in respect of agricultural lands. It is proposed in due course to introduce another Bill to provide for the abolition, with effect from the 16th March, 1985, of the levy of estate duty in respect of agricultural lands situated in these States after

the Legislatures of at least two of these States pass resolutions under Article 252 of the Constitution adopting the proposal to discontinue the levy of estate duty in respect of agricultural land situated in the respective States. As stated in Para 88 of the Budget Speech, operation of the Estate Duty Act has led to procedural harassment to the heirs of the deceased. While the yield from the estate duty has been low, its cost of administration has been relatively high. In our view, estate duty has not achieved the twin objectives with which it was introduced. It is for these reasons that we have now come up with this Bill.

Sir, I trust that this short and simple Bill will receive the unanimous support of the House.

MR. CHAIRMAN : Motion moved :

"That the Bill further to amend the
Estate Duty Act, 1953, be
taken into consideration."

[*Translation*]

*SHRI P. APPALANARASIMHAM (Anakpalli) : Mr. Chairman, Sir, the Estate Duty was introduced years ago by the Congress Party with a view to ushering in socialism. It was a wise decision on their part. They were really interested in socialistic values. With the introduction of this Bill to abolish Estate Duty the present Congress has abandoned their goal of establishing the socialistic pattern of the society in the country. No, by introducing this Bill the present day Congress Party wants to help the rich people who have earned crores of rupees and are living a luxurious life. When this Bill is passed, the Government will have no more and have any share in the wealth on the death of Estate holders. The idea of imposing the duty on Estate was to get something out of the property upon their death, so that the money thus collected can be spent by the State for the welfare of the poor people. No this noble cause has been abandoned with the introduction of this Bill and hence vehemently oppose this Bill. I want to say a few things in

*The speech was originally delivered in Telugu.

this connection. The Congress Govt. time and again declare that they are wedded to socialism and are working in that direction. On the one hand they preach socialism and on the other they act contrary to it. The earst while Congress wanted that in order to help the poor, certain portion of the property should go to the State along with the heir when rich people die. This is the reason why Estate Duty was introduced. But this Government is dispensing away with it. Disclosing the intention of abolishing the Estate Duty, the hon. Finance Minister gave reason for doing so in this budget speech during the last session. He said that the administrative expenditure has become more than collection of Estate Duty. High expenditure and low income was the reason he gave. But, Sir, I do not agree with his view. Now there are many Govt. departments which are not doing well. But these departments have not been wound up. On the other hand, these establishments are being clubbed with other related establishments. For example, there used to be a conductor in each bogey in our Railways earlier. Now there is only one conductor who looks after 4 bogies. That is how money is being saved there. Similarly instead of abolishing the Estate Duty cell, just because the cost of administration has gone up, it is better to club it with Income Tax Department. It can work successfully. By passing this Bill we will only be working against the socialism. So it is better to retain the Estate Duty. It is not good for the country to abolish it. What is that we are doing for the poor? Whether the poor are going to benefit in any way with the abolition of this duty? Whether there is any thing useful for the poor in this Bill? Only rich people pay Estate Duty not the ordinary people like rickshaw pullers labourers etc. So where was the necessity to abolish this duty. Therefore it is ridiculous to do away with Estate Duty. The very aim with which Estate duty was imposed once 'by the Congress party has been forgotten totally. There is no other argument except to say that the cost of administration has gone up. It is no reason at all. Hence I request the Government to

continue with the Estate duty instead of abolishing it.

Sir, I conclude thanking you for giving me the opportunity to speak.

[English]

SHRI AJAY MUSHRAN (Jabalpur) : Sir, I whole heartedly support the Estate Duty (Amendment) Bill, 1985. I not only support it, but I wholeheartedly congratulate the hon. Finance Minister for keeping his promise. And as per the desire of the Government under the beloved Prime Minister, Shri Rajiv Gandhi, the promises made in the Budget speech are being made a reality one by one as per the importance, and keeping in view the harassment of the people involved in getting a very insignificant revenue through this Estate Duty, the abolition of this Estate Duty has been brought in the shape of a Bill by the hon. Finance Minister.

Now, the date from which this abolition has been made effective is 16th March, 1985. About that I wanted to give a suggestion. As we all know, and as the hon. Finance Minister has also said, administrative set up developed to realise this duty or the revenue from the public was costing more to the Government than the revenue which was actually being realised. That is one of the reasons why this has been abolished. My submission is that if the date of abolition is made effective six months before the date of 16th March 1985, then the real benefit will accrue to those people who are going to get this abolition advantage because if we are going to abolish it with effect from 16th March 1985, there are certain special circumstances under which a large number of middle class people are affected, and also large number of people with small incomes, small properties, houses and provident funds, who have been killed because of the riots after the assassination of our dear Prime Minister, late Mrs. Gandhi, and the gas leakage tragedy which occurred in Bhopal, are affected. As I said yesterday, the impression was that only the people died during this gas tragedy. But it is not so.

[Shri Ajay Mushran]

An appreciably large number of middle class people who were just on the verge of exempted limit of Estate Duty lost their lives and their next of kin will suffer. I am very sure that you, being benevolent as you are, will realise that the benefits given to the people who have died on or after 16th March 1985 should also be given to the next of the kin of the people who have died before this duty is abolished, but whose returns are due up to 16th March 1985. That date comes to 16.9.1984. This is the only submission which I wanted to make and the reasons are valid. After all, even six months are not going to get an appreciable income. On the other hand we will be helping a large number of middle class people who have lost their lives and for the next of kin, I am sure you would like to save the harassment of the tax people. This date will be brought back and pre-poned to 16th September 1984 so that they can get advantage, I mean those who had to file their returns on the estate by 16th March 1985. I am sure the hon. Finance Minister will be kind enough to make this amendment in the date of its effect.

[Translation]

SYED MASUDAL HUSSAIN (Murshidabad) : Mr. Chairman, Sir, since yesterday the House has been discussing various implications of black money and today at 1 P.M. the hon. Finance Minister said that he would use all means to unearth black money, and now at 2 P.M. this Estate Duty (Amendment) Bill has been brought forward. Sir, it is not an amendment Bill but to my mind it is an abolition Bill.

What used to happen prior to this? If anyone had property worth more than Rs. 1.5 lakhs, his heirs approached the court and before obtaining a succession certificate they had to get an Estate Duty clearance certificate. Now this will not be required.

A few days back you apprehended a vegetable merchant in *Sabzi Mandi* in Delhi but now they cannot be apprehend-

ed. They will deposit the black money in the safe custody of nationalised banks and their branches throughout the country instead of keeping it in their own safes. You will not be in a position to take any action against them. You are openly encouraging people to amass black money.

(Interruptions)

The amount of estate duty being collected up till now will not be there. The hon. Minister said that we shall unearth black money with the help of the existing provisions in law. In this connection I would like to say that we are ill-equipped. We do not have fire-arms. What we had was only bow and arrow and now we have kept only the bow and thrown away the arrow. At least you could have done this much that you could have raised the ceiling of the estate duty from Rs. 1.5 lakhs to Rs. 3 lakhs or 5 lakhs.

A small fraction of the total amount collected as estate duty used to go to the States but now after its abolition, the States will not get this amount. Similarly the scope of the Estate Duty Distribution Act is limited. Now the States will not get any revenue from this source.

(Interruptions)

It is a small measure but a dangerous one. I would again urge you to raise the ceiling of estate duty instead of completely abolishing it as it would give an opportunity to blackmarketeers to amass black money freely. They will now deposit this money in the banks and you cannot take any action against them. With these words, I oppose this Bill.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Chairman, Sir, I rise to oppose the Estate Duty (Amendment) Bill. I oppose it not because I am in opposition but because this Government repeatedly says that we are marching towards socialism. Will this Bill take us on the path of socialism? You can yourself see it.

(Interruptions)...

Your way of interpreting socialism is different from ours. Now, big persons will keep their money in banks without any fear and they will take full benefit of it. Then you will not be able to arrest those people. You know better how persons having black money utilise it. You are very well aware of what tremendous harm black money has caused to the country and the Government exchequer. I would like to say that by bringing this Bill you have given concessions to big businessmen. Such thing should not happen. Had the path of socialism been followed, then you would have brought a socialistic Bill in order to provide relief to poor people. Today many poor people say that everybody, particularly the common man is experiencing many hardships due to price rise. Had Government taken some measures to minimise their hardships, these measures, naturally, would have been hailed as socialistic measures and they would also have been conducive to Government for making further progress.

With these words, I oppose this Bill and urge that it should not be passed.

[English]

SHRI GEORGE JOSEPH MUNDACKAL (Muvattupuzha) : Mr. Chairman, Sir, I am supporting the Bill. I am congratulating the Minister.

In a State like Kerala, after the land reforms, they have divided into one acre, two acres like that. The price is very high at the same time. If one man dies his sons and daughters have to sell his land to give the estate duty to the Government. Anyway it is a good scheme and I congratulate the Minister for introducing such a Bill.

If you are giving exemption in respect of agricultural land the rural poor people will benefit by that. So, I am supporting this Bill and am congratulating the Minister for introducing this Bill.

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : Sir, I think, the sense of the House is already expressed.

One point was made that this is for the support of the rich. The Economic Administration Reforms Commission have gone into detail on this subject and I just want to read a passage :

"The revenue from estate duty has stagnated around Rs 10 to Rs. 15 crores and has not kept pace with the general rate of rise in the realisations from income tax. The overall contribution of estate duty to the general revenue has, in fact, decreased from an already small 0.22% in 1972-73 to a mere 0.11% in 1980-81. The C & AG's Report for 1979-80 brings out that the 12000 and odd estate duty assessments completed during that year included only 6 cases where the value of the estate exceeded Rs 20 lakhs, and only 47 cases where it exceeded 10 lakhs and the levy has been borne largely by middle income and less affluent sections of the community. The revenues are not only small in quantum but its incremental increase is also sluggish. The number of big estates brought within the duty net is negligible. These facts would lend support to a view that the estate duty law as now in force has not been fully subserving the purpose of the enactment. Yet the complexity of the law the involved procedures and the scope for harassment seem to be disproportionately large. They seem to act more harshly on the smaller men while persons having large wealth with professional advice to back them seem to be eluding the net".

14.34 hrs.

[MR. SPEAKER in the Chair]

This was the assessment by the Economic Administration Reforms Commission. In regard to realisation, the money spent on the cost of collection, as a percentage, is 1 1/2% in the case of Income Tax, from 3 to 4% in the case of wealth tax, from 6% to 6.2% and 6.9% around 7%.

[Shri Vishwanath Pratap Singh]

the highest, in the case of Estate Duty. So the cost of collection was also higher. So, in view of all these considerations we have come with this proposal to abolish this. As far as the point that we are helping the rich is concerned, I want to say there is no question about it. You know the strong action we are taking with regard to tax evasion.

Sir, I want to repeat one point which I have also made in my first statement that in 1984 there was a Bill for abolition of estate duty from agriculture land. Several States have passed the legislation and only a few States like Andhra Pradesh, Karnataka, Manipur, Nagaland, Punjab and Tripura have not yet passed it. When two of these States pass it we will be coming with a Bill. No where else on agriculture land there is estate duty.

As regards the point raised by Shri Mushran to having retrospective effect of six months, I think, I cannot agree to that because still there may be cases where one day earlier somebody might have died. (Interruptions) I have applied my mind, but I cannot agree.

Again, Sir, a point had been made that people will put their money now in the bank and, therefore, they will become safe from the operation of law tax. I do not know how one who puts it in the bank becomes safer. It is unaccounted money whether it is in the bank or in the house. Once it is unaccounted, by putting it in the bank nobody becomes safer.

PROF. MADHU DANDAVATE (Rajapur) : If you put in the Swiss bank,

SHRI VISHWANATH PRATAP SINGH : Perhaps we will take advice from you how to deposit it. As regards State's share it is very meagre. Abolition of estate duty does not affect the Finance Commission's recommendations. Some States have got surplus budget due to Finance Commission recommendations.

Sir, I am thankful to the Members for their support. With these words I recommend the House for passing of this Bill.

MR. SPEAKER : The question is :

"That the Bill further to amend the Estate Duty Act, 1953, be taken into consideration."

The motion was adopted

MR. SPEAKER : The House will now take up clause by clause consideration of the Bill.

The question is :

"This Clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1, Enacting Formula and Title were added to the Bill.

SHRI VISHWANATH PRATAP SINGH : Sir, I move :

"That the Bill be passed."

MR. SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

14.40 hrs.

STATEMENT RE: ELECTIONS IN PUNJAB

[English]

THE PRIME MINISTER (SHRI RAJIV GANDHI) : Sir, Hon'ble members are aware that the schedule for elections in Punjab has been announced by the Election Commission.

The primacy of the electoral process in our country is obvious ; it needs no special emphasis.

It is well understood by our people that the right to vote is their instrument for achieving progress and prosperity.

However, in the context of recent events in Punjab, the electoral process has also acquired a new national significance.

The fundamental issue now before all political parties committed to the democratic system is :

Shall we allow the exercise of the free will of the people to be obstructed, frustrated and subverted by the forces of extremism and terrorism ?

On a correct response to this question hinges the fate of the democratic system in India.

Either all political parties unitedly face the sinister challenge of terrorism by strengthening democratic process or they succumb to the threat from terrorism and extremism.

In Punjab all else is secondary.

How individual parties fare is of little consequence. It does not matter who wins, and who loses.

What matters is that the lamp of democracy is not extinguished : what does matter is that India wins.

The people of India have shown that they value democratic rights and freedom above everything else : the political parties that represent them value democracy no less.

A democratic election is the people's answer to the brute force employed by a small section to impose their will on the masses.

We shall not allow divisive forces to prevail.

We shall serve as the instrument to enable the democratic process to triumph whatever the risk to ourselves.

As the custodian of the people's will and mandate, I am fully committed to this course.

Our democratic society has the inner strength to close its ranks to face the dangers that confront it.

We shall demonstrate that we are capable of rising above expediency.

Let us, who value the ideals that have built this Nation, together accept this challenge.

14 43 hrs.

RAILWAY PROTECTION FORCE (AMENDMENT) BILL

[English]

THE MINISTER OF RAILWAYS
(SHRI BANSI LAL) : I beg to move :

“That the Bill to amend the Railway Protection Force Act, 1957, be taken into consideration.”

Sir, the Railway Protection Force, before the Act of 1957 was a watch and ward department of the Railways. After 1957, it became an organised force. At present, the Railway Protection Force has little powers to discharge its functions properly. After the passing of this amendment, the Railway Protection Force will be able to discharge its duties properly and more effectively. The Railway Protection Force will be an Armed Force and prosecution against them in certain cases will be done away with.

With these words, I commend the Bill for the consideration of the House.

MR. SPEAKER : Motion moved :

“That the Bill to amend the Railway Protection Force Act, 1957, be taken into consideration.”

PROF K. V. THOMAS (Ernakulam) :
Sir, I rise to support the Railway
Protection Force Bill.

Railway is one of the biggest organisation which is catering to the needs of the passengers and also moving the very heavy goods traffic. When Shri Bansi Lal took charge as Minister of Railways, we believed that he will be able to run this big organisation in a better manner as he is one of the well known administrators, but, I am very painful to see that while you have introduced this Bill, the Railway Protection Force Bill, the Railway Protection Force cannot protect the people.

I come from Kerala which is on the southern most part of the country. From my State, there are three long distance passenger trains; one is K K Express, the second is Jayanti Janta Express to Delhi and the third is Jayanti Janta Express to Bombay. The passengers in these long distance trains are very often plundered and manhandled. Anti-social elements enter these trains and take away the valuables of the people.

My humble suggestion is that the passengers of short distance should not be allowed to enter the long distance trains.

There is another suggestion that I have to make. When we complain to the Railway Protection Force, they say that they are helpless, they will hand over our complaints to the State police which will take action. But nobody knows what action is taken by the State police.

I also want to bring to your notice the very poor catering in the passenger trains. In K K Express, there is no proper catering service. Usually, as you know, our trains are very late, so we will not be getting food at all on some days. Kindly look into this aspect also.

Many of the Members of Parliament have very bitter experience in the passenger trains. When we complain

to the Superintendent of the Station, he does not pay any attention. The Superintendents should be given directions that as soon as they get any complaint, suitable action should be taken by them.

14.49 hrs.

[SHRI SHARAD DIGHE in the Chair]

You are a good Minister. When we give a representation to you, you immediately give either a positive answer or a negative answer, but along with your answer, you give a lengthy reply saying the reasons for your answer. We are very happy, but when a similar complaint is given to the officers in your Department, they do not take any care to give a suitable reply. You should give instructions to the officers in your department that whenever there is any complaint, they should give proper reply, and they should also look into these complaints and take necessary action.

SHRI NARAYAN CHOUBEY
(Midnapore) : I oppose the Bill which has been brought forward by our Minister. (*Interruptions*)

PROF MADHU DANDAVATE
(Rajapur) : Kindly tell them that the Government of the United Congress never allowed this Bill. They did not want to expand the armed forces.

SHRI NARAYAN CHOUBEY : So, they have changed their position. Very good. Because the situation has changed their position.

The RPF was a Watch & Ward organization before independence. These days, RPF is called by people, not as Railway Protection Force but as Railway Plundering Force or Railway Pilferage Force. (*Interruptions*) Actually, the hon. Members on the other side also know this, also say the same thing when they speak outside. There are saying something else inside the House.

SHRI RAM PYARE PANIKA
(Robertsganj) : We have no double standards.

PROF. MADHU DANDAVATE : They have triple standards—one for the AICC, one for this House, and one for the Central Hall.

SHRI NARAYAN CHOUBEY : I would like to draw the attention of the Minister to the fact, which he knows very well, that at the top level of RPF, there is a lot of corruption. In the matter of postings and transfers, there is real big corruption at the head office and the divisional offices.

Wagon-breakers are there from amongst them. *(Interruption)* The hon. Member here is simply telling me what I should speak. He is prompting me. Wagon-breakers are there from amongst them. RPF people are linked with wagon-breakers, smugglers and receivers of stolen property. You can very well find out the names.

You have to gratify the head office if you want to get a good posting, in a good marshalling yard. Suppose you want to have a posting in Mughal Sarai Yard, or Kharagpur Marshalling Yard or the Waltair Yard, you have to gratify the head office, with a monthly income or payment.

I think you know it. I had suggested one thing based on my own experience. I know that in the railway workshops or factories where they are keeping watchdogs around the wall, theft is very much less. Sometimes it seems that trained dogs are more dependable in the matter of giving protection to property than our own personnel. I would request the Minister to consider this—whether at least in one small factory, one small wagon shop or loco shop you can try it. I think you will make again, if you can keep 2 or 3 dogs around the wall of these factories. Then the theft there will be much less because, in Kharagpur I have seen it. It is my experience. In factories where we keep dogs, theft is very much less compared to those factories which are keeping security guards. You know well that in Howrah, Kharagpur, Asansol and Mughal Sarai which have got big walls around, there is

24-hour armed vigil, with armed constables or armed guards. Even then, you will find that if you repair a wall to-day, tomorrow you will find it broken. To-day you repair a cleft; tomorrow you will find a hole. How do these things happen? Without the connivance of the RPF people, how can these things happen? These things can never happen otherwise.

I told the Minister something personally, regarding Howrah. He took note of it. But even then I see that nothing has happened. To-day you repair a wall; tomorrow you will find that it is broken.

I wanted to tell you one more thing. Now you are trying to give them more powers so that they can arrest a man without any warrant and they can enter into any place. I do not think that will be fair because their records are not very good. Already they have got enough powers. They can arrest any person with the help of police. That means in Bihar, they have to take help from the Bihar Police, in Bengal, they have to take help from the Bengal police and in Uttar Pradesh, they have to take help from the U P Police. Now you want to say that they can do the policing, the law and order duty which is the prerogative of the State. Now you want this prerogative to be given in respect of this force also. I think it will be incorrect, when you have appointed a Sarkaria Commission, to think of giving more powers to these people.

This is not the only background. You should think thrice before giving more powers to these people whose records are not at all very bright.

Then Sir, another very bad thing is that you are going to withdraw whatever right they have got to form their associations. They have no unions as yet, they don't join any union. They are neither Members of this union nor the INTUC or any other union but they have got their own associations. Today, you are going to withdraw that thing, perhaps you are switching to more democracy at the

[Shri Narayan Choubey]

grass-root level. They have their own grievances. You know pretty well, that these common people are not in a happy mood. They have to keep their mouth shut. Big officers torture them, if they try to do their duty dutifully. That is not to be counted. The officers do not take into account of what they do properly. The officers count only what they want to be done. If any RPF person daily goes to the house of the officer makes a salute to the Memsahib and take his son to school without doing any duty, then he will not promotion. But if a man wants to do his duty properly and if he does not submit to the whims and caprices of the officers, he is punished. In such a situation, the association which is there with very limited powers cannot speak. They can only appeal, they cannot strike, they can only make representation to you. If you withdraw that thing also and if you speak more of democracy, election in Punjab, election in Assam, I do not think this Bill will suit to the talks you do make here about democracy. Naturally, for all these reasons, I say that this Bill should be withdrawn and should not be brought now. I oppose this Bill tooth and nail and I hope you will kindly consider these things. You cannot give more protection by giving more powers to these persons. It is impossible. If you cannot motivate them but give them arms and the right to arrest, then it will only breed more corruption, nepotism and favouritism. Already the common people are suffering a lot. We poor people are now safe, at least from the RPF; there is enough police to attack us; there is enough BSF to attack us. If you again bring in RPF also, then it will be a third force. Hence I request you kindly to withdraw this Bill. It is meaningless for this purpose. I hope you will consider my proposal and withdrawing this Bill.

[Translation]

*SHRI R. JEEVARATHINAM (Arakkonam): Hon. Mr. Chairman, Sir, on the Railway Protection Force Amendment Bill, which has been introduced by

our hon. Railway Minister, I wish to make a few suggestions. I wholeheartedly welcome this Bill. Through this Bill, the Railway Protection Force which has been in existence for the past 28 years is being converted into the Armed Forces of the Union. It is very necessary to have the Armed Forces to protect Rs. 9500 crores of investment made in the Railways by the Government. From 1979-80 to 1983-84, during this period of five years, the Railway materials and fittings worth Rs. 735 lakhs had been stolen and only Rs. 342 lakhs worth of the materials and fittings have been recovered so far. During the same period, Rs. 2939 lakhs worth of consignments had also been stolen, out of which only Rs. 272 lakhs worth of consignments have been recovered. If the railway materials and fittings and the consignments are continued to be pilfered in this way, naturally there will be compulsion to increase the passenger fare and freight rate. This adversely affects the common people. By referring to these statistics, I have emphasised the need for having under the direct control of the Government such an armed Force so that the railway properties and the consignments sent through Railways are protected.

MR. CHAIRMAN: Mr. R. Jeevarathinam, you stop here and may continue next time, because now it is 3 p. m. and we have to take up Private Members' Business.

15.00 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[English]

Fifth Report

SHRI HUSSAIN DALWAI (Ratnagiri): I beg to move:

"That this House do agree with the fifth Report of the Committee on

*The Speech was originally delivered in Tamil.

Private Members' Bills and Resolutions presented to the House on the 22nd August, 1985."

MR. CHAIRMAN : The question is :

"That this House do agree with the fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 22nd August, 1985."

The motion was adopted.

15.01 hrs.

FREEDOM OF INFORMATION BILL*

[English]

SHRI THAMPAN THOMAS (Mavoli-kara) : I beg to move for leave to introduce a Bill to provide for certain agencies to ensure freedom of having access to and obtaining public information for the citizens and for matters connected therewith.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for certain agencies to ensure freedom of having access to and obtaining public information for the citizens and for matters connected therewith."

The motion was adopted.

SHRI THAMPAN THOMAS : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 19, etc.)

[English]

SHRI G. M. BANATWALLA (Ponnani) : I beg to move for leave to

introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India, 2."

The motion was adopted.

SHRI G. M. BANATWALLA
introduce the Bill.

15.03 hrs.

[MR. DEPUTY SPEAKER *In the Chair*]

PRASAR BHARATI (BROADCASTING CORPORATION OF INDIA) BILL*

[English]

PROF. MADHU DANDAVATE (Rajapur) : I beg to move for leave to introduce a Bill to provide for the establishment of a Broadcasting Corporation for India, to be known as Prasar Bharati, to define its Composition, functions and powers and to provide for matters connected therewith or incidental thereto.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of a Broadcasting Corporation for India, to be known as Prasar Bharati, to define its composition, functions and powers and to provide for matters connected therewith or incidental thereto."

The motion was adopted.

PROF. MADHU DANDAVATE :
I introduce the Bill.

* Published in Gazette of India Extra ordinary, Part II, Section 2, Dated 23.8.1985.

**CONSTITUTION (AMENDMENT)
BILL***

(Amendment of article 311)

[English]

PROF. MADHU DANDAVATE (Rajapur) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

PROF. MADHU DANDAVATE : I introduce the Bill.

**CONSTITUTION (AMENDMENT)
BILL***

(Insertion of new article 15A)

[English]

SHRI THAMPAN THOMAS (Mavelikara) : 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 THAMPAN THOMAS : I introduce the Bill.

AGRICULTURAL WORKERS (PAYMENT OF PENSION, FIXATION OF MINIMUM WAGES, COMPULSORY INSURANCE AND OTHER AMENITIES) BILL

[English]

SHRI B. V. DESAI (Raichur) : I beg to move for leave to introduce a Bill to provide for pension, provident fund, minimum wages and amenities for agricultural workers.

MR. DEPUTY SPEAKER : The question is :

"That the leave be granted to introduce a Bill to provide for pension, provident fund, minimum wages and other amenities for agricultural workers."

The motion was adopted.

SHRI B. V. DESAI : I introduce the Bill.

INDIAN NATIONALS LIVING ABROAD (REPRESENTATION IN PARLIAMENT AND STATE LEGISLATURES) BILL*

[English]

SHRI B. V. DESAI (Raichur) : I beg to move for leave to introduce a Bill to provide representation in Parliament and State Legislatures to Indian nationals living abroad.

* Published in Gazette of India Extra ordinary, Part II, Section 2, dated 23-8-1985.

MR. DEPUTY SPEAKER : The question is :

"That the leave be granted to introduce a Bill to provide representation in Parliament and State Legislatures to Indian nationals living abroad."

The motion was adopted.

SHRI B. V. DESAI : I introduce the Bill.

15.04 hrs.

CEILING ON MARRIAGE EXPENSES BILL*

[English]

SHRI B. V. DESAI (Raichur) : I beg to move for leave to introduce a Bill to provide for ceiling on marriage expenses

MR. DEPUTY SPEAKER : The question is :

"That the leave be granted to introduce a Bill to provide for ceiling on marriage expenses."

The motion was adopted.

SHRI B. V. DESAI : I introduce the Bill.

COMPULSORY POPULATION CONTROL (SMALL FAMILY PROMOTION AND MOTIVATION) BILL*

[English]

SHRI B. V. DESAI (Raichur) : I

beg to move for leave to introduce a Bill to provide for small family promotion and motivation and other measures for population control.

MR. DEPUTY SPEAKER : The question is :

"That the leave be granted to introduce a Bill to provide for small family promotion and motivation and other measures for population control."

The motion was adopted.

SHRI B. V. DESAI : I introduce the Bill.

15.05 hrs.

REGULATION AND CONTROL OF TECHNICAL SERVICING UNITS BILL*

[English]

SHRIMATI JAYANTI PATNAIK (Cuttack) : I beg to move for leave to introduce a Bill to provide for regulation and control of technical servicing units in the country.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for regulation and control of technical servicing units in the country."

The motion was adopted.

SHRIMATI JAYANTI PATNAIK : I introduce the Bill.

* Published in Gazette of India Extraordinary, Part II, Section 2, dated 23-8-85.

FAMILY RESTRICTION INCENTIVES BILL*

[English]

SHRIMATI JAYANTI PATNAIK (Cuttack) : I beg to move for leave to introduce a Bill to provide for incentives to those who would restrict their families by using family planning devices.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for incentives to those who would restrict their families by using family planning devices".

The motion was adopted.

SHRIMATI JAYANTI PATNAIK : I introduce the Bill.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL—Contd.

(Amendment of Sections 125 and 127)

[English]

MR. DEPUTY-SPEAKER : Now we take up the further consideration of the following motion moved by Shri G.M. Banatwalla on 10 May, 1985, namely :

"That the Bill further to amend the Code of Criminal Procedure, 1973, be taken into consideration".

Shri Ebrahim Sulaiman Sait was speaking, he can continue.

SHRI G.M. BANATWALLA (Ponnani) : He is under the impression that he will be called at 3.30 P.M. He may be called later. If there is some

rule by which we can continue till he comes, let us continue.

MR. DEPUTY-SPEAKER : It is not possible.

SHRI G.M. BANATWALLA : There should be some laxity somewhere. At least let us go on till he comes.

MR. DEPUTY-SPEAKER : Shri Owaisi may start his speech.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : He has already spoken, I think.

SHRI OWAISI (Hyderabad) : No. I have not spoken.

[Translation]

SHRI OWAISI (Hyderabad) : Mr. Deputy-Speaker, Sir, the Supreme Court judgement, which has interfered with the Muslim Shariat law has caused anxiety among the entire muslim community of the country. I would like to say that a Muslim can tolerate everything but he cannot tolerate interference with his religion.

I feel that in all the speeches made here, no Muslim Member has said anything wrong because Islam has been bestowed by Allah "Mohammadur-rasool-ullah Sullahu Ellah Yasallam". Nobody can interfere with it. We shall never tolerate any kind of interference with it. Member have given here many examples about the changes which have taken place in Pakistan, Malaysia and other places. Mr. Deputy Speaker, Sir, Mr. Sait has come here. If he..... should I continue or.....

[English]

MR. DEPUTY-SPEAKER : You continue.

[Translation]

SHRI OWAISI : I was saying that it was wrong to say that in certain Muslim countries changes had taken place. No such thing had taken place anywhere. Suppose for a while that some change has taken place somewhere, but that does not mean that this religion belongs to Zia-ul-Haque or somebody else. Nobody has got the right to change it. If such a thing happens in any country, it is not worthy of being accepted by us. If they do so, they are wrong.

It has been said here that many persons including certain Muslims also have spoken against this Personal Law. I may tell you that a person who speaks of interfering with religion is not a Muslim at all. It has been stated here that Ajgar Ali Engineer and some other persons have spoken like this. If they have spoken like this, they are not Muslims and if they are not Muslims, they have no right to say anything in this matter.

On the other hand, it has been stated in this august House that atrocities are being perpetrated on women. It has been said that sympathy should be shown towards women. But it is a strange coincidence that what when discussion was going on the Personal Law in the country, riots broke out in Gujarat. The women there were disgraced, but nobody uttered a word about it. After all, atrocities are being perpetrated on women there also. Has it not come in some newspapers that spears were thrust and acid poured into their private parts? Where were these persons at that time? Nobody came forward to plead the case of women at that time.

Today, on the basis of a case relating to Muslim Personal Law, sympathy is being shown to women by conspiring to impose the orders of civil courts.

The condition of woman is very

miserable, but you have done nothing in this respect. Islam is a *Deen-e-Fitrat* and it has not gone against the *Fitrat*. Islam wants that no woman should remain unmarried. The divorcee should marry again because remaining unmarried in society will help create evils. Islam does not want creation of evils. It wants that a woman should marry and it is the sacred saying of Prophet Mohammad that it is His law and he who violates His law has nothing to do with Him. Such a great importance has been given to marriage. Why as such things talked about? After all, there are other matters to be worried about. I would like to say that it would be better to amend the Supreme Court's judgement through this Bill and do what the Muslims want. The foundation of secularism should be strengthened.

You have no right to say anything about the entire religion. I would like to say it again that you enact a law for prevention of cow slaughter to protect your religion. If you talk of Supreme Court today, then do not do it. Due to this judgement, there is restlessness not only in India but in the entire Muslim countries of the world. It is the first instance in the history of Islam that such a judgement has been given by which changes are sought to be made in the *Shariat*. This thing has happened for the first time after 1,400 years. It has caused restlessness among all the people. The only way to remove this restlessness is to pass immediately the Bill introduced by Shri Banatwalla and settle this issue for ever. If this decision is left as it is, then I do not feel that it would lead to any satisfactory condition. On the other hand, it will lead to disturbing consequences and create restlessness among Muslims.

You will see that such a serious concern has never been expressed on any matter in the country before as has been expressed in the present case. Keeping in view all these things, it would be better for Government to have a second thought on it. The

[Shri Owaisi]

Supreme Court Judges should also hold consultations before delivering such judgement. This issue pertains to a religion and only a Muslim Judge should decide such cases because in such cases only a Muslim has got the right to do *izti had*, i.e., right to give opinion where there is conflict between the order of the law and that of the Prophet. Nobody else has got the right to do so. Exactly this is the case before us today. As per as problem, only Muslim Judges have got this right. Certain conditions have been laid down for him also. Neither Parliament nor the Supreme Court has got this right. No power on earth has got the right to enact such a law which may cause mental agony. I would like to say that this august House should postpone consideration of the Bill. The widespread restlessness among Muslims in the country should be removed. The best way to remove this restlessness is to close the doors for such cases for ever so that such issues may never arise and never create restlessness.

I would like to say that hon. Member should not say anything which may cause mental agony to anybody. Many things have been said. Many women have said such things. You cannot enact a law on the basis of the views expressed by a few persons. What does the majority want? The majority in the country has taken this decision and a deputation of the religious scholars met the Prime Minister also. These are the matters where the Supreme Court judges have totally erred while giving the judgement. They have made references which I do not want to mention there. I would like to say that this problems should be recognised and the restlessness among Muslims removed for ever because people in India clearly have their own dignity and it is not advisable to cause restlessness among the people of such a large minority in the country. The interference which has started with their religion recently should be put to

an end for good. With these words, I conclude.

[English]

MR. DEPUTY SPEAKER : As a special case I am all wing Shri Sulaiman Sait because when I called his name he was not present, but anyhow one of his colleagues Shri Banatwalla told that since he had some important work, he wants to come late. So, as a special case I am allowing Shri Sulaiman Sait to continue his speech.

SHRI EBRAHIM SULAIMAN SAIT (Manjeri) : Mr, Deputy-Speaker, Sir, I was on my legs when the House adjourned on the 9th of August and discussions was continuing on the Code of Criminal Procedure (Amendment) Bill moved by my colleague Janab Gulam Mohammad Banatwalla. I had spoken just for one or two minutes on that day and now I am resuming my speech. I am grateful to you for permitting me to speak though I was a little late. At the outset, I request you to bear with me for justified length of time this. I say because Muslim Personal law is a very important issue, a burning issue, a sensitive issue which deeply concerns the religious security and religious identity of 120 million people of this country. When I stopped speaking last time on 9th of August, I had emphatically told the House that the recent Supreme Court judgement, that is, AIR 1985 SC 945 is a complete and flagrant violation of Muslim Personal Law. The Supreme Court, through its judgement, has interfered in the Muslim Personal Law. Not only this, the Supreme Court has flouted, without any consideration, the decision taken by this House in 1973 with regard to various sections of Criminal Procedure Code Bill thus flouting the intention of the Parliament. What is much more grievous is that Supreme Court has given a wrong interpretation of two isolated verses of Quran. The Supreme Court has quoted these verses out of Context ignoring other verses

on the subject; and ignoring also the traditions of the Prophet,

The verses of Holy Book Quran cannot be misinterpreted in such a manner ignoring established interpretations for last 1400 years—thus creating a wrong impression in the country. All Holy Books are important. All Holy Books are sacred, be it the Quran, or the Bible, or the Granth Sahib or the Vedas. All are sacred and nobody should be allowed to play so lightly with the injunction contained in these Holy scriptures. Therefore, I felt that Parliament should come forward to amend the Criminal Procedure Code in a suitable manner to give protection to Muslim Personal law and thus nullify the effect of the judgment of the Supreme Court. Otherwise the secular character of our country will be lost. The religious freedom guaranteed by the Constitution in the Fundamental Rights Chapter will become a force. Thus we will be laying a very very bad precedent for the future. Therefore, I request that it is the duty of this Parliament to amend the Criminal Procedure Code and nullify the effect of the judgment of the Supreme Court.

One basic factor has to be understood very very clearly. As far as Shariat is concerned—and the Muslim Personal Law is a part of Shariat—it is not a man-made law. It is a divine revelation. It is based on Quarani injunctions and traditions of Prophet. Therefore, as far as Shariat is concerned and the personal law is concerned, it is a divine law, is a substantial law. It is an inalienable and an integral part of the religion of Islam. And together with this, our firm belief is that when this is a divine law, it cannot be changed, nor can't be interfered with Allah's directions cannot be changed. Therefore, we emphatically feel that as far as Shariat is concerned, the personal law is concerned, it is for all times and for all believers.

Here I do not make these pro-

nouncements myself. Here it is the Holy Quran which says this. I would not go its text, but will quote the translation of the verses. It is Chapter II, Verse 229. It says: These are the limits ordained by Allah. Allah has ordained certain limits. Allah has laid down certain law. Allah says "These are the limits ordained; so don't transgress them". It means don't cross those limits, do not interfere, do not give up certain portions, and follow certain portions according to your like and dislike. You have no right to do so. And then it says: If you do transgress the limits ordained by Allah, such persons do wrong to themselves.

Here I would like to point out one more thing. After saying this Quran goes further and says what happens if one transgresses these limits ordained by Allah? I am a believer. I believe in the Holy Book and I know 90 per cent of the people in India are believers. They believe in Hinduism or Christianity or Jainism or Buddhism or some religion or the other. Therefore, it is that everybody should respect the Holy Books. I respect the Holy Books of other religions and I want that all others should respect the Holy Book of Islam also.

Again Allah says—and I am not going to read the Arabic text because it will take much more time. I will just read the translation. This is from Chapter IV, verse 14. Here Allah says: I quote the translation of Abdulla Yusuf Ali. It says "Those who disobey Allah and his apostle and transgress the limits will be admitted to fire." May be some people do not believe in any religion or do not believe in Allah and do not believe in hell. For them, I have nothing to say. But for believers I must say what Allah says. I quote: "Those who transgress limits will be admitted to fire to abide therein; and they shall have a humiliating punishment." This is what Quran

[Shri Ebrahim Sulaiman Sait]

says about those people who transgress the limits, those people who say they want to change the Personal Law, those people who say they will tolerate interference in personal Law. It is so important for a Muslim, the real Musalman, that he has to mould his life according to the injunctions of Quran and one who does not do so cannot be called Musalman at all. I don't say this. I say this on the authority of *Ulemas* of international fame. And therefore, it is very very important. Now the Supreme Court Judgment is here. I told you how important Shariat is and here, the Supreme Court judgment says. I quote :

"The statutory right available to her under this Section is unaffected by the provisions of the Personal Law applicable to her."

That means, whenever there is conflict between the Personal Law and Section 125 of the Criminal Procedure Code, Section 125 will prevail. This is what Supreme Court again says. Please see page 12 of Supreme Court judgment. I quote :

"It shows unmistakably that Section 125 overrides the Personal Law, if there is any conflict between the two." That means, the Supreme Court wants to abrogate the personal law through this judgment. Throughout the length and breadth of the Country, Mussalmans are unhappy about this judgment of the Supreme Court. There is complete and widespread resentment. Now when I say this, our friends who support the Supreme Court Judgment may say that progressives are on our side. Yes; handful of progressives are there. It has to be understood that all those persons who supported Banatwalla's Bill and opposed Supreme Court judgment are not obscurantists, and conservatives as is being said. In this Parliament, many Muslim Members have spoken. All of them belong to

Congress Party—Mr. Aziz Sait has spoken; Mr. Fakir Mohd. has spoken; Mr. Zainul Basher has spoken. All are elected representatives of the country. They are educated and cultured gentlemen. What did they say? They said that Supreme Court has erred; Supreme Court's judgment is wrong; and they support Banatwalla's Bill. Then it is said that all ladies are with you. Far from it. What a dream! Here on the 9th Begum Abida Ahmed was speaking. She is a progressive, educated, cultured lady and a Member of Parliament and wife of the former President of India. She said, that she was against the Supreme Court judgment. We had observed Shariat Protection day, last Friday of Ramzan, when lakhs and lakhs of telegrams were received by the Prime Minister, the Home Minister and the Law Minister. All these hard facts have to be understood very carefully.

Now, Sir, as I said in the beginning, they, the Supreme Court had completely ignored the intention of this Parliament. I do not want to go into details. My colleague Shri Banatwalla has already explained about the whole matter. When the Criminal Procedure Code was introduced in 1973, it was found to be against the Muslim personal law. We made representations. There was agitation in the country. Delegation of Muslim Personal Law Board met the then Prime Minister Shrimati Indira Gandhi. Prime Minister Indira Gandhi understood our position. She directed that amendment should be brought about to give protection to Muslim personal law and section 27(3)(b) was explicitly added at the direction of the then Prime Minister, Shrimati Indira Gandhi, and this was the decision of the Congress Government and Seal of approval was put on this amending section by this august House. There is no doubt that this House had passed this Article 27(3)(b) with clear intention of giving protection to Muslim personal law.

Our Home Minister Shri S.B. Chavan is sitting here. I am very happy.

This is what has appeared in the Indian Express on the 17th August, 1985. This is what Mr. Chavan said when he announced the Assam accord in the House. I quote from Indian Express dated 17th August, 1985 :

"Mr. Chavan asserted that the present Government's policies were the continuation of the policies of Indira Gandhi's Government. The entire approach of the present Government to all the issues was the same, he said."

What was the policy of Indira Gandhi? What was the policy of her Government then? When the Home Minister says they are just continuing the same policy, nothing different from that, then I must say that they are bound to bring about this amendment as was done in 1973, and give protection to Muslim Personal Law. Then alone you can say that the present Government is following the policies of Mrs. Gandhi. Here I will just point out and make a reference, I do not want to take much time of the House.

It was on December 11, 1973, in this same august House, Mr. Mirdha, the then Home Minister who piloted Cr. Pr. Code Amendment Bill, said while moving amendment to add clause (b) to sub-section (3) of section 127 :

"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 "

Again, in the Rajya Sabha, when clause 127(3)(b) of the Bill was introduced and his amendment was discussed; Mr. Mirdha said :

"There is no intention to interfere with the personal laws of the Muslims through Criminal Procedure Code."

This was very very clear. The intention of the Parliament is clear and today the Supreme Court has gone against the intention of the Parliament.

Sir, now coming to the interpretation given to Quranic Verses I must say that they were wrong in their interpretation. Isolated versions have been chosen without any context and given wrong interpretation. The Verses taken from *Sura Baqra*, this is Second Chapter, Verse No. 241 are not at all the Verses pertaining to divorce, iddat and maintenance. No doubt that Abdullah Yusuf Ali has given this meaning of maintenance to word *Mata* in Verse 241 of *Albaqra*. But let me point out very humbly that the same Abdullah Yusuf Ali has given the meaning of *Mata* at 11 places, not one or two. In *Sura 2* he says, tax reasonable amount ; in *Sura 2*, Ayat 240 he says, 'maintenance' ; in *Sura 3*, Ayat 34, he says 'possession' ; in *Sura 3*, Ayat 196, he says 'enjoyment' ; in *Sura 9*, Ayat 38, he says 'comfort' ; in *Sura 10*, Ayat 76, he says 'little enjoyment' ; In *Sura 16*, Ayat 117, he says 'profit' ; In *Sura 79*, Ayat 37, he says 'for use and convenience'.

This is how the meanings of Ayats vary. In a very authentic Arabic dictionary and that is *Li sonul Arab* and the translation of *Mata* is a single or one time transaction. It does not mean payment of maintenance continuously at all. This is the position with many other translations including Mr. Pickthaw and Maulana Maudoodi.

Now I want to tell you something more. They, the Supreme Court have selected Verse 241 of *Sura 2* to say that maintenance should be paid to a divorced wife until she remarries. Actually, it is *Sura 65* called *Sura Talaq* meaning Divorce that gives all guidance and directions regarding divorce, iddat, and maintenance. Without referring to *Sura Talaq* and without going through the *Sura* concerning divorce and maintenance, the Supreme Court Judges selected an isolated verse

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from Sura Baqra, the II Chapter of Qutan. There is not one single instance or practice of giving maintenance to a divorced wife until she remarries or dies in the entire Muslim World. There have been interpretations by the Prophet himself. There have been companions of Prophet Sahaba. They have given interpretations which are different. Then, there are learned Muslim Jurists, there are Ulemas, Muslim scholars and there have been Imams of four schools of thought—Hanfi, Maliki, Shafi and Hambli. None has said that maintenance has to be given until divorce remarries or dies. Everyone is unanimous that maintenance is only for a period of Iddat and not beyond. This has been the position for the last 1,400 years without any interruption.

Much is said about changes in Muslim countries. What changes have been made in Muslim countries? Nothing. They speak about Pakistan. Pakistan just appointed Sharia court to implement the direction of Quran. There has been no change, no interference.

Here I have Alakhbar. It is an Arabic daily published from Cairo, the capital of Egypt. It is a progressive country, a Muslim country. What is their decision? The Parliament of that country met and has taken decisions. There is the paper of 1st July, 1985. If anybody is here who knows Arabic—Janab Z.R. Ansari Sahib may be knowing—I can pass on this paper to him. He can read the newspaper so that he can see whether the translation I am giving here is correct or not. I quote the English Translation of the news from Alakhbar of Egypt dated 1st July, 1985:

"The Parliament of Egypt recently passed a comprehensive family law covering marriage, divorce "iddat" (waiting period), custody of children etc.

The newly passed Law includes a

provision that a husband would be responsible for maintenance of his divorced wife during the period of Iddat."

This is the latest decision of July 1st 1985 of a country whom you call very progressive. I cite the example here of a Muslim country and their decision that the maintenance is only for the period of Iddat, and not beyond.

PROF. N.G. RANGA (Guntur);
That means how long?

SHRI EBRAHIM SULAIMAN
SAIT: Three months.

THE MINISTER OF STATE OF
THE MINISTRY OF SHIPPING AND
TRANSPORT (SHRI Z.R. ANSARI):
Which country?

SHRI EBRAHIM SULAIMAN
SAIT: Egypt. This is Alakhbar dt.
3rd July, 1985.

PROF. N.G. RANGA: What
happens after three months?

SHRI EBRAHIM SULAIMAN
SAIT: I shall tell you what happens
after three months. Certain rules are
laid down by the Muslim Jurists, the
Fuqhas which say:

"The divorced wife should have
maintenance after divorce for three
months. Suppose she is pregnant,
the maintenance is until delivery.
After that, if she is feeding the
child, whatever the feeding period
she gets maintenance."

"The maintenance will be for
seven years for boy and for a girl
until she attains maturity."

"Custody of the child is till then
will of the mother."

It is very clear. Again after this the
divorced wife goes back to her natural
family and there is comprehensive law

of maintenance is Islam that governs such cases.

Nobody can dispute Quran and the traditions of Prophet. The law is laid down in Quran. The Jurists and scholars have given details in authoritative books like Hidayah etc. All this is indisputable. The Quran says: I quote the translation of Abdullah Yusuff Ali. It says:

INTRODUCTION TO SURAH LXV (Talaq).

"This is the ninth of the ten short Medina Suras dealing with the social life of the Community. The aspect dealt with here is Divorce and the necessity of precautions to guard against its abuse. The relations of the sexes are an important factor in the social life of the Community, and this and the following Surah deal with certain aspects of it. "Of all things permitted by law," said the prophet, "divorce is the most hateful in the sight of God." (Abu Daud, Suhan, xiii, 3). While the sanctity of marriage is the essential basis of family life, the incompatibility of individuals and the weaknesses of human nature require certain outlets and safeguards if that sanctity is not to be made into a fetish at the expense of human life. That is why the question of Divorce is in the Surah linked with the question of insolent impicity and its punishment."

The⁷ Prophet lived at Mecca and Madina. He migrated to Madina under the Command of Allah from Mecca. The revelations were there when he stayed in Mecca and also when he stayed in Madina.

This is the Chapter in Quran Surah Talaq which was revealed to prophet Mohammad at Madina. It is said that this is the ninth of the ten short

Madina Suras dealing with Talaq. The Supreme Court in the judgment must have quoted this Surah and not Surah Bakra. It is in Surah Talaq that the matters relating to divorce and maintenance are dealt with and there is warning also about the necessity of precaution to guard against its abuse. There are abuses—Misuse of the facilities provided and permission given I can see it. But because of certain abuse or certain misuse which are exceptional you cannot argue that the law is bad. There is a knife and if a lunatic kills himself with that knife, you cannot blame the knife itself, for the action of the mad.

I have read out the introduction to this chapter on divorce. Now I quote verse four and six from this Surah. Surah 65 which is called 'Talaq', meaning 'divorce'. Every minute detail is given here. You need not go to any other book. If anybody is quoting any other unauthentic book that has no importance. When Quran is here, injunctions given in clear terms, no other book has any value at all. This is the basic factor which has to be borne in mind only in cases when you cannot get guidance in Quran, one has to go to Hadith, and then Ijma and last Qiyas. Here in Surah 65: Verse 4, Quran says: "Such of the women"—every detail is given—"as have passed the age of monthly courses, the prescribed period is, no doubt, three months". This clearly says that Iddat period is three months, there is no doubt whatsoever. If you have any doubt about three months you can go through it. Those who carry life in their womb, the period will be till they deliver the burden.

Again I quote verse 6 from Surah 65 that is Talaq. It says: 'Let the women live (in iddat) in the same style as ye live, according to your means: Annoy them not, so as to restrict them. And if they carry (life in their wombs), then spend (your substance) on them until they deliver'. It is very clear. Quran says that if

[Shri Ebrahim Sulaiman Sait]

they have got life in their womb, that is if they are pregnant, the period of iddat is till they deliver and they must be paid maintenance till such time and not beyond. It is unfortunate that the clear injunctions were not considered by the Supreme Court. I have one more very valid point and that is the Supreme Court has thrown to winds all judicial traditions and established conventions. Here it is a case of Krishna Singh-vs-Mathura Ahir. This is AIR 1980 SC 707. This Supreme Court judgement of 1980 says : "The fundamental rights do not touch upon the personal law of parties". "A judge cannot introduce his own concept of modern times but should enforce the law as it is derived from recognised and authoritative source". In this connection I would like to read out to you one para from an Article written by an eminent legal expert Mohammad Isa, advocate, Calcutta High Court :

"The Supreme Court in the case of Krishna Singh-vs-Mathura Ahir (AIR 1980 SC 707) upheld the traditional Hindu Law that a Sodra cannot become a Sanyasi and that this does not violate the fundamental rights because "the fundamental rights guaranteed by Part III of the Constitution do not touch upon the personal law of parties." - But in the case of Md. Ahmed Khan-vs-Shah Bano Begum (AIR 1985 SC 945) the Supreme Court totally disregarded this principle and performed a somersault to deny the Muslim community the right to be governed by their own Personal Law."

Thus it is evident that the recent Judgement has broken all traditions. Sir, the Supreme Court has also gone beyond its terms of reference. What were the terms of reference? Now, while referring this case the Full Bench observed :

"As this case involved substantial

question of law of far reaching consequences, we feel that the decision of this Court in *Bal Tahira V. Ali Hussain Fida Ali Chothia and Anr* (1979 (2) sec. 316) and *Fazlum Bi V. K. Khailar Vali* (1980 (4) sec. 125) require reconsideration because, in our opinion, they are not only in direct contravention of the plain and unambiguous language of S. 121(3)(b) of the Code of Criminal Procedure, 1973 which far from over-riding the Muslim Personal 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 decisions also appear 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 5.2 of the Muslim Personal Law (Shariat) Application Act, 1937—an Act which was not noticed by the aforesaid decisions. we therefore direct that the matter may be placed before the Hon'ble Chief Justice for being heard by a larger Bench consisting of more than three judges."

The Supreme Court seem to have completely ignored this reference.

MR DEPUTY SPEAKER : Please conclude.

SHRI EBRAHIM SULAIMAN SAIT : Sir, one more point and I have done. Without any rhyme or reason the Supreme Court says in the judgment and I am quoting : It is from page 28. It says :

"It is also a matter of regret that Article 44 of our Constitution has remained a dead letter. It provides that the State shall endeavour to secure for the citizens a

uniform civil code throughout the territory of India. There is no evidence of any official activity for framing a common civil code for the country."

This is what the Supreme Court says. Again the Supreme Court judgment says on page 29 of the Judgment.

"Inevitably the role of the reformer has to be assumed by the Court because it is beyond the endurance of the sensitive minds to allowed injustice to be suffered when it is palpable."

I would like to point out thing in this connection which is worth-remembering. When the debate was going on a common civil code, and it was opposed by many of the Muslim members, the Law Minister Dr. Ambedkar replied to the Debate. I am quoting from the debates. He said, "No Government can exercise 'its' power in such a manner as to provoke the Muslim Community to rise in rebellion. I think in would be mad Government if it did so."

"It will again cite from an Affidavit filed by the Government of our country in the Supreme Court, which speaks in unambiguous terms. This is the case of Ms. Shehnaz Shekh V/s Government of India and Others, Writ Petition No. 13451 of 1983 filed in the Supreme Court. Government of India has taken an authentic stand. Our Law Minister Mr. Sen must be aware of this and must be knowing Shri V.R. Atre, who had filed this Affidavit on behalf of the Government of India. It is said in the Affidavit —

"In any event, Directive Principles are not mandatory, and they cannot be enforced."

It is very clear. This has to be taken as the declared policy of the Government. Their policy has been very clearly laid down in the Affidavit filed

in the Supreme Court, which says : I quote again :

"It is the decided policy of the Government that in the matter personal law, applicale to the minority communities, unless the initiative therefor comes from the minority community itself, the Government will not take up any legislation in that field."

Now, the Supreme Court wants to take up the role of a social reformer as it has been said in the Judgment. Under our Constitution, under Articles 13 of Fundamental Rights and 37 of Directive Principles, they have no right and no jurisdiction to do so. It is very clear and this connection, let me quote the famous case of Keshavanada Bharati Vs state of Kerala AIR 193 Sc 1461. It was clearly held that "The Directive Principles are not enforceable by court and that no court can compel the Government to lay down a Uniform civil code as Contemplated by Article 44 of the Constitution of India." But Supreme Court has said something to the contrary.

I am sure all respect the personallty of Maulana Abul Kalam Azad. I want to invite your attention and the attention of the hon. Ministers to what he has said. In the Congress Session of Ramgarh in 1940, ths was what he said. This was the commitment of the Congress Party even before independence. Mulana Abul Kalam Azad said in the Ramgarh Congress Session in 1940 : I am quoting from his Book :

[Translation]

I am a Muslim I feel proud that I am a Muslim. I have got as lepaycy the 1300-year old glorious Islamic traditions. I am not prepared to waste even the smallest part thereof.

The teachings, history, knowledge and arts of Islam, and the Islamic

[Shri Ebrahim Sulaiman Sait]
civilization are my assets and it is my duty to preserve them.

[English]

"I am not prepared at any cost to give up even the smallest part of the *Shariat*, the Muslim Personal Law."

This was what Mulana Abul Kalam Azad said in 1940. And he went on to say...

SHRI K.P. UNNIKRISHNAN :
We should be happy that Sait Saheb has become a follower of the Maulana. But he should also quote what all Maulana said on various other things.

SHRI EBRAHIM SULAIMAN SAIT : This is very important. Please listen to what he said.

[Translation]

The people, who are well aware of the changing times, know that the followers of all religions in the world are inclined to bring about reforms and modifications in their respective religions. This process of bringing about reforms has been going on for the past 300 years. The Christians felt the necessity of introducing reforms because the Orders issued by the Christian religious leaders could not keep pace with the changing times.

[English]

They could not keep pace with the changing times.

And Finally Maulana Abul Kalam Azad said :

[Translation]

But I solemnly affirm that Muslim do not at all need to introduce reforms and modifications in their religion because *Surats* are complete in themselves. There is no scope for any modification or reform in them.

[English]

"It is very clear that *Shariat*, the Muslim Personal Law needs no change whatsoever. It has to remain for ever as it is.

Many members, while supporting the Supreme Court's judgment and opposing Shri Banatwalla's Bill have stated that women have no place under Islam. What an ignorance! They know nothing about it. Islam is the only ideology which has given a position, respect, status and even property rights to women. There is no other system, like Islam, that does all this which gives such prominence, status and position to women. I have got a quotation here from Justice Krishna Iyer about the Islamic Law. He says in his "*Islamic Law in Modern India*" (page 23) :

"A secular and pragmatic approach to the Muslim Law of divorce happily harmonizes with contemporary concept in advanced countries."

Again he says :

"The only system of marital law in India which accepts the ultra modern but responsibly realistic ground of breakdown as against fault is in Islam."

This is what Krishna Iyer says. Finally let me be short and just quote Syed Amir Ali from his famous book "Spirit of Islam". He says; But the teacher who in an age when no country, no system, no community gave any right to women maiden or married, mother or wife, who in a country where the birth of 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".

Now, they say that a common civil code is needed for national integration. But national integration will go to pieces with a common civil code. India is a plural society. It has got so many religions. It is a multi-religious, multi-cultural, and multi-lingual country. Therefore, it is not possible to have absorption or assimilation. It can never work. The other day we presented a memorandum to our Prime Minister Rajiv Gandhi on behalf of Muslim Personal Law Board. I am just quoting from this memorandum. It said,:

"National integration lies in the acceptance of diversity and not in imposing uniformity; it lies in mutual trust and confidence and not in distrust and suspicion. National integration will be strengthened when every religious denomination feels religiously secure and satisfied and convinced that their religion in all its essential aspects is safe and untampered with and that they are free to practise it and their religious identity will be protected against the pressure of assimilation and absorption."

This gives out the correct picture. Not the Supreme Court Judgment. These are the facts. I have quoted the Quran, I have quoted our Constitution and as mentioned by the policies of the Indira Gandhi Government, and about the intentions of parliament to protect Muslims Personal Law. I have also told you what Maulana Azad had said about shariat and personal law of Islam. Considering all these things, the Supreme Court judgment is against the Muslim Personal Law and it is a flagrant violation and misinterpretation of holy Quran the only way to challenge it is to accept Shri Banatwalla's amendment so that Muslim Personal Law may be protected and the Muslim minority can enjoy secularism and the people of this country can have their religious freedom guaranteed under the fundamental rights of our Constitution. If this is not done all the declarations of government will become a farce and the fundamental right guaranteed in the Constitution will have no value whatsoever. Hope under the circumstances Parliament will realise its duty and act.

14.00 hrs.

MR. DEPUTY SPEAKER: The time allotted for the Bill is already over. It is going to be 4.15. We have already extended once by one hour and for the second time by three hours. We have had a total of six hours. By how many more hours can we extend it now?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI GULAM NABI AZAD): By two hours.

MR. DEPUTY SPEAKER: All right.

translation

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS AND IN THE MINISTRY OF HOME AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : Hon. Deputy Speaker, Sir, I am thankful to you for giving me an opportunity to speak on this Bill. Before, I begin, I would like to say that this is an area of law, of *Shariat*, of *Fiqha* (Islamic Scriptures), where no opinion can be given easily or casually. When I rise to speak, I do not at all claim that there is an element of finality in whatever I am going to say. But one thing I must say that since Shri Sait repeatedly said that he was quoting from the Holy Quran and that other Scriptures could also be quoted, I assure you that I shall quote from nothing but the Holy Quran and the *Hadis* and should I happen to refer to any other source, I request the hon. Members not to take such references into consideration at all. But I would certainly like to quote from the Holy Quran and the *Hadis*. I understand that Shri Banatwalla's Bill is based on the judgement of the Supreme Court about which Banatwalla Sahib and a number of other hon. Members feel that it is an assault on the Muslim Personal Law or an interference with it.

So far as a uniform civil code is concerned, the Government have made their stand clear not once but repeatedly and I do not think any further clarification is needed in that respect. After the Supreme Court judgement, the Prime Minister had made a statement. A woman had approached the Supreme Court seeking remedy under the Criminal Procedure Code. If under that provision the court considered that she had a right, the court might grant justice to her, and if the court considered that she had no right, the court might not grant that, and if the Court considered that she was not covered by that provision, the court could give its opinion accordingly. However, the Supreme Court went a step further and gave its opinion about a uniform civil code also. But, since the Supreme Court has no power to frame a uniform civil code, it simply gave its opinion. After the judgement of the Supreme court, when the Prime Minister made a statement

clarifying the position on behalf of Government, I think that meant that we had rejected that opinion. There is, thus, no further scope for discussion on a uniform civil code. I am saying this because sometimes certain statements in the matter of religion are made in such a manner as to arouse sentiments. If we go on telling and arousing the sentiments of the common man, who does not fully understand the law, that the *Shariat* Law and its interpretation is being interfered with and, as Sait Sahib was saying, that this law was a law revealed, then it is bound to arouse his sentiments. Only two weeks ago, while speaking on this subject, Shri Daga said certain things—I would not say that he has not studied it properly, he is a senior Member of this House—but even if he has studied, he has not been able to depict a true picture of Islam. What he spoke led Shri Sait, Shri Banatwalla and Shri Owaisi to be on their legs together and say emphatically that the House was being used as a forum for arousing sentiments. Believe me, I also did not like whatever he said, but did not evince those very feelings; my feeling is that we have been living in this country together for centuries, we follow different religions, and about the religion which we follow, what its true picture is, what its true teachings are, what its real message is, we have not been able to apprise our brethren of this country till today. We have been lacking somewhere; we have lagged far behind in doing our duty in that we have not been able to tell them so far what Islam in the true sense is. But at present so far as this Bill is concerned, the only thing worth consideration is that a uniform civil code or the question of fundamental Rights is not a subject of this debate. Government's stand on them is very clear. The point which needs consideration is whether the Supreme Court judgement affects the Law of *Shariat*? I would go a step further and say that the Supreme Court Judgement could be in just one individual case, and just about two months back, the Chief Justice of India issued a statement that the Judges of the Supreme Court were after all human beings and they could also err in their understanding, they could also misinterpret a certain

law ; therefore, we leave aside this judgement of the Supreme Court also. The basic question is whether Islamic teachings, Islamic Law and the intention of Islamic Law are in any way affected by Sections 125 and 127 of the Criminal Procedure Code and if so, the apprehension is well-founded in that regard. But, as I have already submitted nothing should be looked at emotionally. I think time and again it has been decreed that we should try to understand the Quran. (Interruptions) I would not be able to refer to the *Aayat* text in Arabic, but would, perhaps, be able to refer to its translation, and say that we have been ordained not to understand religion from any other source but to understand it by reading the text, and to practise it in life. (Interruptions).

First, let us see what the provision of the criminal Procedure Code is. The Criminal Procedure Code provides that a woman, who has been divorced but who is without any means of subsistence, who is not capable of making a living, has a right to maintenance allowance from her former husband. From which husband ? From one who is competent and has means and resources. This provision of the Criminal Procedure Code does not apply indiscriminately to every husband and wife who are separated from each other, but rather this provision is for those women only who have no means of subsistence, who are also not capable of making a living.

16.09 hrs.

[SHRI SOMNATH RATH in the Chair]

It is for them only. To my mind, what we have to see is that this provision is meant only for those women who are totally destitute, who have no means of subsistence, who cannot keep their body and soul together—only such women would be called destitutes only for them. And I repeat it is only for such women who have no means of subsistence.

PROF. SAIFUDDIN SOZ (Bara-mulla) : This is your own interpretation...

(Interruptions)..... I have no dispute, just listen to me.....(Interruptions)

SHRI ARIF MOHAMMAD KHAN : Please keep calm; I am explaining it. What was the objective behind the provision of the Criminal Procedure Code ? I would read it out, if you so desire, but it is not necessary. We have already discussed it a number of times. The question now is whether the *Shariat* Law enjoins any responsibility on the ex-husband in regard to a woman in question, i.e., a woman who has been divorced. This, I think, is a fundamental question which needs to be looked at from a juristic angle. I have already said that when a woman has no means of subsistence, nor the capability of making a living, if she, under the secular laws of some other country, gets maintenance from her ex-husband, who has been compelled to do so, then the point is whether the Islamic Law is affected by it. I think we shall have to look at both these aspects.

SHRI OWAISI (Hyderabad) : What is your opinion ?

SHRI ARIF MOHAMMAD KHAN : I am coming to that. Whatever be my understanding of it, in this matter I shall depend on the *Ayats* of the Holy Quran. Thereafter, we would decide. I have listened to the speeches of two of the hon. Members of our party. They too said that the *Sura-e-Bakr* is not related to the cases of divorce. I was astonished to listen to hon. Shri Sait, but I cannot challenge him, he being a more learned person; he is also senior to me in age. But then, there is the translation rendered by Maulana Abdul Majid Dariyabadi, which has the approval of Rabta-e-Alak Islami, and then there is another translation by Yusuf Ali Maulana Azad also, but I would begin with Maulana Abdul Majid Dariyabadi. I now come to the *Ayats* of the Quran that would enlighten us, if we want to be so enlightened by the instructions of the *Ayats* in the matter of divorce. I would not refer to one *Ayats* alone, but still we should check up from the Index from where the light should be

[Shri Arif Mohammed Khan]

derived. Shri Sati has called the first Surat as irrelevant to the issue. This is the Surat which has been mentioned first of all. Now, you count the *Ayats* in Surat-II-228, 229, 230, 231, 236, 237, 241 and 227 is also there—there are about nine *Ayats* in all in *Sura-e-Bakr* about divorce on which Shri Sait opines that these are not very much related to divorce.

SHRI G. M. BANATWALLA :
Divorce or Matta is not in question, my Bill is on maintenance.

SHRI ARIF MOHAMMAD KHAN :
Then there is another *Surat*, *Surat-65* containing *Ayats* from one to seven. Then there is *Ayats-4* in *Surat-e-Nis* which has been more emphasized it is related to divorce. There is a mention of *Sura-e-Ahjab* In *Surat-33*, there is *Ayats-28*, included in the index. I have also gone through Maulana Abdul Majid Dariyabadi—the position there is almost the same as is obtaining elsewhere.

Now I come to the question of divorce, *Mehr* and the issue of maintenance connected with it. These cannot be seen in isolation. These should be viewed from the point of view what duties are enjoined upon the husband in respect of a divorced woman. It will be viewed from this angle. This may appear to be irrelevant to begin with, but I am mentioning it because the arguments which I am going to advance are relevant. Mention has been here of *Mehr* repeatedly. There is a line in the Supreme Court judgement which seems to imply that in Islam, the position of a woman has been shown as a degraded one. I have laid my hands on several authorities. I wanted to quote all those authorities which show the real status of woman in Islam, the status of equality, which put end to cruelty and excesses. Since Shri Sait has put a restriction, I would not go into those details, but am confining myself to the Quran and the *Hadis*, although I have with me the view of *Spirit of Islam* by Aneer Ali and *Woman and Islam* by M. Zahiruddin and others. I need not go into what practices were prevalent here,

how after birth a female child was buried alive, how women had no rights, how Islam started a crusade against these practices and secured for women a status in society. The Prophet went to the extent of saying that the *Hadis Sharif* ordained that in the case of one who had a daughter, and who nurtured and brought her up well—this was up to three daughters—educated them, made them cultured and taught them knowledge of crafts, between him and hell shall he stand, i.e. for him the fires of Hell shall be forbidden. Why do I say all this? If we accept it basically that Islam does not recognize the rights of women, then we shall have to accept that all these things in the *Shariat* concerning women's rights, should be done away with. Our Government stand committed to it. Our Government talk neither of a uniform code, nor of interference with the Muslim Personal Law. That is why I say let us know the basics of it, from what angle Islam looks at women, how it has raised the status of women, how Islam fostered a sense of pride in having a daughter born in a society where they used to be buried and regarded as a shame upon the house. Where a woman, a girl, has been elevated to this position of prestige, we shall have to see whether this prestigious position is to obtain only for upbringing or it will continue for the entire life after marriage, we have to see it. In this connection, I was saying that with marriage is linked *Mehr* and *Mehr* is obligatory under the Muslim Law. The proposed Bill provides that where a sum has been paid under the customary or personal law, that woman will have no right to ask for maintenance, but the amount of money so given will not be questioned in a court of law. Sait Sahib has agreed to 'one time transaction', what Abdullah Yusuf Ali calls 'maintenance'. I have quoted Abdul Majid Dariyabadi. He has gone beyond that. Sait Sahib had said 'One-time transaction'. I say that if the 'one-time transaction' is such that the woman can keep her body and soul together, have a roof over her head, can make both ends meet, then that women would automatically be deprived of going to the Court, for, under the Criminal procedure Code, only that woman can go to the Court to

seek maintenance who has no means to support herself. If a woman has been given a large sum as *Mehr*, and if the husband says that a *Mehr*, of Rs. 5 lakhs has been given which brings so much of income annually, then how can such a woman be called a destitute? Therefore, the provision of the Criminal Procedure Code itself is clear about it that such a woman will have no right. The provision of the Criminal Procedure Code is only for those woman who are without any means which, as I take it, may also include a case where she has no parents, perhaps no brother too, and even if there be one, he is not prepared to support her. My aim in saying so repeatedly is that we shall have to proceed with this distinction, this difference as to what the provision really is. Coming to *Mehr*, *Mehr* has no relation with divorce. It is wrong that it so obtained in practice that it came to be of two kinds—one, prompt Dower, the other, deferred Dower.

According to Islam—

[English]

—*Mehr* is a sum of money or that property which the wife is entitled to receive from the husband in consideration of marriage. Nothing to do whatsoever with divorce.

[Translation]

It is only related to marriage. I want to draw your attention to the Shariat Act. When is this *Mehr* confirmed? The *Mehr* is no doubt agreed to, but when is confirmed?

[English]

- (1) *Mehr* confirmed by consummation of the marriage,
- (2) by a valid retirement.

[Translation]

Which is called '*Khalvate Sahih*'.

[English]

Without going into the details, whether consummation of marriage has taken

place or not, if there was a valid retirement even then the woman becomes entitled to—

- (3) *Mehr* by the death of the husband or the wife.

[Translation]

These are the three conditions under which *Mehr* is duly confirmed to be paid. The *Encyclopaedia of Islam* says that,

[English]

It belongs absolutely to the wife.

[Translation]

It is her personal property. The idea behind it is that she leaves her home to join another. She must have so much means—

[English]

“—which she can operate independently of her husband and in-laws”.

[Translation]

She should have money at her disposal to meet her needs. This is what Islam contemplates. In this connection, it has been said :

[English]

“*Mehr* was used by the prophets to ameliorate the position of wife in Islam and it became a settlement for wife. Mr. Justice Mohamood defined *Mehr* as—

“Under the Mohammadan Law *Mehr* is a sum of money or other property promised by the husband to be paid or delivered to the wife in consideration of the marriage and even where no *Dawar* is expressly fixed or mentioned at the time of the marriage something in law confers the right of *Dawar* on the wife”.

[Translation]

Even if *Mehr* is not mentioned in the *Nikahnama*, the woman shall be entitled to *Mehr* according to her social and financial position. In Abdul Quadir's case of 1866, it has been decided :

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[English]

"It is not consideration in the modern sense of the term, but an obligation imposed by the law upon the husband as a mark of respect to the wife. This is made abundantly clear by the author of *Hidaya* in their 'Sources of the Law' that the payment of the Dower is enjoined by Law merely as a token of respect for the woman. We, therefore, conclude that mentioning it is not absolutely essential to the validity of the marriage.

[Translation]

SHRI G.M. BANATWALLA : Do you consider *Hidaya* authoritative or not ? But you said you would only refer to the Quran and the Hadis . . . (Interruptions)

SHRI ARIF MOHAMMAD KHAN : But I had added that you should not consider anything which I might quote from sources other than the Quran the *Hadis*. I regard them all authoritative, but Shri Sait has put a restriction on me. That was why I had said that I would quote the Quran and the *Hadis* only . . . (Interruptions)

SHRI G.M. BANATWALLA : The *Hidaya* is very ancient; do you agree to it ?

SHRI ARIF MOHAMMAD KHAN : The Quran is the basis of everything . . . (Interruptions) Sir, this is the only difference in the entire approach. Shri Banatwalla says we should read, but as I said at the very outset, I was fully conscious of my limitations. You continue to be the spokesman, I do not wish to be one, for, I am fully conscious of my limitations. I had said in the very beginning that this was a highly sensitive subject; I must speak on it; but I would not claim that there is an element of finality in what I say. I congratulate you on your conright, it is tining to be a spokesman.....

SHRI G.M. BANATWALLA : All not even for him to be so.

SHRI ARIF MOHAMMAD KHAN : Sir, Abdullah Yusuf Ali in his translation in *Ayat* 4, *Surat* 4 says :

[English]

"And give the women on their marriage their Dower as a free gift, but if they of their own good pleasure, remit any part of it, take it and enjoy it—with right good cheer."

[Translation]

PROF. SAIFUDDIN SOZ : Where is the difference of opinion in it.....

SHRI ARIF MOHAMMAD KHAN: By saying all this, I mean to emphasize that *Mehr* is out of respect, *Mehr* is a birdal gift, and has no relation with divorce at all; *Mehr* is related to marriage only, it has no relation with divorce. If you associate it with divorce, then we would not be doing justice with this law, this is all I mean to say.

Maulana Azad's translation is as under :

[English]

"offer the women their Dower ungrudgingly since they have a right to it, but if of their own free will they give back a part thereof to you, then make use of it as you will."

[Translation]

I say this repeatedly so that you may understand it. Now, Sir, after I have clarified so far from translations of the Quran and made clear the meaning of *Mehr* and its interpretation in the Islamic Law, I would like to come to the provision about divorce. As I said earlier, as regards the *Surats* and *Aayats* dealing with divorce—Shri Abdullah Yusuf Ali's translation, which was also used by the Supreme Court, that is the translation of 241—I would like to read out the translation of 228.

[English]

"Divorced women shall wait concerning themselves for three monthly periods. Nor is it lawful for them to hide what God hath created in their

wombs if they have the faith in the God and the last day their husbands have the better right to take them back in that period if they wish reconciliation."

[Translation]

Now, I would like to read out what Maulana Abdul Majid Dariyabadi says in this regard :

[English]

"And the divorced women shall keep themselves in waiting for three courses—nor is it allowed to them that they should conceal what Allah has created in their wombs if they believe in Allah and the last day their husbands are more entitled to their restoration during the same if they seek rectification."

Then it is further said :

"And if they resolve on a divorce, then they should not forget the fact of their having decided upon—suppression will not go unnoticed by God if he heareth and knoweth."

[Translation]

Sir, I have read out these *Aayats* as they are all related to divorce.

Besides, I would like to read the first *Aayat Sura-e-Talaq* in which it has been stated that :—

[English]

"When ye who divorce women, divorce them at their prescribed period and count accurately their prescribed period, and fear God or Lord and turn them not out of their houses, nor shall they themselves leave."

[Translation]

This relates to the post-divorce period. What is being said here is that when you

have to divorce, the period of divorce should start from the period of purity. During this period, the husband and the wife should not live in isolation from each other, rather, they should have a satisfaction to come closer. At such a time, when you have come to a conclusion that you cannot live together, that you cannot maintain the limits set by the Almighty and that you have to separate from each other, then what should be the course of divorce in such a situation? The course is that it would be effective only after three months when the divorce is pronounced in the third month. The method of divorce prevailing today as also the method adopted by the gentlemen whose spouse had knocked at the door of the Supreme Court has not been envisaged in the Quran.

Sir, when the first Law Commission was constituted in Pakistan, it was also confronted with the question whether this method of divorce is justified or not. It has been said in this connection that "when a husband pronounces *Talaq* to his wife thrice in the same breath, it is counted to be *Talaq* only once and not thrice according to Rasulluallah Salallahu Alahe Wasallam, Abu Bakr Siddiq and Omar Ibne Kkattab." Divorce becomes effective only after it is pronounced thrice. But if a husband pronounces *Talaq* thrice in the same breath, it was not counted as pronounced thrice but was counted to be pronounced only once, during the days of the said Abu Bakr and during the days of Abaile Khilafat i.e. the earlier period of the caliphate of Hazrat Omar. "At that time this method was prevalent but it underwent some changes in the course of time. Despite this, Omar Ibne Khattab ordained this *Talaq* as *Taluq-e-Baeen* as if it had the meaning of Three *Talaqs* as per the words of the husband," in that context. As at present, the whole of *Shariat* is seen with great respect. Ours is a country where the people have regard not only for their own religion but for the religions of others too. But, I think it is not proper to misinterpret a thing. It has to be seen what *Shariat* is. Shri Hidayatullah, in his introduction to Mulla's *Mohammedan Law*, which is considered the

[Shri Arif Mohammad Khan]

most authoritative text in the Courts, says :

[English]

"According to the classical belief of the Muslims the word of God is law and law is the command of God. This law is known as *Shariat*, *Fiqha*, which is jurisprudential in character is the ascertainment of the right principle. In the word of God is included, of course, the Koran, but the Divinely inspired *Sunna* of the prophet ranks equal. These two are immutable and the only room for the exercise of human reason is in their understanding."

[Translation]

But, apart from this, there are a number of laws different from the Quran and the *Sunna* which are not directly based on the Quran and the *Sunna*. For example, the prevalent method of giving divorce by pronouncing 'Talaq' thrice is not approved by the Quran. The method was not in the days of the Prophet. It was also not prevalent during the days of Abu Siddiq. Now, I say it is an irony of fate that Omar Ibne Khattab had permitted it only because the people knew that pronouncing Talaq thrice would be treated as one count. Therefore, the husband divorced thrice. Thereafter the woman got frightened and her rights were got transferred to his own name. Then, as per the order he knew that that would be counted only as one, therefore, he re-established contacts with the woman. He followed the style pronounced in the Quran—do not force out the woman, live with her in the same style, behave with her properly, for Allah may create such circumstances as may help you meet again. When the third month approaches, the husband pronounces divorce for the third time, and the divorce then would become effective.

Hazrat Omar Ibne Khattab made this provision to protect the rights of the women and to instil a feeling of fear in those using it as a threat, that if they pronounced *Talaq* thrice, the divorce

would become effective. But, with the passage of time, the provision made for the women was used by the menfolk for their own benefit. I do not call it 'non-Islamic' method, but surely no such provision exists in the Quran for adoption of such method. But I have never heard it from any guardian of law that this method finds no mention in the Quran and, therefore, should be discarded.

I was speaking about these procedures. "Despite this, Omar Ibne Khattab ordained this *Talaq* as *Talaq-e-Baeen* as if it had the meaning of three *Talaqs* as per the words of husband." The reason was that when Hazrat Omar Ibne Khattab noticed that the people made a mockery of this divorce and such divorces were being made in large number, he introduced this change with a view to punishing them and forbidding them from following this bad habit.

Hazrat Omar Ibne Khattab, as per the needs of his times, made changes in the course propounded by the Quran, Rasul and Hazrat Abu Bakr Siddiq. At that time he noticed the evil spreading and did so to check the evil.

Some Islamic scholars did not consider it better in view of the conditions prevailing in their times and thought it proper to incline towards *Sunnat-e-Nabwi* as per the principles of *Tagayur-e-Islam*. The following is an extract from the proceedings of the Law Commission of Pakistan :—

"An eminent scholar commented on this provision and said that this provision made by Omar is like an emergency commandment."

This is an emergency provision which we have adopted in our life today. There is no objection to it because it provides freedom to the man and so it does not affect the law. But if a provision is made for a woman the dignity of whom has been emphasised by Islam, who is a destitute, to enable her to keep her body and soul together then the Islamic law is affected. But it has never been said

that this *Talaq-e-Baeen* which has never been envisaged in the Quran, affects the Islamic law.

This is what the Commission says :

[English]

“It is essential that this divorce should be followed by two further pronouncements in two subsequent *Tohars*.

[Translation]

If after keeping the wife for three months during the period of purity and during the period when both of them may have attraction also for each other they arrive at the conclusion that they cannot live together, there is recourse to divorce. But to say *talaq* thrice in the same breath—I am not saying that it is un-Islamic—is not in any way related to the Quran, it has not been envisaged in the Quran.

The most interesting quotation is :—

[English]

“And it is authentically reported by Ibn-e-Qayyum that Khalif Omar was extremely sorry to have allowed it even as an emergency measure” — IGHASATULLAHAN P. 151).

[Translation]

During the last moments, he felt extremely sorry to have allowed such a type of divorce Abdul Rahim has called it an innovation. What I mean to say is that Shri Sait was saying that the *Shariat* was ‘revealed’. But this particular portion of the *Shariat* is not ‘revealed’. Let us get it surveyed on how many of those who have divorced their wives have followed the provision of the Quran. You may get it surveyed how many people have knowledge about the method of divorce enshrined in the Quran.

...(Interruptions)

I feel that if there was some guardian of this law, he should have felt concerned

about the fact that Islamic law was being affected by the wrong use of the emergency commandment that had been issued and that this adversely affected their image. The guardians of law protest only when they are told to shoulder certain responsibility. There may be any number of rights. Everybody is eager to have each and every right. A husband can turn out his wife just in one minute and in the next minute he can change his decision, but when he is asked to shoulder responsibility, he would ask, “What responsibility?”

As I have said earlier, I think there is no doubt about the sanctity of the position of woman, her status, and her rights, under the Islamic Law, and all this has to be particularly kept in mind. As I said earlier, the women were leading a life of humiliation and inferiority. That was what I meant. Now if we have to discharge our responsibility towards her, what would be our attitude?

The translation of *Surat* 229 by Abdullah Yusuf is as follows :

[English]

“A return to each other is permissible even after divorce has been pronounced twice (in two successive months). Thereafter two ways are open before the husbands—an honourable retention or a graceful parting (after the pronouncement of divorce for the third time in the third month). And it shall not be proper for you while divorcing your wives to take away anything out of what you have given them.”

[Translation]

What is the option after two months? There are two alternatives—one is an honourable retention and the other is a graceful parting. It is not that she should be kicked out of the house. Either retain her honourably or let her part gracefully.

I would quote *Surat* 230 later on. Now I come to *Surat* 231. The translation which I have quoted just now has

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been done by Maulana Azad and *Surat* 231, which I am going to quote now is also the rendering of Maulana Azad.

[*English*]

“When you have divorced your wife and the period of waiting is nearing its end, you have only two ways open to you, either retain them with due propriety or walk from them with propriety.”

[*Translation*]

This is the translation by Maulana Azad. The question arises as to what is the meaning of ‘propriety’ and ‘kindness’, which have been emphasised? This is the crux of the matter. The Holy Quran repeatedly says that it should not be that a husband should part with his wife when arrives at this conclusion. It could be very easily said that the wife should be separated but the Holy Quran did not say that. It says that she should be separated with kindness. Maulana Majid Dariyabadi speaks about that as follows, (which is the translation of *Surat* 229)—

[*English*]

“Divorce is twice. Thereafter either retain her honourably or release her kindly, and it is not allowed to take away all of what you have given to them.”

Translation of *Surat* 231 is like this :

[*English*]

“When you have divorced them, either retain them honourably or release them kindly.”

[*Translation*]

Now, it is worth consideration that the subject matter of both the *Surats*, i.e., 229 and 231 is the same. After all, what was the need for this repetition? It could easily be said that when you have reached a conclusion that you cannot live together, then part with her. But it has been stressed in *Surat* 229 that either retain her honourably or let

her part gracefully. In *Surat* 231 also, stress has been laid on same thing. Now, there are two ways before you—either retain her honourably or let her part gracefully. In this connection, Maulana Majid Dariyabadi says :

[*English*]

“This is for a second time that husbands are enjoined to behave towards their wives honourably.”

[*Translation*]

Who is this wife? This is the same woman whom one has divorced whom one is releasing. A stress has been laid on it.

[*English*]

“This is for the second time that husbands are enjoined to behave towards their wives honourably and generously, whether they retain them or divorce them. The duty to be kind, fair and chivalrous towards the wife is not contingent on something else; it is unconditional.”

[*Translation*]

Even if the woman is at fault, even if you have reached the conclusion that divorce is being sought for this reason, yet she should be treated with kind heartedness and this kind heartedness towards her is not conditional, it is obligatory. And why is it so? This is so because divorce in Islam has not been envisaged as a punishment to a woman. The concept of divorce as envisaged in Islam is that if you are unable to maintain those bounds, if you are unable to maintain those limits ordained by the Almighty, and you have incompatibility—

[*English*]

—Then, in order to bring peace to yourself and to her.....

[*Translation*]

The concept of punishment is not there in the Holy Quran. It has therefore been repeatedly emphasised..

{*Interruptions*}

THE MINISTER OF STATE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI Z.R. ANSARI) : Are you praising his speech or the provisions of the Quran ?

SHRI BHAGWAT JHA AZAD (Bhagalpur) : That responsibility is yours. I am praising him.

SHRI ARIF MOHAMMAD KHAN : Now I am coming to that *Aayat* whose translation has been done by Abdullah Yusuf Ali or someone else and which has been quoted by the Supreme Court. It is the translation by Abdullah Yusuf Ali : Sait Sahib says that the Supreme Court has wrongly interpreted it. My personal and purely personal view is that the Supreme Court need not have gone into it. A woman had gone to seek justice under the Cr.P.C. Earlier, many judgements had been delivered about this. Had the Supreme Court shown some judicial discretion, such a big controversy would not have arisen. There was no need for it at all. Many judgements had been delivered earlier. Justice Khalid has delivered a judgement. Justice Murtaza Fazl Ali, who referred this case, has given a judgement. It is being said repeatedly that Muslim Judges should have the right to decide such cases. The Muslim Judges of the Supreme Court have also delivered judgements but I do not want to go into that. But since it is being said that this *Aayat* has been wrongly interpreted, I would like to quote the translation of Abdullah Yusuf Ali in this connection.

[English]

Abdullah Yusuf Ali Said : "For divorced women maintenance should be provided on a reasonable scale. This is a duty on the righteous."

SHRI Z.R. ANSARI : From which portion are you reading ?

[Translation]

SHRI ARIF MOHAMMAD KHAN : The word is *Matta*. As Mr. Sait has said, the word *Matta* has been variously interpreted at different places. I do not feel

anyone would have any objection to the meaning given by Shri Sait. Even this House will have no objection if a lump sum of money is deposited as a one-time transaction in her name with which she may be able to maintain herself for the rest of her life. Who can object to it ? What does reasonable scale mean ? I feel there should be no objection to it. The basic point is that there should be no vagrancy. It is the duty of the State, the duty of the Government to see what arrangement has to be made for the destitute women who cannot maintain themselves. Even in an Islamic State, a murderer is sent to jail only for this reason that he has committed a murder. But he is not starved in the jail. When arrangements are made for even a murderer, why not for a woman who might have been at fault. I do not accept the other translation. I accept only your translation :

[English]

"Let it be one-time transaction but let it be in a handsome manner and let it be adequate to sustain her for life or till she remarries."

[Translation]

I have no objection. The basic point is not that a postman should bring money order on the first of every month. The basic point is that the woman who has no source of livelihood should not be thrown on the street. (Interruptions)

This is not my opinion. In this connection, I would quote again the Pakistan Law Commission. I am just mentioning here the opinion of the Commission. The Government may or may not accept it, that is a different thing. (Interruptions) I do not have any direct information from Pakistan

I can get some information from whatever papers are available with me. I do not have any direct information. I mean the documents of the Commission which included Dr. Khalifa Shujauddin, Dr. Khalifa Abdul Hakim, Maulana Ahsanul Haq, Mr. Inayatullah, Begum

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Shahnawaz, Begum Anwar Ahmed, Begum Shamshulnihar Mahmood. The question before the Commission was :

[English]

“Should it be open to a matrimonial and family law court when approached to lay down that a husband shall pay the maintenance to the divorced wife for life or till her remarriage ?”

This was the specific question which was posed to the Commission. What is the opinion of the Commission ? The Commission opines that such a discretion should be vested in the matrimonial court.

[Translation]

This was such a Commission which consisted of jurists as well as religious scholars. I did not say whether it was accepted or not. That is a different matter. But what the Commission has opined is that : (Interruptions)

I now come to 241. I have said so because the Commission is of the opinion that the Courts should have the right to see that the women are not thrown on the street.

[English]

“And 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.”

PROF. N.G. RANGA : Does it apply to Pakistan ?

[Translation]

SHRI ARIF MOHAMMAD KHAN : What is the translation of the *Ayat* ? According to Abdullah Yusuf Ali,

[English]

“For divorced women maintenance should be provided on a reasonable scale. This is a duty on the righteous.”

[Translation]

Should I tell you the meaning of *Matta* ? As I have said, I have no objection to ‘one time transaction’. One thing more has been said that the word *Muttakeen* has been used in this case. This is the duty cast on *Muttakeen* and not on *Musalmeen*. (Interruptions) *Muttakeen* means more religious, God-Fearing. Maulana Azad has translated it like this : A man who could discriminate between what is good and what is bad, a man who can discriminate between what is useful and what is harmful”, but on this some guardians of the Muslim Personal Law said that it relates to *Muttakeen* and not *Musalmeen*. The Holy Quran begins with : “*Alif lam meen jalikal kitab, la-ia bafih hudalleel Muttakeenal lazina*”—if the Quran is for the *Muttakeen*, then which Quran do they follow ? The Quran says that it shows light to the *Muttakeen*, but in the Supreme Court, it was as hed in defence “Who would decide about it ?” It is easy for Banatwalla Sahib to say, as he said, if you have read it, then quote it. Then, of course he can be one of the *Muttakeens*. (Interruptions) Who will decide it ? It is for him to do. The translation of Maulana Abdul Majid Dariyabadi is :

[English]

“And for the divorced women an honourable present.....”

[Translation]

.....(Interruptions)..... He has not used the word ‘main‘enance’ I have already said that personally ‘one time transaction’ is acceptable. The only thing is that if a woman came lead her life well, nobody can have any objection. The question is not whether she may be paid maintenance or she should be given a lumpsum amount. The basic thing is that she should not be thrown on the street. There should be some arrangement so that she could sustain

herself. The only thing is that she should be able to keep her body and soul together. The Maulana has translated thus :

[*English*]

And for the divorced women an honourable present.

Incumbent on God fearing,

[*Translation*]

Mr. Speaker, Sir I want to draw the attention of Sait Sahib through you, that a gentleman has said about the Muslim Personal Law that the husband has not been enjoined to make provision for this wife. It is for her father, brother(*Interruptions*) Maulana Abdul Majid Dariyabadi says—

[*English*]

And for the divorced women an honourable present : 617

Incumbent on God fearing. (617: made by their husbands) And for the divorced women there shall be a provision of necessities with moderation, or right and just aim and beneficence. And for the divorced women, let there be a fair provision. This is an obligation on those who are mindful of God.

[*Translation*]

What more could the Quran say than that there shall be a provision for a woman? Similarly, Maulana Azad says :—

[*English*]

Although the provisions touching marriage and divorce have been already stated, Quran takes occasion to re-emphasize that proper consideration should be shown to the divorced woman in every circumstance.

[*Translation*]

In this connection, it has been said that there should be some consideration

for the woman, whatever the circumstances. The Holy Quran wants to emphasize it, that is why this has been said again, Maulana Azad says :—

[*English*]

This call was based on the reason that she was comparatively weaker than man and her interests needed to be properly safeguarded.

[*Translation*]

This has been repeated again and emphasized so that her interest could be safeguarded. This is the interpretation by Maulana Azad.

Now, I want to go back to what I was saying earlier. It has been said that it is 'one time transaction'. I am very happy about 'one time transaction', otherwise Sait Sahib, people are not agreeable even to 'one time transaction'. They are saying it is for *Iddat*. I have discussed this not with one or two but with tens of persons. Only yesterday, I had a talk with a member of my party who says that this provision is only for the period of *Iddat*. I am very happy that Sait Sahib has said that this is 'one time provision'. I agree with him. I will also say that one time provision is all right if such a provision could be made. I would like to come to the other point. It is being said that it is only for the period of *Iddat*. It is the responsibility of the husband to maintain his wife only for the period of *Iddat*. This is in order, that they may feel attracted towards each other and come together. It is ordained that she should not be turned out, she should be retained, she should be kept in the same style as lived by the husband .. (*Interruptions*) Yes, I am also referring to *Iddat*. I say that *Iddat* has been dealt with separately.

Many people say that the provision or maintenance or gift or present under 241 is only for the period of *Iddat*. What is *Iddat*?

17.00 hrs.

The period of *Iddat* is three months and in the case of a pregnant woman, the period of *Iddat* will be till delivery. I

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want to draw specifically the attention of Shri Banatwalla, through you, Sir, to marriages where *Iddat* is not applicable.

SHRI G. M. BANATWALLA : I am quite attentive. Should I go on pointing out the misgivings to you?

SHRI ARIF MOHAMMAD KHAN : You will get a chance for that. Sir, what does the Holy Quran say about those marriages where the period of *Iddat* does not apply in case of divorce. We shall then be able to differentiate whether this provision is for *Iddat* or other than *Iddat*. In such marriages where the provision of *Iddat* does not apply, there should be no concept of gift there. Now, I come to such marriages, *Sura-a-Bakr*, *Aayat* 236, *Surat* 2 —

[English]

There is no blame on you if you divorce woman while yet you have not touched them nor settled with them a settlement. Benefit them on the affluent is due according to his means and on the straitened is due according to his means; an honourable present incumbent on the well-doers.

[Translation]

What is this case? This is the case where the sum of *Mehr* may not have been settled for the woman, where the marriage may not have been consummated but the woman has been divorced. In such a case there is no *Iddat*, that woman will not have to wait, she may marry that very evening or the next day, there is no period of *Iddat*. The period of *Iddat* means three months' wait. Maintenance has to be provided for that period. Even if she is not to wait, it has been ordained—'benefit them'. The rich should give benefit according to his status and the poor should provide benefit according to his means. Now, in the other cases, where *Iddat* is not due, but *Mehr* has been settled what happens? In that case, *Surat* 2. *Aayat* 237 :—

[English]

"And if you divorce them before you have touched them but have already settled with them a settlement then due from you is half of what you have settled unless the wives forgo or he in whose hand is the wedding not forgoes and that you should forgo is higher to piety. And do not forget grace among yourselves surely Allah is the beholder of what you do."

[Translation]

It was translated as :

[English]

"Present them with a gift in place of dower".

[Translation]

It is where *Mehr* has not been settled. Words used where :—

[English]

"He gave her a gift after divorce".

[Translation]

No period of *Iddat* is involved, but a provision of gift has been made for her(Interruptions)

[English]

The law declares that in such a case half the dower fixed shall be paid by the man to the women,

[Translation]

It is in the case of a woman where the *Mehr* was settled but the marriage was not consummated and she was divorced, It has been made obligatory under the law that whatever *Mehr* has been settled, half of that would have to be given. I want to tell you now what has been stated further.

[English]

"But it is open to the women to remit the half due to her or to the man to remit the half which he is entitled to deduct and thus pay the whole."

[Translation]

The word 'Piety' has been used. The man has been instructed that half of whatever amount has been settled should be given. It is a different matter if a woman wants to forgo that. But it will be better for you if you make full payment. This is the provision :

[English]

".....Him in whose hands is the marriage tie ! According to Hanafi doctrine, this is the husband himself, who can dissolve the marriage. It, therefore, behoves him to be all the more liberal to the woman and pay her the full dower even if the marriage was not consummated."

[Translation]

When even in the case of a marriage which has not been consummated, the husband has been ordained to be all the more liberal to the woman and to pay her the full *Mehr* then what will become of that woman who has been living with him for thirty years? What is the reason for being displeased with her ? Such liberal provisions are there in this religion. It is not proper to distort this. The women were weak and exploited and used to leading a life of inferiority. It was the crusade of Islam to secure equal rights for all. Now, it is being directed against the teachings and spirit of Islam. Now I would like to quote from *Bukhari Sharif*. (Interruptions) I also visited Madina University along with two or three persons. The Vice Chancellor of Madina University had presented these copies of *Bukhari Sharif* to me. It is not an edition of the kind to be so dubbed as from where it has been brought. (Interruptions)

[English]

"About the gift given by a husband to a divorced lady for whom *Mehr* has been fixed by virtue of the statement of Allah .."

[Translation]

That is to say, that the statement of Allah is what is there in the Quran; and

after all, what is the statement of Allah ? For this *Surat* 236 and 237 of *Sura-e-Bakr* says :

[English]

"There is no blame....."

[Translation]

I have read that for you already. In *Surats* 241 and 242 also there are further references to it.

I want to repeat these things here because it is said that those *Ayats* of *Sura-e-Bakr* have been utilised for the judgement out of context. Here *Bukhari Sharif*, while dealing with the same chapter, refers to those very two *Ayats*, i.e., *Ayat* 241 and 242. But again and again it is said that there is no connection of these *Ayats* with this judgement. But *Bukhari Sharif* does not consider them as unconnected. In fact, the translation of *Ayats* 241 and 242 is given in *Bukhari Sharif*. I do not know who translated them. Besides the Vice-Chancellor of Madina University, some other persons are there and the Islamic Committee is there. In the preface to that, it has been said :

[English]

"And for divorced women, maintenance should be provided on a reasonable scale. This is the duty of the pious. Thus, Allah makes clear his signs to you in order that you may understand."

[Translation]

After this, there is a reference to the *Hadis*. It says :

[English]

"Prophet Sallam did not mention"

17.12 hrs.

[SHRI ZAINUL BASHIR in the Chair]

[Translation]

Sir, it so happens that somewhere a direct commandment is given : "do it"

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And at many places, one is forbidden to do a particular thing. It is mentioned in this *Hadis* :—

[English]

“Prophet Sallam did not mention that the gift should be given to the lady whom her husband divorced after they had been involved in a case of *Lian*.”

[Translation]

Now, what is *Lian* ? *Lian* is that where woman and man both accuse each other of infidelity, then both of them are brought at one place. First, oath is administered to them thrice to tell the truth and after that they are asked to explain the charges. After that, the fourth oath is administered wherein some such words are used as mean that if the charge levelled is proved to be false, then a calamity may befall him. Now, in such a case where such oaths are administered, if despite that, both of them do not repent and are not ready to reconcile, then after such a serious charge of infidelity and even after such oaths, it is understood that both of them cannot live together and the only course left is separation. There is no provision of gift in such cases. But if in such cases, gift is treated as *Mehr*, then I want to tell you what the decree regarding it is. *Hadis Sharif* says :

[English]

Prophet Sallam did not mention that the gift should be given to the lady whom her husband divorces after they had been involved in a case of *Lian*.

[Translation]

Because both of them have refused to reconcile and they are accusing each other, and nobody is reconciling :

[English]

Narrated Ibne-Omar. Prophet said to those who were involved in a case of *Lian*. ‘Your accounts with Allah. Either of you must be a liar. You, husband, have a right on her’.

[Translation]

It is all right that they were separated, but the husband said that when they had been separated :

[English]

The husband said, “My money, Oh Allah Apostle.”

[Translation]

Then he said that when she was not faithful to him and he had been separated from her, the amount of *Mehr* paid to her should be returned to him. What was the reply of the Prophet there upon :

[English]

“Prophet Sallam said, ‘You are not entitled to take back any money. If you have told the truth, the *Mehr* that you paid was for having consummated your marriage lawfully with her’.”

Even if she were unfait hful, even then—

[Translation]

— as has been said earlier—

[English]

—she is not liable to return her *Mehr*. In such cases, it was not made obligatory. Prophet Sallam did not mention that the gift should be given to the lady whose husband divorced after they had been involved in a case of *Lian*.

[Translation]

And it is stated further as under :—

[English]

“If you have told the truth, there is the *Mehr* that you pay for having consummated your marriage lawfully with her and if you are a liar, then you are less entitled to get it back.”

[Translation]

Sir, in addition to that, I have commentaries of a contemporary Islamic Scholar,

Ibne Kasir, who is an authority on the Shafae Islamic School of thought. The entire commentary is in Arabic and the English translation has been done by Dr. Mushirul Haq, Prof. and Head of the Department of Arabic and Iranian Studies, Jamia Milia Islamia, Jamia Milia Nagar, New Delhi. It is written there :

[English]

Translation from a passage "With wise commentary on the *Holy Quran-Surah II, Iyat* (241).

[Translation]

After that it has been explained as follows :

[English]

And for the divorced women, let there be a fair provision. This is an obligation on those who are mindful of God. In these words God has decreed some provision for all divorced women after having earlier declared obligatory only for a particular class of women.

[Translation]

This is the translation of Ibne Kasir who is a modern commentator. He is a classic commentator. In addition to it in 1937-38, I shall not be able to tell the exact year, the Law Minister is present here but when the Mohammedan Marriage Act was passed, Maulana Ashraf Ali Sahib Thanavi had represented to the Central Government that a provision should be made in this law to the effect that where difficulty was experienced in the Hanafi Law, in that case Shafae Law could be applied. Even if some doubt remains after that and still if we feel that a right is being denied, then I feel it is lack of our understanding. I want to repeat that I am prepared to totally agree with Sait Sahib that there would be no harm if arrangements are made for adequate lump-sum payment. I would now like to quote further. Sir, it is there in the history of Islam that once it so happened that Huzur Salallahe Ahle Vasallum was a little annoyed with his wives. It is said

in *Surat 33* and *Aayat 28* of *Suratul Ahjab* :

[English]

"Oh Prophet say to thy consorts, if it be that ye desire the life of this world—and its glitter, then come, I will provide for your enjoyment and set you free in a handsome manner."

[Translation]

It is said here that if they desired the life of this world and its glitter like ordinary women, then He was prepared to set them free, like ordinary women after making sufficient provision so that they could live a life of enjoyment. Further, it has been said, which is the translation of Maulana Majid Ali :

[English]

" Oh Prophet say to they wives if it be that ye seek the life of world and its adornment, then come ,I shall make provison for you and shall release you with a handsome release,"

[Translation]

It is said here that being the wives of the Prophet, special duties devolved on them but if they wanted to escape from their innumerable duties and lead a life of ordinary women, He was prepared to release them and He would release them with a handsome release and would make so such provision for them that they could lead comfortable life. In it, He is speaking of separation. It was a particular occasion when He had got annoyed,

The commentary is like this :

[Englihs]

"The passage was revealed on the occasion of the Prophet's wives asking for more sumptuous clothes and an additional allowance for their expenses,"

[Translation]

At that time, He felt that being the wives of the Nabi, they should not demand

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sumptuous clothes and other luxuries like the ordinary women. Their duties were far greater and, therefore, He said that if they were to lead the life of ordinary women, then they had to separate from Him. He would release them in a handsome manner by making a provision for their leading a comfortable life.

[English]

"All the wives in their high position had to work as *Imhat Almoma-neen*. There were not idle lives either for their own pleasure or the pleasure of their husband. They are told that they have no place in the sacred household if they merely wished for ease and worldly glitter. If such were the cause, they could be divorced and amply provided for."

[Translation]

This is *Surat-ul-Ahzad*.

"To keep them with honour before divorce." About this I have already said. I have said this also that time and again it has been decreed that the expenditure should be according to one's capacity.

The question is to what extent we should follow *Shariat*. I do not think that *Shariat* allows us to continue to follow the *Shariat* in so far as the rights are concerned and not follow it where it enjoins upon us to perform certain duties. How can we afford to shirk our duties? In the *Holy Quran*, it has been clearly mentioned in *Surat 2, Aayat 81* :

[English]

"And remember we took your covenant (to this effect) Shed no blood amongst you. Nor turn out your own people from your homes ; and this ye solemnly ratified, and to this ye can bear witness."

[Translation]

Some agreement is violated and what happened thereafter? It has been mentioned therein :

[English]

"After this it is ye the same people, who stay among yourselves. And banish a party of you from their homes ; assist the enemies against them, in guilt and rancour. And if they come to you . . ."

[Translation]

This is the translation of the *Holy Quran*, not its commentary, which is very important.

[English]

"As captives, ye ransom them, though it was not lawful for you to banish them. Then is it only a part of the book that ye believe in, and to ye reject the rest?"

[Translation]

What was the object of it? You follow *Shariat* to the extent it suits you and do not follow where it enjoins upon you duties. The Almighty is saying this through Rasul, who had broken some promise that he had made.

SHRI MOHD. MAHFOOJ ALI KHAN (Etah) : Cite only one instance where we did not act according to the *Shariat*.

SHRI ARIF MOHAMMED KHAN : Just now I have said that the method of divorce which is being followed is not in accordance with the *Shariat*.

Maulana Azad has said in his translation that when your exiled people fell into the hands of your enemy and were brought before you as prisoners, then you got them released by *Fidiya*. And you said that it was necessary to do so according to the *Shariat*, although if you were so particular about following the decree of *Shariat*, then according to the *Shariat* it was forbidden to exile them from their homes and localities. Then why mislead? It sounds extreme that the *Shariat* is followed for accumulating wealth, for releasing the prisoner by *Fidiya*, but it is not remembered when they fall into the hands of the enemies and become prisoners.

Is it so that certain provisions of the *Kitab-e-Ilahi* may be followed and some others may not be followed?

In accordance with the decrees of the Prophet, we should have better practices these days and only if the down-trodden are uplifted, the Islamic tenets can be said to have been followed and justice done. It is the nature of man that the *Holy Quran* deals with. I want to tell you that giving and taking of interest is clearly forbidden in the *Holy Quran*. I want to ask Banatwalla Sahib to bring a Bill to the effect that a restriction may be imposed on the banks in the country whereby they shall not give any interest to Mohammadans who deposit money nor any interest will be charged on the money given as loan.

(Interruptions)

SHRI G.M. BANATWALLA : We demand that you should remove the provision regarding the payment of interest from the banking system in the country. We are prepared for its abolition, you may accept it.

(Interruptions)

SHRI ARIF MOHAMMED KHAN : What I mean to say is whether it is possible for you not to deposit money and not to have any transactions with the banks. This will meet your point.

SHRI G.M. BANATWALLA : Our demand is that the provision regarding interest in the banking system should be abolished.

(Interruptions)

SHRI ARIF MOHAMMED KHAN : I want to say that Banatwalla Sahib may make this demand but the people whom he represents will not agree to what he says. We also know this fact.

I do not want to go into more details. Sait Sahib and Banatwalla Sahib know the law of the *Shariat* better. I know only this much that many communities

of Mohammadans are in there India which follow different laws in respect of succession, inheritance etc. But I do not think that it is in any way affecting their religion.

(Interruptions)

I look upon the *Shariat* with great respect. I think the Cr.P.C. can be changed and by changing it those Mohammadan women can be deprived of their right who do not have any means of livelihood and who cannot go to the courts but nobody can change the *Holy Quran*. The *Quran* bestows this right on the women that they may lead a life of honour. Even Banatwalla Sahib cannot change the *Quran*.

We have seen very difficult days in this country; we have faced grave consequences by using religion for political benefits.....

(Interruptions)

In the words of Maulana Azad, as a consequence of such politics, anxiety appeared on the faces of the people and their hearts became desolate. In spite of all the sentimental slogans, those who raised those slogans went elsewhere by leaving the Mohammadans of India to their fate considering them as orphans. There is a change in the atmosphere again today; the conditions are improving. But once again, those slogan-mongers have reappeared to indulge in their political jugglery and benefit thereby. I appeal that the atmosphere of this country should not be spoilt once again. We are heading towards communal harmony in this country; we should not repeat that past which created bitterness, which caused harm, which broke the hearts and which created hatred. We have come a long way now and we should forget the past. I request.....

PROF. SAIFUDDIN SOZ : Where is the difference?

SHRI ARIF MOHAMMED KHAN : The difference is that the slogans that have been raised, the type of speeches that have been made, the type of state-

[Shri Arif Mohammad Khan]

ments that are being given in the newspapers—all these are aimed at instigating religious sentiments, I would like to request that if there are differences on any matter, then we should remember that there is scope for discussion. Somewhere you may agree to our views and somewhere we may agree to your views, but nobody should spoil the atmosphere by raising sentimental slogans and by instigating religious sentiments. That will benefit neither the country nor any community.

PROF. SAIFUDDIN SOZ : I want to ask one thing. The question is Arif Mohammed Khan has really.....

[English]

MR. CHAIRMAN : We will now take up the next item.

The House will now take up Half-an-Hour discussion, Shri B.V. Desai. The hon. Member is not present. So, the House stands adjourned to meet at 11 A.M. on Monday, the 26th August, 1985.

17.32 hrs.

*The Lok Sabha then adjourned till
Eleven of the Clock on Monday,
August 25, 1985/Bhadra
4, 1907 (Saka)*

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