

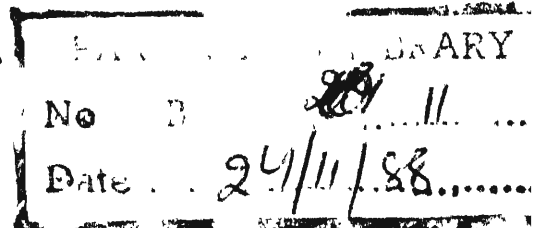
Eighth Series. Vol. XL, No. 8

Friday, August 5, 1988

Srawana 14, 1910 (Saka)

# LOK SABHA DEBATES (English Version)

**Eleventh Session  
(Eighth Lok Sabha)**



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

**LOK SABHA SECRETARIAT  
NEW DELHI**

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# LOK SABHA DEBATES

## LOK SABHA

Friday, August 5, 1988/Sravana 14,  
1910 (Saka)

The Lok Sabha met at Eleven of the  
Clock

[MR. SPEAKER *in the Chair*]

[*English*]

### ORAL ANSWERS TO QUESTIONS

MR. SPEAKER : Shri Bhattam  
Sriramamurty—Absent Dr. Datta Samant.

SHRI SAIFUDDIN CHOWDHARY :  
You cannot prevent him.

MR. SPEAKER : Why should I prevent  
him ? This is an aspersion. Is it not ?

(*Interruptions*)

DR. DATTA SAMANT : Q. No. 124—

MR. SPEAKER : Is it 124 or 142 ?

DR. DATTA SAMANT : 124 is the  
number of NTC Mills in the country.

MR. SPEAKER : I think the number  
is the same. But it is in reverse order.

[*English*]

Unemployment Due to Amalgamation  
Scheme in NTC

\*142. DR. DATTA SAMANT† :  
SHRI SHARAD DIGHE :

Will the Minister of TEXTILES be  
pleased to state :

(a) the number of textile workers who  
will loss jobs consequent on the introduction

of Amalgamation Scheme for the National  
Textile Corporation; and

(b) the steps being considered to deal  
with this resultant problem of unemploy-  
ment and rehabilitate the surplus workers ?

THE MINISTER OF TEXTILES (SHRI  
RAM NIWAS MIRDHA) : (a) NTC's scheme  
for restructuring/amalgamation of the unvi-  
able mills is still at the preliminary stage of  
discussion at various levels. Therefore, the  
number of textile workers who may be  
rendered surplus, if and when the scheme  
for restructuring/amalgamation of unviable  
mills is implemented, cannot be indicated at  
this stage.

(b) Does not arise.

DR. DATTA SAMANT : Sir, the  
Government has already informed the West  
Bengal Government regarding the implemen-  
tation of the scheme. I was called by the  
Chief Minister of Maharashtra Government  
last week and he informed me that the  
Government is trying to sell the land, close  
the mill and amalgamate the remaining  
workers. About ten thousand workers will  
be retrenched or removed. The Govern-  
ment has not given the reply in a proper  
way. I am asking a categorical question  
whether the Government is having any such  
proposal and whether the Government has  
told the Maharashtra Government to verify  
and implement the Scheme of closing down  
the NTC Mills in Bombay, India United  
No. 2, India United No. 6, Bharat Mill and  
other three mills in Bombay.

Sir, already the Government has  
auctioned and sold the land of Bharat  
Mata Cinema, which is in the centre of  
Bombay. For the Marathi people of  
Maharashtrian people, it is the centre. You  
have already auctioned and sold it. There-  
fore, my question is whether you are having  
any proposal or any plan for selling lands  
of all these mills in Bombay. How many  
workers will be retrenched ? Is it the policy  
of the Government to sell the land of these  
mills ? The hon. Chief Minister said that

it is a directive from the Centre to close the NTC Mills, sell the land and amalgamate the workers. Taking the advantage of this, even the Khatau Mills and other mills are closed and the Bombay mill owners are trying to sell the land because they would get much more by seeling land. Therefore, I want to know whether you have given instructions. Is it your proposal to sell the land of these three or four NTC mills and whether you have given instructions to see the land of Bharat Mata cinema ?

**SHRI RAM NIWAS MIRDHA :** I have clearly said what we have taken no decision in this matter far from conveying any direction to the State Government. Various proposals in this respect are under consideration. All the time we are having a free and frank discussion with all concerned starting with labour unions, State Government whether in West Bengal or in Maharashtra. There are certain ideas of ours for re-structuring, rationalising, improving the efficiency of the mills. This we are discussing with the State Governments at various levels. So there is no question of any decision being taken or any directive of any sort being issued in this respect.

**DR. DATTA SAMANT :** In these 124 NTC mills 90% of the looms *i.e.* 56,000 looms are forty years old as per the statement of the Secretary of your Department. The old liability of the mill owners from whom these mills were taken, is pending and increasing day by day. Then why are you making the workers as a scapegoat ? On the other side, an amount of Rs. 750 crores has been given to the private mill owners like Morarji, Century, Bombay Dyeing, in the last three years under the five year plan and another amount of Rs. 700 crores is given in the form of concession in polyester filament to Dhirusbhai Ambani and others. So the total amount comes to Rs. 1400 crores. And for NTC mills you have allocated hardly Rs. 117 crores in five years. And out of this amount, an amount of Rs. 62 crores has been given to clear the dues of the workmen. Thus the Government's policy seems to be to close down the NTC mills and encourage the private mills. That is the thing happening at present. All these 124 NTC mills require Rs. 1000 crores for

modernisation. Will the Government consider giving this amount of Rs. 1000 crores in a phased manner, over a period of four, five years. The workers are prepared to work. They will give you any amount of production. I also request the Government to recover the old dues of the old mill owners from their property.

**SHRI RAM NIWAS MIRDHA :** The textile modernisation fund was the created under the textile policy of 1985 with the purpose of modernising the textile industry so that mills may not get sick, they may not get closed, and to improve their efficiency and profitability. NTC mills are also making use of the modernisation fund. Modernisation fund is being strictly monitored by the financial institutions. Modernisation, whether it is in the private or public sector, is the only way for improving the workability, profitability and viability of the mills. So, we have made use of this modernisation fund. It is not being squandered. It is very strictly being monitored by the financial institutions and it is meant for the long-term interests of the textile industry and the workers who work in this. It is true that we need a large amount of money for its modernisation. In the successive plans, NTC has been asking for figures under the plan allocations which were not given to us. In the Seventh plan also our requirements were substantial but we hardly got half of what we wanted. Even out of Rs. 117 crores that the hon. Member has mentioned, a large amount of it would be utilised in just meeting the statutory requirements like having the boilers which work under the Boilers Act, like effluent plants, which is again a statutory requirement. So, it is true that the NTC has not been able to get all the money that it wanted for modernisation, but we have tried to get from the Modernisation Fund on merits, justifying the viability. Secondly, we are in touch with the IDBI and they have given an indication of Rs. 100 crores for modernisation, again on merits, because some of the units are quite good and can be made viable and profitable. So, we are exploring all possibilities, apart from the assistance from the Budget, to modernise our mills, and this trend will continue.

**SHRI SHARAD DIGHE :** Mr. Speaker, Sir, it is understandable that in order to avoid giving any commitment on behalf of the Government, the Minister has cautiously stated that restructuring and amalgamation of the NTC mills is still at a very preliminary stage. But from the press reports, we find that in the month of May itself it was announced that NTC had reportedly decided to merge 41 sick mills into 17 viable units. Not only that but in the Consultative Committee of the Textile Ministry, the Chairman of the NTC, Mr. Ajit Singh, is reported to have stated that for modernising all the 124 NTC mills, an investment of about Rs. 1,000 crores would be required, and against this, the available funds in the Seventh Plan are only Rs. 117 crores. He has further stated, as the hon. Member Mr. Datta Samant has said, that ninety per cent of the existing 56,000 NTC looms are 30 to 40 years old. So, from this, it appears certain that the Government has practically taken a decision as far as the restructuring of the non-viable NTC mills is concerned. Now, the most important point is whether the Government is going to compromise the interests of the workers in this process. Therefore, I would like to know from the hon. Minister whether he would take into confidence all the concerned MPs, as far as NTC mills are concerned, before finalising any scheme of merger of non-viable NTC mills into viable mills and would he consult at least the concerned MPs before any final decision is taken by the Government.

**SHRI RAM NIWAS MIRDHA :** Sir, the reports in the newspapers, which the hon. Member has mentioned, come out because we wanted a full and frank discussion on the proposal. We discussed everything openly. We discussed it with Chief Minister and the Labour Minister of West Bengal. We discussed it with the Chief Minister and other offices of the Government of Maharashtra. Because the discussion was open and frank, that is why the press reports came. But, as I said, no decision has been taken. We are all discussing it.

As regards consultations, we are having extensive consultations, as I said earlier, with the State Governments, with the labour unions. As regards consultations with the hon. Members, we have a Consul-

tative Committee and if they are so interested, they can come and join for discussion during the inter-session period.

**MR. SPEAKER :** Shri S.G. Gholap.

**SHRI HAROOBHAI MEHTA :** Sir, this is an important question. Please allow me to ask one question. . .(Interruptions).

**MR. SPEAKER :** You can move some other motion about this, but now now.

**SHRI HAROOBHAI MEHTA :** Sir, kindly allow a discussion on this.

**MR. SPEAKER :** Yes I can allow that. Now you see, two Members have taken all the time. This is not the way to put questions and I cannot handle it that way. Every Member has to realise how much time he is taking. If they start making speeches, what can I do? I can't help it.

#### Computerisation of Cheque Clearance

\*143. **SHRI S.G. GHOLAP :** Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has started computerisation of cheque clearance in Bombay, Delhi, Madras and Calcutta;

(b) the further plan for computerisation in other big cities; and

(c) the time taken for cheque clearance before computerisation and the time required after computerisation?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) to (c). A Statement is given below:

#### Statement

Reserve Bank of India (RBI) has reported that mechanised processing of Magnetic Ink Character Recognition (MICR) cheques and inter-bank settlement of clearing house operations is already functional in Bombay, Delhi and Madras. In addition, clearing house settlement operations have also been computerised in Calcutta, Ahmedabad, Bangalore, Hyderabad and Kanpur. This is further proposed to be

extended by 1989 to Bhubaneswar, Jaipur, Nagpur, Guwahati, Trivandrum, Patna, and Baroda.

In centres where mechanised processing of local MICR cheques is introduced, apart from facilitating speedier inter-bank settlements, it has been possible to effect credit to the customer on the second or latest the third day from the date of deposit of cheque by the customer, as was not the case earlier.

**SHRI S.G. GHOLAP :** Sir, the Reserve Bank of India propose to extend this facility. My question is whether all the State Capitals are likely to be covered by this clearing house facility through computerisation. If so, when?

**SHRI EDUARDO FALEIRO :** Sir, there is a distinction between high speed sorter arrangement which is at the moment in Bombay, Delhi and Madras and we hope to extend it to Calcutta and the clearing house settlement operation will also be considered in Calcutta. As far as clearing house settlement operation is concerned, they are computerised in Calcutta, Ahmedabad, Bangalore, Hyderabad and Kanpur. It is further proposed to be extended by 1989 to Bhubaneswar, Jaipur, Nagpur, Guwahati, Trivandrum, Patna, Pune and Baroda. So, Sir, this is the effort of computerisation as far as clearing and settlement are concerned.

**SHRI S.G. GHOLAP :** My question was : whether all the State Capitals will be covered? If so, when?

**SHRI EDUARDO FALEIRO :** As I have said, I have indicated which are the State capitals to be covered and those State capitals that will be covered in the present arrangement. As the hon. Member knows this arrangement is entered into with the workers, with the employees, with the Unions and it is in the context of those arrangements that these facilities are being provided in a phased manner.

**SHRI S.G. GHOLAP :** The inter-State settlement of clearing house operation is already functioning in Bombay and Bombay's clearing jurisdiction is extended upto to Kalyan and Ulasnagar is a big business

centre. Sir, I would like to know why this Bombay clearing house operation facility is not extended upto Ulasnagar.

**SHRI EDUARDO FALEIRO :** Sir, every place is near some other place. Then what happens is that at the moment Bombay are is very large and perhaps the largest in the country and this is the problem.

**SHRI AMAR ROYPRADHAN :** Sir, computerisation has started in the Reserve Bank of India and particularly with reference to Calcutta, without inservice training to the employees of the Reserve Bank of India, you are recruiting new staff for this purpose. What is the reason behind it?

**SHRI EDUARDO FALEIRO :** No, Sir, We have made it very clear more than once that computerisation is not meant and will not displace staff and it will not reduce the existing strength of employees. We will give all the training facilities which are necessary and we will continue in doing it. I will be grateful to the hon. Member if he is able to convince the Union there to permit the installation of this facility, the high-speed sorter in Calcutta. It is due in Calcutta and it has been shown to be a great boon for the customers, for the people, for the banks, and therefore, kindly convince the employees in Calcutta to accept this.

**SHRI AMAR ROYPRADHAN :** What about the new recruitment?

**SHRI EDUARDO FALEIRO :** I have clarified that new employment will not be effected. I have requested those employees who are opposing this high-speed sorter facility to bring it to the notice of the staff, to bring the sense to their minds and it is in the interest of the people of Calcutta and the State itself and also in the interest of the customers and in their own interest, the system can work efficiently.

#### Assistance for Improving Silk Industry

\*145. **SHRI SRIHARI RAO† :**

**SHRI K PAMACHANDRA REDDY :**

Will the Minister of TEXTILES be pleased to state :



(a) whether the silk export has touched a new height of Rs. 119.58 crores during 1987-88;

(b) if so, whether Union Government propose to render help to the growers of mulberry for rearing cocoons and silk reeling units; and

(c) the assistance given to Andhra Pradesh for improving mulberry crop and silk industry ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) During 1987-88, the export of natural silk goods was of the order of Rs 254.96 crores in terms of value as compared to Rs. 201.49 crores during the previous year.

(b) and (c). A Statement is given below.

Statement

Central Government supplements the efforts of the various State Governments, including Andhra Pradesh, by implementing various schemes/programmes of the silk industry through the Central Silk Board. Assistance being provided by the Board for development of mulberry sericulture in Andhra Pradesh is as under :

1. Central Silk Board has established one Regional Sericultural Research Station at Ananthapur attached with 5 Research Extension Centres for mulberry to provide necessary R and D extension support to the sericulturists at Madakasira, Rayachoty, Vikarabad, Palamaner and Gorantla.
2. The Board has established one Reeling-Cum-Demonstration and Training Centre at Hindupur.
3. Three mulberry seed production centres and 2 silkworm basic seed stations are set up for supplementing mulberry seed production in Andhra Pradesh at Madanapalle, Hindupur, Tanakalu.
4. A mulberry sericulture development project is under implementation in Andhra Pradesh under

Indo-Swiss Bilateral Assistance at a total cost of Rs. 1.41 crore to create required infrastructure support for sericulture development in Andhra Pradesh.

Besides this, the Board arranges supply of improved varieties of mulberry cuttings, supplies rearing equipments to seed rearers free of cost and arranges for training of sericulturists/state sericulture officials under its training programmes.

SHRI SRIHARI RAO : Mr. Speaker, Sir, the plains of Godavari District are very fertile and also very suitable for mulberry plantation. At present tobacco is in this area. But tobacco growers are facing a lot of problems there every year. They want to change their crop in those fields. Will the Government extend any help for mulberry plantation in this area ? If so, when are you going to implement it ?

SHRI RAM NIWAS MIRDHA : Sir, in my answer to the question I have given the details of the schemes which the Central Silk Board is running in Andhra Pradesh. I think it deals with the centres that we are running. We are in constant touch with the State Government and if they come up with certain proposal for the particular area that the hon. Member has in mind, I think we will try to accommodate it in our schemes.

SHRI SRIHARI RAO : My second Supplementary is this. He has given during 1987-88 export orders of Rs. 254.96 crores in terms of value as compared to Rs. 201.49 crores during the previous year, i.e., 1986-87. But we cannot take it as the value because last year one metre cost Rs. 10, this year that costs Rs. 15, But I want actual quantity. What is the quantity exported in the previous year, i.e., 1986-87, and what is the quantity exported in 1987-88 ? Also, Sir, I would like to know whether the Government through the Central Silk Board extend any help for supply of rearing equipment to the seed rearers, that is, farmers, free of cost ? If so, what is the amount given to each farmer ?

SHRI RAM NIWAS MIRDHA : Sir, I have given the value in rupees and the hon. Member wants to know what is the quantity.

Sir, the value as I mentioned of exports in 1987-88 is Rs. 254.96 crores and the quantity is 326.55 lakhs square metres. This quantity is also increasing every year. In 1985-86 we exported 184.15 lakhs square metres, in 1986-87 we exported 243.53 lakhs squares, metres and as I have just said, in 1987-88 we exported 326.55 square metres.

Sir, as regards the mulberry cuttings they were supplied, in most cases the supply is subsidised and they are given to start with, before they started cultivation, just to initiate them into this we supplied them on Subsidy.

**SHRI K. RAMACHANDRA REDDY :** Mr. Speaker, Sir, Andhra Pradesh is the second largest grower of sericulture products in India. Out of the total product grown in Andhra Pradesh, 80 per cent of the sericulture mulberry is grown in Anantapur district. Now, the World Bank is giving a loan of Rs. 600 crores for improving the silk production in the country. Now, in Anantapur District most of the sericulture is grown under wells. Because of the continuous droughts all the wells have gone dry. I would like to know from the hon. Minister, out of the Rs. 600 crores given by the World Bank, will it be possible for the Central Government to earmark at least Rs. 10 crores for this district so that the farmers may put in well bores and rejuvenate them and improve the cultivation of mulberry in this district ?

**SHRI RAM NIWAS MIRDHA :** Sir, it is too early to say how much money the World Bank would give in this respect. They have not yet given anything. We prepared a scheme which we have submitted to the World Bank for certain assistance for development of sericulture in the country. The proposals from Andhra Pradesh to develop sericulture are also there. It is at a very preliminary stage, a World Bank Team is coming here to discuss all the details with us, they were with us a few months back and also they, in consultation with the State Governments, would formulate schemes, whether we can include Anantapur District—Anantapur District would be included because it is an important area. But how much they will get is difficult to say at the moment.

**DR. PRABHAT KUMAR MISHRA :** Sir, production of Tusser silk in Madhya Pradesh is a very old tradition and source of livelihood. But, Sir, as we all know that there is great demand for mulberry thread in the country and abroad also and it is also being exported. But the weavers of the village area are still in the same standard, facing critical problems to get the thread direct. They are getting the thread only through the middlemen who are exporters and who take the actual benefit of that.

I would like to know through you, whether the Government is taking any steps to provide the thread to the villagers who can be benefited by mulberry plantation.

**SHRI RAM NIWAS MIRDHA :** The marketing structure in the States differs so far as silk is concerned, as most other commodities. Where there are properly regulated agricultural sales market, the producer gets a good deal. The only way for removing middlemen is to organise marketing at the State level in a good way so as to remove the middlemen and to have open auction as in Karnataka so that maximum benefit would accrue to the real growers.

**SHRI C. MADHAV REDDI :** Sir, I would like to know whether it is a fact that the quality of silk we produce in India is inferior to the quality produced elsewhere in the world. In spite of this, our exports are rising, though it is slow. I would like to know whether the Government would give further incentives, because instead of giving incentives, we have reduced cash compensatory support which we used to give for the silk, from 10% to 8% last year. It is a real disincentive. I would like to know whether the Government would restore this concession of giving 10% cash compensatory support for the export of silk and silk fabrics.

**SHRI RAM NIWAS MIRDHA :** Sir, the procedure for sanctioning cash compensatory support (CCS) in any export commodity is very well laid out. It is not an export incentive in a general way but it is meant to compensate, as the word itself suggests, the exporter, as he has certain taxes etc., to pay. It is a well laid out

exercise. Cost of production, taxation at various levels and all others details have to be supplied by the exporters and their organisations which will be examined by a committee consisting of representatives from the Finance Ministry, Ministry of Commerce and everybody concerned. So CCS is a well laid out exercise.

I am happy to inform the hon. Member that Government have recently restored CCS to 10% to silk fabrics.

**SHRI V. KRISHNA RAO :** In Karnataka, the highest growth of mulberry is in Kolar district. Kolar is a drought prone area. More than 50% silk is produced only in Kolar district. It is a drought prone area. Is there any scheme to give subsidy to the ryots for digging the bore wells so that the production could be doubled. (*Interruptions*)

**SHRI RAM NIWAS MIRDHA :** If you sit down, I can give the answer.

[*Translation*]

**MR. SPEAKER :** You please sit down. He was waiting for you and forgot even to sit down.

[*English*]

**SHRI RAM NIWAS MIRDHA :** Karnataka is a very important producer of silk in our country and we have been very liberal in allocating assistance to them. You are talking about the World Bank assistance to Andhra Pradesh. Sir, a few years back, in 1980-81, we had a World Bank scheme just for Karnataka of Rs. 101 crores and that was to develop sericulture in various ways. It is difficult for me to say whether giving subsidy for bore wells — think, the State Government takes care of these things. We can take care of other things like supplying good quality cocoons, mulberry, cuttings and things of that nature. Some basic work has to be done by the State Government.

[*Translation*]

**MR. SPEAKER :** Question No. 146, Shri Srihari Rao. It is all greenery today.

**KUMARI MAMATA BANERJEE :** Mr. Speaker, Sir, I would like to know whether two questions of the same Member can be admitted for the same date in the list of starred questions ?

**MR. SPEAKER :** Under the rules, it is permissible. Had it not been so, I would not have allowed it, for, the Members would have objected to it.

[*English*]

#### Smuggling Cases in Delhi

\*146. **SHRI SRIHARI RAO :** Will the Minister of FINANCE be pleased to state :

(a) the number of cases of smuggling booked in June 1988; In Delhi;

(b) the number of persons charge sheeted and accused sent for remand;

(c) the total amount of smuggled goods involved; and

(d) how those smuggled goods were disposed of ?

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

#### Statement

(a) 65 cases of smuggling have been booked by the Customs authorities in Delhi during June, 1988.

(b) During June, 1988, 56 persons found to be involved in smuggling were arrested by the Customs authorities in Delhi and remanded by the Magistrate to judicial custody initially.

(c) Contraband goods worth Rs. 1.48 crores approximately were involved in the cases mentioned in part (a) above.

(d) The prescribed modes of disposal of confiscated goods are given below:

Description	Manner of Disposal
1	2
1. Gold and Silver	Gold and Silver are deposited in the Government Mints.
2. Indian and foreign currency	Indian and foreign currency is deposited with the Reserve Bank of India for crediting to Government.
3. Arms and Ammunition	<p>Arms and ammunition of other than .38 and .32 bore revolvers/pistols and their ammunition are disposed of in the following manner :</p> <p>(a) Stenguns are offered to the Ministry of Home Affairs and those not required by them sold to the Ministry of Defence.</p> <p>(b) All weapons of prohibited bore and their ammunition are disposed of to Ordnance Factories (Min. of Defence).</p> <p>(c) Crude weapons of indigenous make are offered to C.B.I. for being exhibited in their museum.</p> <p>(d) Non prohibited bore weapons of other than .38 and .12 bore are appropriated for departmental use and may also be sold to the Members of Parliament who require them for self-protection.</p> <p>(e) .12 bore arms and ammunition are sold to State Forest Secretaries/Chief Conservators of Forests/Chief Wild life Wardens for their official use.</p> <p>(f) Revolvers/pistols of .38 and .32 bore and their ammunition are kept for deparatmental use.</p>
4. Antiquities	Antiquities are handed over to the Archaeological Survey of India, free of cost for disposal by way of gifts to different museums or institutions of if necessary by other means.
5. Wild life products	These are sold to the educational and research institutions, museums etc. at a token price or handed over to Wild Life Authorities free of cost for exchange purpose with other countries who are signatories to CITES. Snake skins are sold to Bharat Leather Corporation for manufacture of products for exports.
6. Synthetic and mattallic yarn	Synthetic and Mattallic Yarn is sold to Weavers 'Cooperatives/associations and to actual users.

1	2
7. Liquor	Liquor is sold to all hotels, restaurants and clubs having the necessary liquor licences directly without any reference to I.T.D.C. but subject to compliance with State Excise requirements and to the Canteen Stores Department (India).
8. Diamonds	Rough and uncut diamonds are sold by auction or tender to import licence holders against debit of their licence. Cut and polished diamonds are sold for export only.
9. Precious and Semiprecious Stones other than diamonds	Rough and uncut precious and semi-precious stones are sold in the internal market by auction or tender to holders of import licence against debit of their licences. Cut and polished precious and semi-precious stones other than diamonds are sold internally by auction or by tender.
10. Watches	<p>Watches are sold to :</p> <p>(a) Hindustan Machine Tools Ltd.,</p> <p>(b) Military and Para-military Organisations for use of their personnel ; and</p> <p>(c) N.C.C.F., State Civil Supplies Corporations, State Cooperative Federations and to all Cooperative Societies approved by the Central and State Government and duly registered under the Cooperative Societies Act.</p> <p>(d) Watches both mechanical and electronic are also disposed of by retail sale from retail counters in the Customs and Central Excise Collectorates, subject to the condition that not more than one watch will be sold per person.</p>
11. Electronic Electric goods including Video Cassette Recorders	Such goods including calculators, tape recorders and typewriters and photographic goods are sold to Government Departments for official use, Educational and Research institutions, Universities and other Educational institutions including cultural organisations and public sector undertakings. These items are also sold to N.C.C.F., State Civil Supplies Corporations, State Cooperative Federations, and to all Cooperative Societies, approved by the Central and State Governments and duly registered under the Cooperative Societies Act. High value items like Video Cassette Recorders, Two-in-ones, Music systems, Colour T.Vs., etc. are also sold by retail sale subject to the stipulation that not more than one piece/set should be sold to one person.

1

2

12. Feature films

(i) To be sold to National Film Development Corporation.

(Or)

(ii) Transferred to National Archives of India, Pune free of cost.

13. Synthetic Textiles and Consumer goods

Bulk sale of seized/confiscated consumer goods including watches and synthetic textiles is made to all Cooperative Societies approved by the Central and State Government and duly registered under the Cooperative Societies Act and to State Civil Supplies Corporations State Cooperatives Federations and to N.C.C.F. for sale to *bonafide* consumers through consumers Cooperative Societies, Super Bazars, Sahakari Bhandars, etc. and Military and para-military organisations, Central Industrial Security Force and Police canteens for use of their personnel or by retail sale through retail counters in the Collectorate.

14. Heterogenous and miscellaneous types of goods

Heterogenous and miscellaneous types of goods seized in small lots from passengers baggage, post parcels town seizures, etc. and consumer goods not lifted by Cooperative Societies, Civil Supplies Corporations, State Cooperative Federations, N.C.C.F., Military and para-military organisations, Central Industrial Security Force and Police canteens are sold in retail sale to the consumers through Customs retail counters.

15. Narcotic drugs

Narcotics drugs other than opium are destroyed. Opium is sent to the Alkaloid Factories for re-processing.

**SHRI SRIHARI RAO :** Mr. Speaker, Sir, I want to know from the Hon. Minister that the confiscated goods such as electronics and cloths are disposed of only after the cases against offenders are disposed of. This process takes nearly three to five or six years. And by that time, the electronic goods become out-dated and their value is reduced by 70 to 80 per cent and cloths also get destroyed and its value also gets reduced. Under these circumstances, is there any provision to dispose of confiscated goods within one month? If not, will the Government take steps to make suitable legislation for immediate disposal of confiscated goods? Otherwise, what happens is at the time of confiscation of goods, the

Department announces goods worth ten crores of rupees. But at the time of disposal of goods it comes to only ten lakhs of rupees. I would like to know is there any proposal for immediate disposal of confiscated goods?

**SHRI A. K. PANJA :** So far as electronic and other goods are concerned which could easily deteriorate, the matter if pending in a court, then it is mentioned in the court and the court's orders are sought by giving the expert view that these could not be presented in a proper place. Sometimes court orders the release of these goods for sale and we do sell it. If there is no order for sale those goods sometimes lose its value for long storage.

**SHRI SRIHARI RAO :** My second supplementary is, in the statement of the Hon. Minister in regard to Item No. 10 it is said :

“NCCF, State Civil Supplies Corporations, State Cooperative Federations and to all Cooperative Societies approved by the Central and State Governments and duly registered under the Cooperative Societies Act.”

In the customs office, most of the officers and their friends are having fictitious cooperative societies in their name. When the Department releases goods for sale, these officers transfer their goods to the cooperative societies of their friends. But these societies are not existing. And when the MPs or anybody approach the customs office, the real goods are not available for any customer. I want to ask the Hon. Minister have you taken any steps regarding this fictitious cooperative societies ?

**SHRI A. K. PANJA :** Item No. 10, that is Disposal of Watches, those are done not only through cooperative societies but also through other agencies that I have already mentioned and I do not want to repeat. We do so only through registered cooperative societies. We have not got any notice nor any information that any fictitious cooperative societies are operating. If the Hon. Member has any such information, kindly pass on to me, we will take steps.

**PROF. MADHU DANDAVATE :** I would like to know from the Hon. Minister whether he is aware of the fact that many cases of smuggling which are detected in Delhi are directly linked up with the smugglers who are operating on the Pakistan border in Punjab and whether it has been brought to your notice that this smuggling across the border which is directly linked up with what you find in Delhi is also further responsible for disturbing the law and order situation there. Because Rs. 600 crores worth of goods are actually smuggled from Pakistan which also come to Delhi. Since the Police are in league with them, they don't attend to the work of protecting the borders and as a result of that, sealing of border has also become difficult.

**SHRI A. K. PANJA :** Yes, it has come to our notice. The length of Indo-Pak border is 3310 kms. covering the States of J and K, Punjab, Rajasthan and Gujarat. The Indo-Pak border along with Rajasthan covers Ganganagar, Jassalmer and Bikaner. We are keeping a watch. If there is any suspicion, we get information from our DRI or through our Narcotic Agency or other agencies, then we don't rely on the local police only and we take the help of the Border Security Force as the case may be or other agencies like the Central Police.

**PROF. MADHU DANDAVATE :** He has not replied to the second part of my question. Because the Police Force and the Border Force have a vested interest in the smuggling activities there, they are not able to do their job of sealing the border properly.

**SHRI A. K. PANJA :** No such information has come to our notice that the Police has vested interest. If any particular area the Hon. Member knows, he may please pass it on to me and I will examine.

**PROF. MADHU DANDAVATE :** I hope they would not take action against me because I have involved myself.

**SHRI A. K. PANJA :** I assure the Hon. Member that the informers are always protected.

**DR. KRUPASINDHU BHOI :** Just now the Minister replied to the original question of Mr. Hari Rao that if some fictitious societies are working hands in glove with the Customs Department he may be informed about them. The National Cooperative Cooperation of India which is a Government of India undertaking is having links in Calcutta and Madras. There I know that electronic goods like VCRs and other things are being sold at Rs. 11000 whereas the prevailing market rate is Rs. 15000 to Rs. 16000 There is no question of giving information. I would like to know whether he will probe into this matter. The electronic goods which have been seized should be sold openly so that people can get them at cheaper rates and the actual users are benefited.

SHRI A. K. PANJA : I have already answered that no such particular case has come to our notice. If the Hon. Member knows any particular case—not only the price, but where it has been done and the reasonable period—certainly I will look into it.

DR. KRUPASINDHU BHOI : Regularly it is being sold.

[Translation]

Sick Textile Mills in Madhya Pradesh

\*147. SHRI SATYANARAYAN PAWAR : Will the Minister of TEXTILES be pleased to state :

(a) the number and names of sick textile mills and also those which are lying closed in Madhya Pradesh;

(b) the loss suffered by each mill till 30 June, 1988; and

(c) the measures being taken to recommission the mills lying closed in Madhya Pradesh ?

[English]

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c) A statement is given below.

Statement

*Sick Textile Mills in Madhya Pradesh*

(a) According to available information, as on 29.2.1988, the cases of the following textile mills in Madhya Pradesh were registered by the Board for Industrial and Financial Reconstruction (BIFR) under the Sick Industrial Companies Act, 1985.

1. The Binod Mills Ltd., Ujjain
2. The Rajkumar Mills, Indore
3. The Hukamchand Mills, Indore
4. Hope Textiles, Indore (two units)

As on 31st May, 1988, the following mills were lying closed in Madhya Pradesh :

1. Shree Sajjan Mills, Ratlam.

2. Hope Textiles Unit No. 1, Indore

3. Hope Textiles Unit No. 2, Indore

In addition, a woollen unit viz, Ashok Woollen Mills Ltd., Indore was also lying closed.

(b) The Union Government do not maintain Profit and Loss Accounts of individual textile mills.

(c) Government had constituted a Nodal Agency to examine sick/closed textile mills in order to ascertain whether they are potentially viable or not. The Nodal Agency evolves and manages rehabilitation packages in respect of those textile mills found by it to be potentially viable. Non-viable mills may have to close down permanently. The Nodal Agency had examined the three textile mills lying closed as on 31st May, 1988 in Madhya Pradesh and had come to the conclusion that they are non-viable.

[Translation]

SHRI SATYANARAYAN PAWAR : Mr. Speaker, Sir, while replying to my question, the hon. Minister has stated that there are four sick textile mills in Madhya Pradesh which were examined by the Board for Industrial and Financial Reconstruction. I would like to know from the hon. Minister what opinion the Board has given about the Vinod Mills Ltd, Ujjain and other mills and whether they have put forward any proposal regarding modernisation of machinery etc. ?

SHRI RAM NIWAS MIRDHA : This issue is still under the consideration of that Board and I can provide the information only when the final report is available.

SHRI SATYANARAYAN PAWAR : Mr. Speaker, Sir, when did the Government decide to set up the Nodal Agency for the rehabilitation of three textile mills of Madhya Pradesh which are lying closed. Of these three mills, the machinery of Shri Sajjan Mills, Ratlam is quite new and of fine quality. The mill was giving a good production but the mill had to be closed down due to the infighting of the mill owners as a result of which a number



of workers were rendered jobless. I want to know what report has been received about this mill and what measures are being taken by the Government to re-open the mills and reemploy the workers ?

**SHRI RAM NIWAS MIRDHA :** I have already stated in my reply that there is a set procedure for a mill which is closed or the one which becomes sick, The Central Government had enacted a law under which a Board was set up. I have already mentioned about that Board. The Board takes all aspects into consideration. It examines various aspects of the mill and suggests the way to make the mill viable. It extends certain specific recommendation in case a mill does not work efficiently even after providing financial support. The Board has not yet given any verdict about the mills which are under its consideration. The Board has to attend to other work also. Therefore, the actual position of a particular mill can be determined only when the verdict is received.

**SHRI K. N. PRADHAN :** Is the Government aware of the fact that Newar Textile Mill, Khandawa, and Tapti Mill, Bahrapur are lying closed? When the Nodal Agency recommends the closure of a mill on the basis that it is not viable, the labourers are rendered jobless and when the mill is closed down permanently, their future becomes uncertain. I would like to know whether Government has any scheme to provide employments to such workers ?

**SHRI RAM NIWAS MIRDHA :** The Nodal Agency is unwilling to provide assistance to Newar Mill because they have found it to be non-viable. So far as hon. Member's question regarding the fate of workers in the event of closure of a mill is concerned, there is a provision in the Textile policy of 1985 for the workers who are rendered jobless following the closure of a mill. According to that provision, the jobless workers are supposed to receive Government aid for three years in addition to the compensation to be provided under the law. During this period, Government would provide 75 per cent of their wages in the first year, 50 per cent in the second year and 25 per cent in the third year so as to enable them to start new work. We have further liberalised this provision. As the State Governments cannot afford to

pay relief in the event of closure, the Central Government assured them that the Central Government would provide financial assistance to the workers even in case of liquidation. All the proposals given by State Governments are duly considered by the Central Government before arriving at a decision.

**SHRI DILEEP SINGH BHURIA :** The hon. Minister has stated that the Government has formulated new textile policy. Apart from a number of other mills, Sajjan Mill of Ratlam has also been closed down under that policy. The workers should not be rendered jobless for the sake of technical development of the mills. Many State Governments are keen to restart these mills as is the case of the mill in Ratlam. The mill has not yet been closed down formally. The owner of the mill has fled away and the workers are struggling to make their both ends meet. Some of them have even died. If the mill is declared closed under these circumstances, financial assistance would be provided to them afterwards. Why does the Government not formulate a system to provide employment to the workers at the earliest and take strict action against the owner of the mill for playing fraud ?

**SHRI RAM NIWAS MIRDHA :** Regarding the Sajjan Mill of Ratlam, the hon. Member had met me also and had expressed his concern over it. He wants the Government to take over the mill, but the Government's policy is not to go in for further nationalisation. There are a number of mills like the ones under the NTC which are not working efficiently. Some of the mills under State Governments are also not working properly and the State Governments are unable to run them efficiently. Therefore, there is no question of Central Government taking over such mills. So far as the issue of providing financial assistance to the workers is concerned, I have already stated that a special scheme has been formulated for this purpose and all those who are covered under that scheme would be provided full assistance.

**MR. SPEAKER :** Shri Nityananda Misra.

Shri Daulal Singhji Jadeja

Prof. More

Shri Purohitji . . .

[English]

**Clearance to Projects of Co-operative Spinning Mills in Maharashtra**

\*150. SHRI BANWARI LAL PUROHIT† :  
PROF. RAMKRISHNA MORE :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government of Maharashtra has sent several proposals the Union Government for modification in the project of about 11 Co-operative Spinning Mills for making them export oriented mills and also financing of these mills by the Central Financing Institutions;

(b) if so, the reaction of Union Government on the said proposals; and

(c) the time by which Union Government propose to clear the above mentioned proposals ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). A statement is given below.

**Statement**

(a) The Union Government had received proposals from the Maharashtra Government for conversion of 10 Co-operative Spinning Mills into 100% Export Oriented units, and also the financing of these mills by the institutions.

(b) and (c). The applications of these 10 mills for conversion into 100% Export Oriented Units were rejected by the Government on the ground that the proposals may not be viable for reasons like quota-restrictions on exports etc. The Co-operative Spinning Mills Federation and State Government have been advised for the implementation of the Carry-On-Business licences already held by these mills.

[Translation]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, hon. Minister is aware that there is a Cotton Monopoly Procurement Scheme in Maharashtra. The main objective

of the scheme is to give farmers the entire income earned in the whole of the process of manufacturing the cloth. Keeping this scheme in view, a decision was taken to install 11 Textiles Spinning Mills in the Cooperative Sector. The farmers living in Maharashtra were included in this scheme. Government was approached for the purpose and C.O.B. licence was issued to them. But after that there came a new policy of the Ministry of Finance under which these cooperative textile mills were not authorised for financial assistance. The export oriented Textile Mills were the only mills authorised to get the financial aid from the Government. These mills, therefore, requested the Government for the conversion into export oriented mills but the Government rejected their proposal. Their request was not considered and the Government did not give them the licence. I would like bring to the notice of the Government that by taking 5 to 10 rupees from farmers, the farmers of Maharashtra had collected rupees 5 crore and the State Government of Maharashtra had also contributed rupees 25 crores for this purpose. The buildings have been constructed and the machines have been installed. Now that is being rendered a bad investment. The machines are getting rested. Why the Government is bent upon ruining the farmers. This is very strange that on the one hand the Government did not finance the cooperative society of the farmers and on the other they issued licences to several private mills of Maharashtra. May I know as to why the Government do not propose to give help to the farmers. I would like to request the Government to reconsider its decision and issue licence to the cooperative spinning mills of the farmers on the grounds which licences have been given to the private export Oriented mills of Maharashtra, otherwise our farmers will get ruined. The Government policy is to encourage cooperatives of farmers more and more. Therefore, keeping this policy in view this decision may be reviewed and the clearance from the Central Government should be given to these 11 Cooperative Textile and Spinning Mills of the farmers and financial assistance should be made available to them.

SHRI RAM NIWAS MIRDHA : Mr. Speaker, Sir, as I have clearly stated in my reply that the Central Government had

received a proposal from the Maharashtra Government regarding the installation of ten 100 per cent export oriented mills. But, we found that at present all the 100 per cent Export oriented mills in Maharashtra in cooperative sector are in a very miserable condition, because of the restrictions laid down every where on export quota and we can not export freely. The Government, therefore, wanted that the cooperative societies should not enter in the field of 100 per cent export oriented mills. That is why my Ministry has recommended that these mills should be allowed in the cooperative sector instead of 100% export oriented sector. Not only this, the secretary of the Ministry has told to the financial institutions and the Government of that State that these mills will not be successful in 100 per cent export oriented filed because export quota restrictions export of yarn cannot be made more freely. That is why the Government want that instead of export these mills should be installed for the production meant for domestic consumption. We have also requested the Ministry of Finance to give them all possible help.

**SHRI BANWARI LAL PUROHIT ; Mr. Speaker, Sir,** this is a very serious question. The mills which have been given C.O.B. licence by the Government cannot be financed by any financial institutions. If no finance is available to them, then flow these mill will function. Now, I want a specific answer from the hon. Minister whether he will keep upto his commitment made at the time when C.O.B. licence were given to these mills before the introduction of new policy of the Ministry of Finance and whether full finance would be made available to these mills ? Since, the finance cannot be made available to these mills under the new policy. You should allow, as per your commitment, these mills to be financed from financial institutions so that the mills may start functioning and money belonging to the farmers and State Government do not 90 waste.

**SHRI RAM NIWAS MIRDHA : Sir,** I have clearly stated and the Ministry has in a very clear way recommended that instead of making these mills 100 per cent export oriented these mills should be made to function under carry-on-business licence

basis. The financial institutions of the state will have to see that on what grounds finances may be made available to them. We have recommended for their help.

**DR. CHANDRA SHEKHAR TRIPATHI: Mr. Speaker, Sir,** the cooperative spinning mills whether in Maharashtra or in Uttar Pradesh are on the very of closure. The reason is that at certain places there are financial constraints whereas at some places quality yarn or cotton is not available in required quantity in time. In Uttar Pradesh nine Cooperative Spinning Mills are going to be closed down because they are not getting the required quality cotton. I would like to know from the hon. Minister whether he will do something to make cotton available to those mills in desired quantity in time or these mills will be allowed to be closed ?

**SHRI RAM NIWAS MIRDHA : Mr. Speaker, Sir,** the raw cotton is not a commodity under Government control. Mills are free to make their own purchases. There are certain areas in the country where cooperative institutions make sale and purchase of raw cotton. Government does not have any significant interference in it and it should not have it. I would like to request to improve the administration of the cooperative societies so that they may get the opportunity to work properly. Such a situation should be created that they may purchase good cotton at reasonably good prices and run these mills properly and earn benefits therefrom.

**SHRIMATI USHA THAKKAR : Mr. Speaker, Sir,** I would like to say something about a spinning mill of my own area. That mill has been closed down. That mill is managed by Sindhu Re-settlement Corporation and the Government of India also have some shares in its. Due to its closure, the workers of this mill have gone jobless. They have staged a dharna in front of my house and resorted to strike. I had informed hon. Minister about that. The hon. Minister in the Ministry of Surface Transport was also apprised in this regard. I like to know the action taken by the Government to help these laboureres ?

**SHRI RAM NIWAS MIRDHA : Sir,** as I have already stated there is a policy

of Government which specifies the relief to be given to the workers in the event of the closure of a mill. What, should be the relief, the extent thereof and in what way, it should be given to the affected workers, every thing is to be decided according to the policy of Government. They should be paid their legal dues. Besides this, there is another scheme and when the State Government will takes up the matter with the Central Government then we may give them assistance under that scheme also.

[English]

PROF. N.G. RANGA : It is a very strange thing that the Government wants to help the farmers and to develop their own co-operative societies which means to prevent them from being exploited by these mill owners. When they give licence also, they raise money with the help of the local Government and at the same time, Government makes them helpless and hopeless because of their unsuitable export policy. Is it not the duty of the Government to take a comprehensive view of the matter and deal with the local Governments as well as the financial institutions and help these cooperative spinning mills started by the farmers themselves as per the general policy of the Government itself and help them at every possible moment? What is happening is you allow all these people in the market.

SHRI RAM NIWAS MIRDHA : All possible help is given to the cooperative sector and right from the point of inception, financial assistance is liberal, share capital money is given and National Development Council helps them to a considerable extent. But again it depends on the members of the cooperative sector to run efficiently. If they can't run efficiently, there is not much for the Government to do.

World Bank Assistance for Production  
of Raw Silk

\*152. SHRI M.V. CHANDRA-  
SHEKHARA MURTHY† :

SHRI V. SREENIVASA PRASAD:

Will the Minister of TEXTILES be pleased to state ;

(a) whether the Central Silk Board has undertaken a programme to step up production of mulberry raw silk with the World Bank assistance;

(b) if so, the names of States where Central Silk Board will initially start boosting production of raw silk;

(c) whether the farmers engaged in silk production will get reasonable price; and

(d) the extent to which the production of silk will be boosted ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). A statement is given below.

#### Statement

(a) and (b). In collaboration with State Governments, the Central Silk Board has formulated a national Sericulture Project for increasing production of mulberry raw silk in the country. The project has been posed for World Bank Assistance and a Mission from the Bank is expected to visit India in September/October, 1988 to discuss details of the Project, including the States to be covered in the Project.

(c) Yes, Sir.

(d) The Project envisages an additional Production of 6765 tonnes by the end of the project period.

SHRI M.V. CHANDRASEKHARA MURTHY : Today, agriculture has become unremunerative, especially for the small and marginal farmers. Agriculture and sericulture are the main sources of income for such people. In Japan, silk production is done on co-operative basis involving small farmers and the marginal farmers. I would like to know whether the Government have any proposal to have the silk production in India oncooperative basis.

SHRI RAM NIWAS MIRDHA : The Government is very keen that agriculture in our country should develop. It provides employment to a very large number of people and most of the people are from backward areas, tribals, or people belong to

the poor sections of the society. Therefore, we have a number of schemes by which agriculture can be developed. As I said, earlier, in Karnataka Government has given a lot of assistance in this respect.

As regards forming cooperative societies, they are welcome to form such cooperative societies in the various areas and if the State Governments take up initiative in this respect, we would be glad to help them in every possible way.

**SHRI M.V. CHANDRASEKHARA MURTHY :** The silk industry has several phases, namely mulberry rearing by rearers, reeler twisters and weavers. All the classes, except farmers, that is rearers are getting financial assistance from the nationalised banks and other financial institutions. In view of this, I would like to know whether the Government proposes to open a silk bank to cater to the needs of these classes, that is rearers to weavers.

**SHRI RAM NIWAS MIRDHA :** There is no proposal to have a silk bank as such, but the financial institutions and banks, as it is, are providing a lot of assistance and there is no reason, why along with agriculture, cocoon rearers are not being given assistance.

Please consult the Finance Ministry and the Banking Department; they will definitely sort it out.

**SHRI V. SREENIVASA PRASAD :** The Central Silk Board has undertaken a massive Rs. 600 crore programme to step up production of mulberry raw silk from the existing 8000 tonnes to 15000 tonnes in the course of five years with World Bank assistance. India is the second largest silk producing country in the world. Next to China. This provides employment in the rural areas to 5.5 million people in the country. Karnataka is the pioneer State which produces about 75 per cent of the mulberry raw silk; next is Andhra Pradesh and Tamil Nadu 20 per cent and the rest is in West Bengal. I am representing the mulberry raw silk area. As the Minister had stated, we are earning foreign exchange to the tune of Rs. 255 crores out of export of silk.

To step up the production of mulberry raw silk, the farmers require good and

qualitative layers. I request that the Central Sericulture Research Wing should be made more effective and invent a new race of layer so as to enable the farmers to provide more raw silk at reasonable prices. The Board has set up a silk exchange in Karnataka. Similar exchanges should also be set up in States like Tamil Nadu, West Bengal and Jammu and Kashmir.

**SHRI RAM NIWAS MIRDHA :** Marketing of silk as also of agricultural commodities is the responsibility of the State Government. There are States which have very well organised remunerative markets where the cocoon weavers are getting good advantage and we are persuading the State Government to improve the local marketing structure so that the benefit could result to the growers.

**PROF. SAIFUDDIN SOZ :** Sir, we see a ray of hope that this Minister will revive our Sericulture industry in the State of Jammu and Kashmir. At one point of time Kashmir Silk was very famous but now it is nowhere as compared to Karnataka. Will you modernise our silk industry? It requires your attention. I would like this industry to be modernised. Will you take some step to revive our Silk industry in Jammu and Kashmir?

**SHRI RAM NIWAS MIRDHA :** Sir, we are taking lot more steps; we are in touch with the State Governments, with the Chief Minister personally and we are having some schemes which will give boost to silk production in Kashmir.

## WRITTEN ANSWERS TO QUESTIONS

[English]

### Cost Escalation in Raw Material for Handlooms

\*141. **SHRI BHATTAM SRIRAMAMURTY :** Will the Minister of TEXTILES be pleased to state :

(a) whether the Yarn Mills are not producing enough yarn for the handlooms and whatever is produced is used by powerlooms, resulting in loss to handloom workers;

(b) whether Government have a proposal to collect yarn from mills and supply directly to the handlooms on subsidy to protect the handloom workers;

(c) whether handloom industry has been suffering losses due to escalation in cost of the raw materials without any corresponding increase in the finished products prices; and

(d) if so, the steps taken by Union Government thereon ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) to (d). A Statement is given below.

**Statement**

(a) No, Sir.

(b) No, Sir.

(c) These has been an increase in the price of yarn largely on account of the increase in the price of cotton. The price of cloth is determined by the market sentiments and does not necessarily correspond to the increase in price of raw materials.

(d) In order to safeguard the interest of the decentralised handloom sector. the Government have taken the following steps to check the recent rise in prices of yarn :

- (i) export of staple cotton has been suspended;
- (ii) export of hank yarn upto 60s counts has been suspended;
- (iii) import of cotton against export of cotton yarn/cotton fabrics and made-ups on advance licence basis has been permitted;
- (iv) import of one lakh bales of cotton, duty free, for production of hank yarn for supply to handloom sector has been permitted.

In order to enable state handloom corporations/apex and regional cooperative societies to carry higher inventories of cloth as compared to the previous years, NABARD and RBI have advised sanction-

ing of enhanced credit limits by financing institutions.

**Irrigation Schemes for Punjab**

**\*144. SHRI KAMAL CHAUDHRY :** Will the Minister of WATER RESOURCES be pleased to state :

(a) the number of irrigation schemes for which Punjab Government has sought approval of Union Government during the year 1987-88;

(b) the details of the schemes approved so far;

(c) the details of the schemes still awaiting approval; and

(d) the reasons for delay in clearing the projects ?

**THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND) :** (a) and (b). During 1987-88, Punjab Government submitted only one new irrigation scheme, for restoring the designed capacity of Bhakra Main Line Canal at an estimated cost of Rs. 8.27 crores. This was cleared by the Advisory Committee in April, 1988.

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

**Introduction of 'Barefoot Bankers'**

**\*148. SHRI NITYANAND MISHRA :** Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to introduce 'barefoot bankers' in rural areas;

(b) if so, the details thereof; and

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

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) to (c). A statement is given below.

**Statement**

The Government have been laying stress in the recent past for improving the quality of lending in rural areas and for this purpose bring about greater interaction between the banks and the population they serve. In this context RBI has issued instructions to all scheduled commercial banks that their rural branches should earmark one day in a week as non-public business working day which should be utilised for field visits and interaction with rural borrowers. In the guidelines for the service area approach in rural lending also, RBI has advised banks to undertake local surveys for formulating credit plans. There is no such concept as "barefoot bankers" under consideration of Government.

**Excess Capacity in Textile Mill Sector**

\*149. SHRI DAULATSINHJI JADEJA : Will the Minister of TEXTILES be pleased to state :

(a) whether the textile production targets of mill sector have been scaled down as compared to what was targatted in the Seventh Plan document;

(b) if so, the reasons for such a change and the estimate of increase in excess capacity as a result of such a change; and

(c) the action plan of Union Government to deal with such an increase in excess capacity ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). A Statement is given below.

**Statement**

(a) to (c). The target of the organised mill sector has been scaled down, since the production in this sector was not keeping pace with the production target fixed for this sector in the Seventh Five Year Plan. While doing so, the overall target of cloth production for the Seventh Plan has been kept intact and only a sectoral adjustment in the target has been made, keeping in view the production trends of the three sectors of textile industry. No authentic estimates of excess capacity in the textile industry was available. The Textile Policy of June, 1985

allows textile mills to contract capacities, including closure of a unit or part thereof, wherever necessary and justified.

**Nationalised Banks Funds Outstanding Against Large Textile Units**

\*151. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) the funds of nationalised banks blocked in large textile units;

(b) the number of these large textile units;

(c) the number of those units which are from public sector and private sector, state-wise details; and

(d) the details of credit sanctioned to these units (bank-wise) ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :

(a) to (c). As per the information furnished by Reserve Bank of India, the scheduled commercial banks (including 28 Public Sector Banks) have advanced an amount of Rs. 260.4 crores (approx.) to 467 large textile units (*i.e.* those enjoying aggregate credit limits of Rs. 1 crore and above from the banking system) as at the end-December, 1987.

Of the above large textile units, 29 units were in the public sector and 438 units were in the private sector. State-wise details, to the extent available, are given in Statement I below.

(d) The bank-wise details of the total amount advanced by the 28 Public Sector Banks to the large textile units are set out in the Statement II below.

**Statement I****State-wise Break-up of Large Textile Units (Based on the Location of the Registered Office)**

(As at the end of December 1987)

Name of the State	No. of Units
1	2
West Bengal	25

1	2	1	2
Orissa	3	State Bank of Patiala	12.36
U.P.	17	State Bank of Saurashtra	30.52
Delhi	16	State Bank of Travancore	14.63
Punjab	5	State Bank of Indore	29.94
Haryana	2	Bank of Baroda	249.50
Chandigarh	1	Allahabad Bank	80.13
Rajasthan	15	Bank of India	124.46
Gujarat	66	Bank of Maharashtra	63.73
Maharashtra	87	Canara Bank	85.38
Madhya Pradesh	11	Dena Bank	59.96
Andhra Pradesh	13	Indian Bank	67.42
Karnataka	9	Indian Overseas Bank	144.56
Tamilnadu	50	Central Bank of India	267.18
Kerala	5	Union Bank of India	49.96
Pondicherry	1	Punjab National Bank	211.37
	326	United Bank of India	59.17
		UCO Bank	113.93
		Syndicate Bank	67.41
		Andhra Bank	34.11
		Corporation Bank	8.69
		Oriental Bank of Commerce	26.14
		Punjab and Sind Bank	4.14
		New Bank of India	11.24
		Vijaya Bank	7.72
			2383.39

**Statement II**

*Bank-wise details of amounts Advanced to Large Textile Units (Cotton and Silk and Synthetic Textile Units*

*As at the end December 1987)*

(Rs. in Crores)

Name of the Bank	Total amount advanced
1	2
State Bank of India	497.00
State Bank of Bikaner and Jaipur	40.60
State Bank of Hyderabad	12.96
State Bank of Mysore	9.18

[Translation]

**Inclusion of Irrigation Projects Under C.A.D. Programme**

**\*153. SHRI MAHENDRA SINGH : Will the Minister of WATER RESOURCES**



be pleased to state :

(a) the names of such irrigation projects which are to be included under Command Area Development Programme;

(b) the amount of financial assistance provided by the Government for implementation of such projects during the Seventh Five Year Plan period ; and

(c) the progress made so far to complete these projects ?

THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND) : (a) Indira Gandhi Nahar Pariyojana (Stage-II), Sarda Canal Project and 14 other medium projects.

(b) and (c). The Central financial assistance would depend on the progress achieved on the projects by the State concerned in this regard.

[*English*]

Increase in Balance of Payment Deficit

\*154. DR B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether there has lately been an alarming increase in the balance of payment (BOP) deficit ; if so, how much as compared to the corresponding period of the previous year;

(b) whether Government are working on any strategies to substantially step up exports and cut down imports, including certain raw materials; and broad features thereof; and

(c) the anticipated export level in the current financial year ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). A statement is given below.

Statement

(a) and (b). The balance of payments statistics are compiled by the Reserve Bank

of India. There is normally a time lag of more than 12 months before the full figures of the balance of payments become available. Therefore, full balance of payments data for 1987-88 and thereafter are not yet available.

Available data on Foreign exchange reserves (excluding gold and SDRs) show that these declined in the first quarter of the current financial year and stood at Rs. 5269 crores on 8th July, 1988. They have since risen to Rs. 5485 crores as on 29th July, 1988. The decline in reserves in the first quarter of the financial year is believed to be due to the bunching of some import payments, consequences of unusually high international prices for metals, edible oils, petrochemicals and other imports, and lower net receipts of aid and higher repayments to the IMF as compared to last year.

In order to strengthen the underlying balance of payments situation, the Government has been taking measures to step-up exports and contain the growth of imports. The Government's strategy has included fiscal concessions to exporters, such as those announced in the recent budget, as well as an array of import export policy initiatives, such as revamping of the advance licencing scheme for exporters, extension of the duty-free passbook scheme for exporters, restructuring of the replenishment licencing system and a number of other measures which are outlined in the recently announced Import-Export Policy for April, 1988 to March, 1991. On the import side, the Government's strategy includes emphasis on efficient import substitution in key sectors such as fertilizers, edible oils, iron and steel, together with strict scrutiny over non-essential imports.

(c) It is difficult to precisely estimate the export outcome for the current financial year at this stage. However, in response to the Government's earlier policy initiatives, exports increased by 25.3 per cent in 1987-88. The Government's current export strategy is aimed at maintaining the rapid pace of export growth.

[*Translation*]

Family Courts

\*155. CHOWDHRY AKHTAR

**HASAN:** Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Union Government are aware that the Government of West Bengal are considering to constitute "family courts" without advocates for solving the cases of divorce and property disputes etc ;

(b) if so, the details thereof;

(c) whether Government are considering starting of the scheme of such courts in other States, especially in Uttar Pradesh;

(d) if so, by which time; and

(e) if not the reasons therefor ?

**THE MINISTER OF LAW AND JUSTICE AND MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND):** (a) and (b) The Government of West Bengal are considering the setting up of Family Courts in consultation with the Calcutta High Court.

(c) to (e). The Government of India have written to all the State Governments to take steps for setting up Family Courts under the Family Courts Act, 1984. The State Governments of Pajasthan, Karnataka and Uttar Pradesh only have established Family Courts.

#### Profits of State Bank of Indore

\*156. **SHRI RAJ KUMAR RAI:** Will the Minister of FINANCE be pleased to state :

(a) the profit and loss of 284 branches of the State Bank of Indore pertaining to the past three years;

(b) whether the percentage of profit of the State Bank of Indore is very low; and

(c) if so, the directions issued by Government to this bank for increasing their profit ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO):** (a) to (c). A statement is given below :

#### Statement

The profit of State Bank of Indore for the last three years is indicated below :

1985	Rs. 0.13 crores
1986	Rs. 0.38 crores ,
1987	Rs 0.78 crores

The profit of the bank as a percentage to its working funds has steadily risen from 0.02% in 1985 to 0.08% in 1987. Reserve Bank of India (RBI) has further reported that during the last three years the bank's profit has shown a higher growth rate compared to other public sector banks.

The working of the public sector banks is periodically inspected by RBI and steps as may be called for are taken to improve their productivity/profitability.

[English]

#### Investment by Unit Trust of India

\*157. **SHRI SYED SHAHABUDDIN:** Will the Minister of FINANCE be pleased to state :

(a) the total investment by the Unit Trust of India as on 1 April, 1988;

(b) the break-up of the investment by equities, debentures, public sector bonds, Central Government securities etc.; and

(c) whether there has been any major change in the pattern of investment during 1987-88 ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO):** (a) to (c). A statement is given below.

#### Statement

(a) The total investment by Unit Trust of India (UTI) as on 1st April, 1988 was Rs. 6305.37 crores.

(b) The break-up of the investment referred to in (a) above, is as under :

	(Rs. in crores)
1. Equity Shares	970.85
2. Preference Shares	10.14
3. Debentures	1946.43
4. Term Loan	124.20
5. Deposits with Companies	638.40
6. Application money, etc.	160.43
7. Funds/Deposits with Banks	1138.25
8. Public Sector Bonds	861.60
9. Government Securities	455.07
	<b>6305.37</b>

(c) There has been major change in the pattern of investment of Unit Trust of India during its accounting year, 1987-88 except for the considerable increase in investment in public sector bonds/loans, as compared to the previous year.

[Translation]

#### Erosion in Purchasing Power of Rupee

\*158. SHRI BALWANT SINGH  
RAMOOWALIA :  
SHRI RAM DHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the purchasing value of rupee is eroding due to continuous rising trend in prices in the country;

(b) the steps being taken by Government to check this continuous fall in purchasing power of the rupees; and

(c) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). A Statement is given below.

#### Statement

The purchasing power of the rupee, calculated as the reciprocal of Consumer Price Index for Industrial Workers (CPI), has come down over the years because of the rise in the Index. Government accords high priority to control of inflation and steps are taken on a wide front to keep the prices under check. These include measures to increase production, strengthening of the Public Distribution System, import of essential commodities like pulses, edible oils, sugar and milk to ensure adequate supplies through the PDS, strict economy in Government expenditure, curb on money supply growth, imposition of selective credit control and intensified action against hoarders and blackmarketeers.

[English]

#### Income Tax Arrears Against Big Business Houses

\*159. SHRI UTTAMRAO PATIL :  
SHRI JAI PRAKASH AGAR-  
WAL :

Will the Minister of FINANCE be pleased to state :

(a) whether huge amount of Income Tax and Central Sales Tax arrears for the year 1987-88 are outstanding against the big business houses and film personalities in the country;

(b) if so, the total amount outstanding as Income-tax and Central Sales Tax, separately along with names of first 20 amongst those who are in arrears in each category; and

(c) the reasons for not recovering the arrears in time ?

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

#### Statement

Total amount outstanding against undertakings of Monopoly Houses and film personalities who individually owe arrears

exceeding Rs. 10 lakhs on 31.3.88 was Rs. 430.74 crores out of which Rs. 358.07 crores had either not fallen due to payment or the recovery thereof had been stayed by the authorities because demands are in dispute before various appellate authorities. Name of such first 20 Monopoly Houses and film personalities are given below. Central Sales Tax is collected by the State and hence no figures of arrears are available with this Ministry.

As state above, about 83% of demand has either not fallen due for payment or is being disputed in appeals, revision, etc. and consequently stay/instalments have been granted. For collectable demand, all coercive measures like attaching moneys due to the defaulters from third parties, issuing the recovery certificates to Tax Recovery Officer which empower him to recover arrears by sale of assets and even by arrest/detention of the defaulter in the civil prison; are time consuming.

Busines Houses	Film Personalities
1. Golden Tabacco	1. Prakash Mehra
2. Tata	2. Amjad Khan
3. Modi	3. Rekha Ganesan
4. Reliance	4. Akbar Ali Khan
5. Escorts	5. Satyendra Pal Chowdhary
6. Sarabhai	6. Satram Rohra
7. Birla	7. Sohan Lal Sharma
8. M.A. Chidambaram	8. O.P. Ralhan
9. V.S. Dempo	9. K. Subramaniam
10. Hindustan Lever	10. N N. Sippy
11. J.K. Singhania	11. Gulab M. Gulbani
12. Walchan	12. Sree Devi
13. Mafat Lal	13. Rajesh Khanna
14. Sri Ram (DCM)	14. Shreeram Lagoo
15. Thapar	15. Shashiraj Kapoor
16. Kamani	16. Rati Agnihotri
17. Kapadia	17. K. Kalpana (Deceased)
18. Bangur	18. Tina Munim
19. Murugappa	19. A.V. Mohan
20. Dalmia	20. Ramanand Sagar

**International Monetary Fund Credit**

\*160. SHRI K.P. UNNIKRISHNA : Will the Minister of FINANCE be pleased to state :

(a) whether India has approached or intends to approach soon the International Monetary Fund for yet another massive credit under Extended Fund Facility Programme of the Fund; and

(b) if so, the reasons necessitating a massive loan ?

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

(b) Does not arise.

**'Karja Chhod' Movement in Haryana**

\*161. SHRI BRAJA MOHAN MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether the "Karja Chhod" movement in Haryana has any impact on the banking activity and its development programme in the State; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). A Statement is given below.

**Statement**

The Honourable Member is presumably referring to the announcement made last year by the State Government of Haryana to write off certain categories of bank dues. In this context the commercial banks on their part had not agreed for any general write off of banks dues. There has been some adverse impact in the State in the sense that the credit deposit ratio of all scheduled commercial banks in the State came down from 66.1% as at the end of December 1986 to 62.7% by the end of December 1987.

**Working of Gold Control Act**

\* 1428. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have by now scrutinised closely the recommendations made by the Dutta and Rangarajan Committees on the working of the Gold Control Act;

(b) if so, the changes in gold policy and the Gold Control Act which are proposed to be made;

(c) whether India's performance in the matter of export of jewellery on the global scene has also been dismal; and

(d) if so, the measures being taken to facilitate higher export of jewellery ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A K. PANJA) : (a) and (b). The recommendations of the Dutta and Rangarajan Committees on the working of Gold Control Act have been scrutinised. These are under process for a final decision.

(c) India's share in the world trade of jewellery (both studded and fine) has been limited.

(d) The following measures have already been taken to facilitate higher export of jewellery;

(a) Manufacture of jewellery in processing zones and in special export oriented complexes with liberal fiscal and trade benefits;

(b) Facilities for advance licence for carat gold;

(c) Surveys of target markets;

(d) Visits of foreign experts to India to promote appropriate designs; and

(e) Organisation of exhibition/fairs abroad

**Top Bidi Manufacturing Companies**

1429. SHRI MURLIDHAR MANE : Will the Minister of FINANCE be pleased to state :

(a) the names of 10 top Bidi manufacturing companies in the country;

(b) what is the amount of Bidi production during last three years, year-wise; and

(c) the location of each company in the country ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). The information is being collected and will be laid on the table of the House.

**Smuggling of Ball Bearings**

1430. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the smuggling of ball bearings into the country is on the increase;

(b) whether such smuggling has caused a great harm to the domestic manufacturers of ball bearings and also resulting in a loss of revenue to Government;

(c) if so, the steps taken to check the smuggling of ball bearings; and

(d) whether Government propose to reduce the import duties in respect of ball bearings as a step towards checking the smuggling ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The available reports indicate that ball bearings are items sensitive to smuggling into the country. Since smuggling is a clandestine activity, it is not feasible to estimate the extent of smuggling of ball bearings. It is also, therefore, not feasible to estimate the extent of harm caused by such smuggling to the domestic manufacturers and to the exchequer.

(c) and (d). The Government is determined to check smuggling activities firmly. The anti-smuggling drive throughout the country has been intensified. The anti-smuggling machinery throughout the country including vulnerable areas of the coastline and the land borders and at the international airports and seaports has been geared up.

Close co-ordination is maintained with all the agencies concerned in the detection and prevention of smuggling.

The import duty on ball bearings has been fixed after taking into account the need for production to the domestic industry. There is no proposal under consideration at present for reducing the import duty on a ball bearings.

**Indian Engineering Exhibition at Moscow**

1431. SHRI CHINTAMANI JENA :  
SHRI MOHANBHAI PATEL :

Will the Minister of COMMERCE be pleased to state :

(a) whether an Indian Engineering Exhibition has been held in Moscow, recently;

(b) if so, the details of industrial units including public and private sector which participated;

(a) the details of machinery displayed in the exhibition; and

(d) the details of trade deal made ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir. The exhibition was held during July 1st to July 8th, 1988.

(b) A statement is given below.

(c) The products displayed included machine tools, forgings and castings, tractors, two wheelers, bicycles, diesel engines, gas engines, automotive components, industrial machinery, pumps and compressors, weighing machines, refractories and abrasives, batteries, construction equipment, electronic equipment computer and computer based systems, entertainment electronics items, peripherals and computer software, telecommunication equipment, photocopying machines, electrical generating and transmission equipment etc.

(d) According to the reports received from participants, business worth Rs. 111.75 crores was generated.

*List of participants in the Indian Engineering Exhibition, Moscow, July 1.8.1988*

S. No.	Name of the participant
1	2
1.	Abro Balancing Machines Pvt. Ltd., New Delhi.
	<i>Constituents</i>
	(i) Abro Dynamics Pvt. Ltd.
	(ii) Ashok Manufacturing Co. Pvt. Ltd.
2.	Amco Batteries Ltd., Bangalore.
	<i>Constituents</i>
	(i) Addison and Co. Ltd., Madras.
	(ii) Amco Batteries Ltd., Madras.
	(iii) Bimetal Bearings Ltd., Madras.
	(iv) India Pistons Ltd., Madras.
	(v) OCM Computers Pvt. Ltd., Hyderabad.
	(vi) Shardlow India Ltd., Madras.
	(vii) Simpson and Co. Ltd., Madras.
	(viii) Solidaire.
	(iv) Three C Systems Ltd., Madras.
	(x) Tractors and Farm Equipment Ltd., Madras.
	(xi) W.S. Industries (India) Ltd., Madras.
	(xii) Amalgamations.
	(xiii) Wipro.
3.	Associated Instrument Manufacturers (India) Pvt. Ltd., New Delhi.
4.	Atlas Copco (India) Ltd., Bombay.
5.	Avery India Ltd., New Delhi.

1	2
6.	Bee Electronic Machines Pvt. Ltd., Bombay.
7.	Beckay Engineering Corporation, Bhilai.
8.	Bharat Fritz Werner Pvt. Ltd., Bangalore.
9.	Binatone Electronic Pvt. Ltd.,
10.	Bush India Ltd., Bombay.
11.	Carborandum Universal Ltd., Madras.
12.	Cenlub Engineers, Faridabad.
13.	Chinar Exports Pvt. Ltd., New Delhi.
	<i>Constituents</i>
	(i) Audco India Ltd.
	(ii) Danfoss India Ltd.
	(iii) Elko Computers Pvt. Ltd.
	(iv) Flender Mecneill Gears Ltd.
	(v) Inalsa Pvt. Ltd.
	(vi) Jai Surgicals Ltd.
	(vii) KSB Pumps Ltd.
	(viii) Monica Electronics Pvt. Ltd.
	(ix) Polymer Papers Ltd.
	(x) Pratap Rajasthan Cooper Foils and Laminates Ltd.
	(xi) Rallinolf Ltd.
	(xii) Sake Electronics Pvt. Ltd.
14.	Chloride India Ltd., Calcutta.
15.	Computer Aided Systems Pvt. Ltd., New Delhi.
16.	Confederation of Indian Engineering Industry, New Delhi.
17.	Electronics Consortium Pvt. Ltd., New Delhi.
18.	Escorts Ltd., Faridabad.

1	2	1	2
19. Greaves Cotton and Co. Ltd. Bombay.		(iv) International Data Management.	
20. Grindwell Norton Ltd. Bombay.		(v) Kirloskar Electrodyns Pvt. Ltd.	
21. HCL Ltd., New Delhi.		(vi) Manshah Exports.	
22. Hero Cycles Pvt. Ltd., Ludhiana.		(vii) Maul Eastern Ltd.	
23. Hindustan Development Corporation Ltd., New Delhi.		(viii) Menon Pistons Pvt. Ltd.	
24. Hindustan Ferodo Ltd., Bombay.		(ix) Mysore Kirloskar Ltd.	
25. Hindustan Motors Ltd., Madras.		(x) Namtech Systems Pvt. Ltd.	
26. HMT Intl. Ltd., Bangalore.		(xi) Nuchem Plastics.	
27. I.A.E.C. (India) Ltd., Bombay.		(xii) Perfect Circle Victor Ltd.	
28. Indian Aluminium Co., Calcutta.		(xiii) Prabha Engineering Pvt. Ltd.	
29. Indian Fine Blank Ltd. Calcutta.		(xiv) Texmaco Ltd.	
30. Indian Xerographic Systems Ltd., New Delhi.		(xv) Zenith Rubber and Plastic Works.	
31. Indian Railway Construction Company Ltd., New Delhi.		(xvi) Universals Computers.	
32. Industrial Cables India Ltd., New Delhi.		40. Mercantile and Industrial Development Co. Pvt. Ltd., Bombay.	
33. Khandiwal Herrmann Electronics Ltd., Bombay.		41. Micronotic Machine Tools Pvt. Ltd., Ghaziabad.	
34. Kirloskar Brothers Ltd., Pune.		<i>Constituents</i>	
35. Kirloskar Cummins Ltd., Pune.		(i) Parishudh Sadhan, Yantra Pvt. Ltd.	
36. Kirloskar Oil Engines Ltd., Pune.		(ii) Pragati Engineering Works.	
37. Larson and Tubro Ltd., Madras.		(iii) ACE Designers.	
38. Mascot (India) Tools and Forgings Pvt. Ltd., Ghaziabad.		42. Mukund Iron and Steel Works Ltd., Bombay.	
39. Menon Trade Links Pvt. Ltd., New Delhi.		43. Phoenix Oversea Pvt. Ltd., New Delhi.	
<i>Constituents</i>		44. The projects and Equipment Corporation of India Ltd, New Delhi.	
(i) Amforge Industries Ltd.		<i>Constituents</i>	
(ii) BPL (India) Ltd.		(i) Associated Capsules Tea Machines.	
(iii) Indian Royon Corpn.			



1	2
	(ii) Auto Lamp Ltd.
	(iii) Bhor Industries.
	(iv) Brimco.
	(v) CLIT.
	(vi) DCM Data Products.
	(vii) DCM Toyota.
	(viii) Dynamic Industries.
	(ix) JCT Electronics.
	(x) Perks Engineering.
45.	Rockwain Flometer India Pvt. Ltd., New Delhi.
46.	Saha Electro Components Pvt. Ltd., Bombay.
47.	Shriram Honda Power Equipment Ltd., New Delhi.
48.	Sonata, Bangalore.
49.	S.R.F. Nippondeso Ltd., New Delhi.
50.	Steelcast Bhavnagar Pvt. Ltd., Gujarat.
51.	Sundaram Abex Padi, Madras.
52.	TIL Ltd., Calcutta.
53.	Thermax Pvt. Ltd., Pune.
<b>Constituents</b>	
	(i) Bharat Forge.
	(ii) Premier Automobiles.
54.	UB MEC Batteries Ltd., Bangalore.
55.	Usha Martin Industries Ltd., Calcutta.
56.	Usha Rectifier Corpn. (India) Ltd., New Delhi.
57.	Usha Telehoist Ltd., New Delh

1	2
58.	Weston Electronics. Ltd., New Delhi.
59.	M/s. Alfa Laval (India) Ltd. Exports, Pune.
60.	M/s. Siemens Ltd. Bombay.
61.	M/s. Indian Reprographics Ltd., New Delhi.
62.	National Building Construction Corporation, New Delhi.

#### Export of Peacock Feathers

1432. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to export peacock tail feathers;

(b) if so, the names of the countries;

(c) whether some protests have been received; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) and (b). In terms of current export policy, export of Peacock Tail Feathers is permitted within a limited ceiling as a per the prescribed procedure based on highest unit value realisation. Export of the item can be made to all countries except South Africa, South West Africa and Fiji.

(c) and (d). Representations have been received for restoration of erstwhile procedure for allocation of quota to the specified Established Exporters as well as for banning a its export altogether. No change in the existing procedure is considered necessary.

#### Seizure of Drugs

1434. SHRI MOHANBHAI PATEL :  
SHRI AMAR SINGH  
RATHWA :

Will the Minister of FINANCE be pleased to state :

(a) the quantity of heroin seized, during last six months in the country and in which part;

(b) the value of the seized herein in the worldmarket;

(c) the number of persons arrested during last six months with the seized heroin, and of which nation; and

(d) how this seized heroin is being disposed of ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : (a) to (d). In the first 6 months of the current year, 1,708 kgs. of heroin have been seized from different parts of the country.

No precise value of the seized heroin in the world market can be determined as this varies from place to place and time to time, depending upon its purity, place of origin, local demand and supply facto, etc.

704 persons including 89 foreigners were arrested for offences relating to heroin in the first six months of 1988. The foreigners were mainly of Nigeria, Sri Lanka, Ghana, Kenya, Pakistan and Afghanistan.

The seized heroin when ripe for disposal is destroyed by burning under proper supervision.

#### Settlement of Trade Dispute with United States

1435. SHRI NARSING SURYA-VANSI : Will the Minister of COMMERCE be pleased to state :

(a) whether the trade dispute with the United States over import of almonds has been settled by liberalising imports and reducing and binding import duty; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) and (b). Yes, Sir. This has been done keeping in view our General

Agreement on Tariffs and Trade (GATT) obligations and trade interests.

#### Indo-Bangla Agreement

1436. SHRIMATI MADHUREE SINGH :

DR. G. S. RAJHANS :

Will the Minister of FINANCE be pleased to state :

(a) whether India and Bangladesh have agreed to adopt more stringent measures to check the growing menace of smuggling on Indo-Bangladesh border;

(b) if so, the details of the agreement held in this connection; and

(c) the details of the methods proposed to be adopted to curb the growing menace of smuggling on Indo-Bangladesh border ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : (a) and (b). India and Bangladesh have not negotiated any agreement to check smuggling across the Indo-Bangladesh border.

(c) Reports received indicate an increase in the flow of third country goods and cheap man-made fabrics being smuggled from Bangladesh into India on head-loads and cycle-loads. Preventive checks have been intensified to combat this flow. Close co-ordination is also being maintained with all the agencies concerned in the prevention and detection of smuggling across the Indo-Bangladesh border. Preventive raids on the recipient markets like Thurka Patti in Calcutta have also been undertaken.

#### Outstanding Cases Pending Decision in the High Courts

1437. PROF. NARAIN CHAND PARASHAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government have taken any note of a large number of outstanding cases pending for decision in the High Courts and the Supreme Court;

(b) if so, the number of cases pending for over three years in each court;

(c) whether any immediate steps would be taken to expedite the provision of quick justice by taking such steps as the filling of existing vacancies as also by increasing the strength of judges in the Courts; and

(d) if so, the likely date by which these steps will be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : (a) The Government have been constantly monitoring the position of institution, disposal and pendency of cases in the High Courts and the Supreme Court;

(b) As per information furnished by the Registries of the High Courts and the Supreme Court, the number of cases pending for over 3 years in each court has been indicated in the Statement below.

(c) and (d). The Government have decided to fill the existing vacancies of judges in High Courts and the Supreme Court expeditiously and have also agreed to increase the sanctioned judge-strength of some High Courts. However, it is not possible to indicate any date by which all the available posts would be filled up.

#### Statement

*Position as on 1.1.1988*

	Number of Cases pending for over 3 years
1	2
<i>Supreme Court</i>	26223
<i>High Courts</i>	
1. Allahabad	188020
2. Andhra Pradesh	16443
3. Bombay	64057
4. Calcutta	102102
5. Delhi	34809

1	2
6. Gauhati	8263
7. Gujarat	24419
8. Himachal Pradesh	4677
9. Jammu and Kashmir	12532
10. Karnataka	25005
11. Kerala	38753
12. Madhya Pradesh	15002
13. Madras	47330
14. Orissa	5163
15. Patna	6962
16. Punjab and Haryana	19841
17. Rajasthan	20804
18. Sikkim	1
<b>Total</b>	<b>634183</b>

#### Expenditure by Companies

1438. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry is aware that some of the FERA companies hold meetings, seminars etc. in Five-Star Hotels incurring lavish expenditure;

(b) if so, whether it is permissible under the Rules;

(c) if not, what are the modus operandi adopted by them to account for such expenditure; and

(d) the steps taken to check the concealment of uncalled for expenditure under legible heads with a view to deprive the public exchequer of its legitimate dues ?

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

**Statement**

(a) The Income-tax Department is aware that some companies hold meetings, seminars etc. in five-star hotels.

(b) Section 37(2A) of the Income-tax Act lays down certain ceiling limits in respect of deduction of expenditure in the nature of entertainment expenditure. Hence, where the expenditure on holding meetings, seminars, etc. in a hotel includes expenditure in the nature of entertainment expenditure in excess of the specified limits, such excess expenditure on entertainment will not be allowed as deduction in computing the taxable profits.

(c) Taxpayers may try to circumvent the provisions of Section 37(2A) of the Income-tax Act by camouflaging the expenditure on entertainment and claiming it under some other head.

(d) In the statement in Form No. 3 CD, to be furnished by a chartered accountant along with the audit report under Section 44 AB of the Income-tax Act, the chartered accountant is required to give the amount of expenditure on entertainment incurred by the taxpayer. While making scrutiny assessments, the assessing officers are also required to carefully examine the relevant records with a view to ensuring that the provisions of law are not circumvented by the taxpayers by camouflaging their expenditure under wrong heads.

**Pay Scales of Senior Computers of C.W.C.**

1439. SHRI R. P. DAS : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Central Water Commission has proposed/recommended to the Ministry of Water Resources for extending the benefits of the Senior scale of Rs. 425-700 (pre-revised) and Rs. 1400-2300 (revised) to all the Senior Computers of Central Water Commission on account of the judgement of the Central Administrative Tribunal;

(b) if so, what action has been taken so far to implement the judgement of the Tribunal; and

(c) if not, the reasons therefor ?

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

(b) and (c). Since the Central Administrative Tribunal granted pay scale of Rs 1400-2300 only to the Petitioners, the benefit of this judgement could not be extended to others. Meantime, a number of Senior Computers have filed petitions in various Benches of Central Administrative Tribunal demanding revised scale on the analogy of the judgement of Delhi Bench of the Tribunal. The matter is sub-judice.

**Import of Raw Jute to Compete in Export Market**

1440. SHRI LAKSHMAN MALLICK : Will the Minister of TEXTILES be pleased to state :

(a) whether the Indian Jute Mills Association has urged Government for permission to import raw jute at the international market price in order to be able to compete in the export market;

(b) whether the Association has also explained other difficulties faced by the Indian Jute Mills Association to Union Government; and

(c) if so, the reaction of Government in this regard ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) to (c). A statement is given below.

**Statement**

(a) In their memorandum dated 7th June, 1988, the IJMA has requested for grant of various facilities for export. They have asked for the supply of jute to mills by the Jute Corporation of India (JCI) at international ruling prices and/or support price fixed by the Government of India for raw jute.

(b) The IJMA has put forth some other suggestions to increase competitiveness of their exports,

(c) The jute Corporation of India has been regularly supplying raw jute to the mills, according to their requirements, both from buffer stock and the stock with the Corporation. The Government has also taken various measures from time to time increase exports of jute goods, which include, amongst others.

- (i) Setting up of Jute Manufacture Development Council;
- (ii) Introduction of Export Price Stabilization Fund Scheme;
- (iii) Introduction of new rates of Cash Compensatory Support with effect from 1.7.1986;
- (iv) STC-Jute Industry Consortium on 50/50 loss sharing basis for export of carpet backing cloth to North American Markets; and
- (v) Scheme of buffer stocking of raw jute to contain fluctuation in raw jute prices.

#### Interest on Crop Loans

1441. SHRI JAGANNATH PATNAIK:  
Will the Minister of FINANCE be pleased to state :

(a) the likely effect of the reduction by two to two and a half per cent interest on crop loan, as announced by Government in Budget for 1988-89, on the cooperatives as well as commercial banks;

(b) whether the farmers prefer adequate and timely disbursement of loans rather than low interest;

(c) whether the cooperative movement in India, which began in the field of rural credit has failed to spread to other fields like marketing, farming and processing; and

(d) if so, the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India (RBI) has reported

that as a result of reduction in interest rates on crop loans, there will be some reduction income of banks.

(b) The farmer would prefer not only adequate amount of loans and their timely disbursement but also loans carrying lower rates of interest. The quantum of crop loan will depend upon the scale of finance decided by the Technical Committee for each crop and in respect of term loans, based on the nature of investment activity proposed to be undertaken by the farmers. For timely disbursement of loans banks have been advised that all applications upto a credit limit of Rs. 25,000 should be disposed of within a fortnight and those for over Rs. 25,000 within 8 to 9 weeks.

(c) and (d). National Bank for Agriculture and Rural Development (NABARD) has reported that the performance of the Cooperative movement in the field of marketing and processing has not been generally satisfactory. The NABARD has advised all State Governments to strengthen the coop. marketing and processing units so that they could subservise their objectives effectively.

#### Levy of Excise Duty on Excisable Goods Used for Captive Consumption

1442. PROF. MADHU DANDAVATE:  
Will the Minister of FINANCE be pleased to state :

(a) whether the balance of ninety five cases relating to levy of excise duty (E.D.) on excisable goods used for captive consumption pending in the Supreme Court referred to in paragraph 2.10.1.1 of the Ministry's Annual Report for 1987-88 have since been heard;

(b) if so, the number of cases disposed of and the amount of excise duty realised together with related disposal of cases in the High Courts, as well as year-wise analysis of pending cases; and

(c) the steps taken to persuade the courts to finally dispose of court cases at the earliest involving Government revenues in view of the tendency of the business community to withhold payment of Government dues by raising such disputes ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) No, Sir.

(b) Does not arise.

(c) The major group of cases pending in Supreme Court have been identified and efforts are being made to get them listed for being heard and disposed of. Collectors of Central Excise have been instructed to pursue the cases in High Courts vigorously for their disposal.

#### Rise in Price of Cotton Yarn

1443 SHRI PIYUS TIRAKY: Will the Minister of TEXTILES be pleased to state:

(a) whether 7.5 lakh weavers in West Bengal are undergoing through a very critical period due to the steep rise in cotton-yarn prices;

(b) if so, whether Government plans to suspend the export of cotton and cotton yarns as these exports are resulting in raising the prices of cotton yarn;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) The handloom industry in the entire country, including West Bengal, passing through a difficult period due to the increase of cotton yarn.

(b) and (c). Export of staple cotton has been suspended. Export of bank yarn upto 60s counts has been suspended.

(d) Does not arise.

Memorandum by the State Bank of India Staff Federation and Officers Federation

1444. SHRI ZAINAL ABEDIN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any memorandum on 4 January, 1988 from

the Joint Action Committee of the State Bank of India Staff Federation and Officers' Federation;

(b) if so, the salient features of the said memorandum;

(c) whether any action has been taken on the said memorandum;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

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

(b) to (e). The memorandum submitted by the Joint Action Committee mentioned about the majority following enjoyed by the Federations in SBI and their non-political status. Giving an outline of the healthy relations between the management and employees in SBI within the over-all framework of Bank's industrial relation policy, the Joint Action Committee expressed resentment of the Federations over alleged attempts by a particular union to gain strength in SBI using Governmental and political power and highlighted the adverse consequences of any such attempt. Government is keen that healthy industrial relation prevails in the Industry. Government has endeavoured to see that no discrimination whatsoever is made against any union. The allegation of the Joint Action Committee of foisting a particular union by Government is materially baseless and does not call for any action.

#### Jute Modernisation Fund

1446. SHRI SYED MASUDAL HOSSAIN:

SHRI KAMLA PRASAD RAWAT:

Will the Minister of TEXTILES be pleased to state:

(a) whether any jute mills have applied for loan from Jute Modernisation Fund;

(b) if so, the number and names of those mills;

(c) the criteria for getting loan from the said Fund;

(d) whether all the mills which have applied for loan so far have received the loan;

(e) if so, the details thereof ?

(f) if not, the reasons therefor ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (f). A statement is given below.

#### Statement

Till the 31st July '88 the Financial Institutions had received 29 applications seeking assistance under the Jute Modernisation Fund Scheme from the Following Mills :

1. Anglo India Jute Mills Co. Ltd.
2. Howrah Mills Co. Ltd.
3. Hastings Mills (Jute Divn. of Shree Digvijay Cement Co. Ltd.)
4. Angus Co. Ltd.
5. Kanoria Jute and Inds. Ltd.
6. Fort Gloster Inds. Ltd.
7. Nuddea Mills Co. Ltd.
8. Nelimarla Jute Mills Co. Ltd.
9. Naffar Chandra Jute Mills Ltd.
10. Konark Jute Ltd.
11. Birla Jute and Inds. Ltd.
12. Kankarrah Co. Ltd.
13. Budge Budge Co. Ltd.
14. Aekta Ltd.
15. Hukamchand Jute and Inds. Ltd.
16. Howrah Mills Co. Ltd.
17. Shree Hanuman Jute Mills Ltd.
18. Caledonian Jute Mills Ltd.

19. Chittavalsah Jute Mills (Jute Divn. of willard India Ltd.)
20. J.K. Jute Mills Co. Ltd.
21. New Central Jute Mills Co. Ltd.
22. Fort William Co. Ltd.
23. Gourepore Co. Ltd.
24. Naihati Jute Mills Co. Ltd.
25. Kelvin Jute Co. Ltd.
26. Calcutta Jute Mfg. Co. Ltd.
27. Ganges Mfg. Co. Ltd.
28. India Jute and Inds. Ltd.
29. Shree Bajrang Jute Mills Ltd.

The assistance under the Fund would be available to existing jute mills, including weak, but potentially Viable ones, who are registered as public or private limited companies or as industrial cooperatives. The loans shall be available for modernisation and rehabilitation, primarily aimed at (i) upgradation of technology process, product-mix, (ii) exportorientation (iii) energy saving (iv) anti-pollution measures and (v) fuller utilisation of capacity through debottlenecking. The applicant concerns shall be required to satisfy the Financial Institutions in regard to technical feasibility of the scheme, financial viability of the Company from a long-term point of view and managerial capacities to run the unit on professional lines.

Out of 29 applications received by Financial Institutions, 3 applications have been withdrawn by the promoters. Out of the remaining 26 applications, while 4 applications have not been found support worthy, assistance has been sanctioned to 9 concerns and the remaining 13 applications are at various stages of processing.

Out of the 9 concerns, where the loans have been sanctioned disbursement has commenced in respect of 3 cases amounting to Rs. 2.70 crores, Details regarding 9 applicants who have been sanctioned assistance are as under :

	Modernisation loan (JMFS)	Rehabili- tation loan (JMFS)	Special loan (JMFS)	JDFS	Total
1. Anglo India Jute Mills Co. Ltd.	1.20	1.00	0.24	—	2.44
2. Hastings Mill (Jute Divn. of Shree Digvijay Cement Co. Ltd.)	2.60	—	—	—	2.60
3. Kanoria Jute and Inds. Ltd.	3.24	—	2.78	—	4.02
4. Kelvin Jute Co. Ltd.	2.71	0.65	0.55	1.17	5.08
5. Birla Jute and Inds. Ltd.	6.48	—	—	—	6.45
6. Naihati Jute Mills Co. Ltd.	1.98	0.14	0.32	0.50	2.94
7. Naffar Chandra Jute Mills Ltd.	3.40	—	0.65	—	4.05
8. Aekta Ltd.	3.62	—	0.49	—	4.11
9. India Jute Inds. Ltd.	4.67	1.20	0.93	—	6.80
	29.90	2.99	3.96	1.67	38.52

[*Translation*]

Corruption in Bhagirath Gramin Bank

1447. SHRI KAMLA PRASAD RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether complaints have been received about corruption in the Bhagirath Gramin Bank in district Sitapur in Uttar Pradesh;

(b) if so, whether Government have conducted an inquiry in this regard; and

(c) if so, the number of cases of corruption which have come to light and the number officers and employees found guilty and the details in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (c). Complaints containing allegations of corruption against two former Chairmen and staff of Bhagirath Gramin Bank, Sitapur

(U.P.) had been received by Government. One was investigated by the Regional Office of NABARD at Lucknow and as a result of the inquiry the then Chirman was repatriated to the Sponsor Bank, namely Allahabad Bank. It is reported, that on the basis of the inquiry made by the Allahabad Bank, the Ex-Chairman was found guilty and has since been removed from service.

The next Chairman who succeeded the previous one was also found ineffective in curbing corruption and enforcing discipline in the Gramin Bank. He too has been repatriated to the sponsor bank where a show cause notice is reported to have been issued to him by the Allahabad Bank.

As regards complaints against some of the staff, the sponsor bank has reported that the present Chairman has initiated necessary action.

[*English*]

Land Under Coffee Plantation

1448. SHRI ANANDA PATHAK :



Will the Minister of COMMERCE be pleased to state :

(a) the total land brought under the coffee plantation so far, state-wise; and

(b) the additional land proposed to be brought under the coffee plantation during the remaining period of the current plan, State-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI) : (a) and (b). A statement is given below.

Statement

State-wise particulars of land already brought under coffee plantation upto 1985-86 are given below. Figures pertaining to new planting for the years 1986-87 and 1987-88 are under compilation. The areas proposed to be covered during the current year (1988-89) and the terminal year of the Seventh Five Year Plan (1989-90) are as follows :

State/Union Territory	(Area in Hectares)	
	Area Already under Coffee Plantation	Area proposed to be covered during 1988-89 *1989-90
<b>A. Traditional Areas</b>		
Karnataka	127892	3000
Kerala	65628	1500
Tamil Nadu	32869	1500
Sub-total (A) :	226389	6000
<b>B. Non-Traditional Areas</b>		
Andhra Pradesh	7647	1000
Andaman and Nicobar	8	—
Arunachal Pradesh	225	500
Assam	1307	900
Madhya Pradesh	75	250
Maharashtra	23	250
Manipur	328	500
Meghalaya	717	250
Mizoram	783	250
Nagaland	1865	1000
Orissa	977	250
Sikkim	67	100
Tripura	126	250
West Bengal	29	250
Sub-total (B) :	14207	6000
Grand total (A) + (B) :	240596	12000

**Tax Hiding of Hindustan Lever Ltd.**

1449. **SHRIMATI GEETA MUKHERJEE**: Will the Minister of FINANCE be pleased to refer to the reply given on 11 December, 1987 to Unstarred Question No. 5506 regarding tax hiding of Hindustan Lever Limited and state :

(a) whether the information has now been collected; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Inquiries have revealed that M/s Hindustan Lever neither sought, nor were granted, any permission by Income-tax or Central Excise authorities to cut off a part of their turnover during the years 1984, 1985 and 1986.

**Pending Enemy Property Claims**

1450. **SHRIMATI BIBHAI GHOSH GOSWAMI**: Will the Minister of COMMERCE be pleased to state :

(a) the number of enemy property claims from Bangladesh pending with the Custodian of Enemy Property of India;

(b) how long it will take to clear those claims; and

(c) the steps taken so far for expeditious clearance of these claims ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). 57,493 claims were registered with the Custodian of Enemy Property, out of which 24,163 claim cases have been disposed so far. 21,659 claims have been treated as dormant and 11,671 claim cases remain to be processed which are expected to be settled within a period of two or three years.

(c) To expedite verification of claims the position is reviewed from time to time and various steps are taken to dispose off pending claims.

Steps taken so far are :

(i) increase of panel members from 8 to 18.

(ii) shifting of payment office from Bombay to Calcutta.

(iii) increase of honorarium to panel members.

(iv) advertisements in News papers calling upon batches of claimants to submit documents.

(v) provision of additional staff etc.

**Trade with Poland**

1451. **DR. KRUPASINDHU BHOI**: Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry has explored the possibilities of increasing trade with Poland;

(b) if so, the items proposed to be exported to Poland and *vice-versa*; and

(c) the steps taken by both India and Poland to expand trade ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Possibilities for increasing the Indo-Polish bilateral trade is being explored on a continuous basis. A series of steps have been taken by both Sides in this direction which includes identification of new and additional items for exports and imports. participation in trade fairs, exhibitions, buyer-seller meets; exchange of commercial and business delegations and meetings at regular intervals at Government level to review the two way trade. The export basket of India include agricultural products, minerals and ores, leather and leather manufactures. chemicals and allied products, textiles, and engineering goods. India's import basket include machinery and equipment and spare parts, steel and steel products, non-ferrous metals, chemical fertilisers, and chemicals and pharmaceutical products.

**Production of Lac and Shellac**

1452. **SHRI GADADHAR SAHA**: Will the Minister of COMMERCE be pleased to state :

(a). the production of lac and shellac during the last three years, State-wise and year-wise;

(b) whether there is any proposal to help the lac growing States to increase the production; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Total state-wise production of lac inside the country during the last three years is as follows :

States	(Production in M. Tons)		
	1985-86	1986-87	1987-88
Bihar	10,310	12,355	7,575
Madhya Pradesh	4,965	5,155	5,170
West Bengal	2,070	1,800	1,070
Maharashtra	125	105	105
Uttar Pradesh	440	400	420
Other States	265	525	260
	18,175	20,340	14,600

(b) and (c). The Shellac Export Promotion Council and the Directorate of Lac Development provide assistance in the form of development brood lac extension service etc. for increasing lac production. The Directorate of Lac Development is also responsible for implementating the Central Sector Scheme on "lac Extension and Package Programme for lac cultivation in Package Blocks and Establishment of Brood lac farm-cum-demonstration centres in various states". The Directorate also has six nucleus Brood lac farm-cum-demonstration centres in various lac producing states.

#### Amendments in the Existing Law to Appoint Judges

1453. SHRI AMARSINH RATHAWA :  
SHRI CHINTAMANI JENA :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the existing procedure for appointing Judges in the country;

(b) whether the present procedure of appointing Judges is "inadequate" according to the 121 Report of the Law Commission;

(c) whether in the said report it is further stated that the vacancies of judges

are not filled in time and this resulted in increasing the arrears of cases in all the courts; and

(d) whether Government propose to bring some amendments in the existing law in regard to appointment of Judges as suggested by the Law Commission ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) Appointments of Judges to the Supreme Court are made in terms of the provisions of Article 124 of the Constitution. Appointments of Judges of High Courts are made in terms of provisions of Article 217 of the Constitution.

(b) Yes, Sir.

(c) Yes, Sir.

(d) The Law Commission, in its 121st Report on "A New Forum for Judicial Appointments", has suggested a new model for making recruitments to the superior judiciary, and has recommended the constitution of a National Judicial Service Commission for the purpose. The recommendation of the Law Commission require to be examined in consultation with the concerned

constitutional authorities to reach a decision.

#### External Debt

1454. SHRI PURNA CHANDRA MALIK : Will the Minister of FINANCE be pleased to state :

(a) whether India's external debt is growing; and

(b) if so, in what dimension and annual rate ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The outstanding external debt on Government account as on 1.4.1988 was Rs. 36670 crores, when estimated at the exchange rate prevailing on 31.3.1988. This represents an increase of 9.6 per cent over the previous year when estimated at the same exchange rate.

#### Saving Schemes of Peerless

1455. KUMARI MAMATA BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that before the Supreme Court ruled otherwise, the Peerless General Finance and Investment Company had a forfeiture clause in its various saving schemes;

(b) whether the forfeiture clause has been deleted after the Supreme Court judgment and if so, since when;

(c) whether a sum of Rs. 250 crores has accumulated with the Company as the total forfeited amount;

(d) whether the Company propose to return the amount to policy holders; and

(e) if not, the reasons therefor ?

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

(b) to (e). Reserve Bank of India have issued a new set of directions known as

"Residuary Non-Banking Companies (Reserve Bank) Directions", 1987. These have come into effect with effect from 15th May, 1987. In terms of these directions, no residuary non-banking company shall forfeit any amount deposited by a depositor, or any interest, premium, bonus or other advantage accrued thereon. The Reserve Bank of India has reported that the new schemes issued by Peerless General Finance and Investment Company Ltd., Calcutta (Peerless) on or after 3.11.1986 do not contain any forfeiture clause. As regards, the certificates issued by the company under its schemes prior to 3.11.1986, they would be governed by the terms of the contract entered into between the company and its certificate holders. According to the terms and conditions of the old schemes of the Peerless, a lapsed certificate can be revived at any time before the date of maturity on payment of all dues thereunder together with the interest by a certificate holder. The company is also reported to have issued advertisements in the Press in respect of revival of its lapsed schemes. Reserve Bank of India has no information as to the exact amount accumulated by the company by way of lapsed certificates.

#### Irregularities in Accounts of Jute Manufacturing Development Council

1456. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) the details of the various irregularities in spending, as pointed out by an audit party sent by the Director of Audit, Central, to study the accounts of the Jute Manufacturing Development Council for the period 1 July, 1986 to 30 June, 1987;

(b) the estimated amount of annual production statutory cess on the jute industry accruing to the above Council besides other matching promotional and marketing funds of Union Government received by it; and

(c) the remedial measures being taken by Union Government in the matter ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). The Audit Report of JMDC has pointed out certain irregularities on procedural matters and maintenance of Accounts. The Jute

Manufactures Development Council in its 7th meeting held on 28.6.88, discussed the Audit Report. The Council has directed its Secretariat for strict compliance of financial procedure.

The cess collection during 1986-87 was Rs. 8 crores. Government has released Rs. 4 crores during 1986-86 to JMDC for its activities.

**Delays under IPRS Engineering Goods Exporters**

1457. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) whether the exporters of engineering goods are facing financial hardships because of delay in release of benefits under the International Price Reimbursement Scheme (IPRS); and

(b) the steps proposed to be taken to expedite the release of such benefits to these exporters ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a). No more, Sir. Funds have recently been released for disbursement

against pending claims under International Price Reimbursement Scheme .

(b) The Government is examining various measures to augment the resources for early release of such benefits to these exporters.

**Auction of Properties Acquired under Income Tax Act in Bombay**

1458. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Income-Tax Department has auctioned any properties recently in Bombay acquired under the Income Tax Act;

(b) if so, the details thereof and the prices obtained; and

(c) the profits made ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) and (c). The details of properties auctioned recently under Chapter XXC of the Income-Tax Act for the month of July 1988 are given in the statement below.

**Statement**

Sl. No.	Description of the property auctioned and area	Apparent consideration	Amount for which property was sold	Profit
1	2	3	4	5
1.	Residential flat 12, Best view, Raghoji Rd. August Kranti Marg, Bombay 400036. 2 Bed room flat with wide open balcony. First floor. Area 1416 sq. ft. of built up area	Rs. 15,00,000	Rs. 18,50,000	Rs. 3,50,000
2.	Office Premises No. 152 Maker Chamber-III, 15th Floor, Nariman Point, Bombay 400021. with fixtures and fittings car parking space. Centrally air-conditioned concealed Electric wiring. Lease hold. Area 2548 sq. ft. of built up area	79,20,000	1,14,50,000	35,30,000

1	2	3	4	5
3.	Bungalow, being Plot No. 17, TPS Santacruz-II S. No. 24, H. No. 1/2 Entry No. 102 Juhu Rd., CTS No. 998, Santacruz (W)-Beautiful bungalow with lawn Sea view, Excellent furnitures and fittings, A.Cs and lift 6 bad rooms Area 5433 sq. ft. of built up area	90,00,000	1,11,50,000	21,50,000

#### Clearance to Spinning Mills in Karnataka

1459. SHRI H.G. RAMULU : Will the Minister of TEXTILES be pleased to state :

(a) the names of the spinning Mills in Karnataka awaiting clearance from Union Government inspite of being recommended by State Government to Karnataka;

(b) since when they are awaiting clearance; and

(c) the reasons for delay and by when they are likely to be cleared ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). According to available information no fresh proposal for the licensing of spinning mills in Karnataka is pending with the Government at present. However, some representations have been received against rejections.

(c) Does not arise in view of (a) and (b) above.

#### Increased Import of Indian Iron Ore by Rumania

1460. SHRI S B. SINDAL :

SHRI S.M. GURADDI :

Will the Minister of COMMERCE be pleased to state :

(a) whether Rumania has agreed to raise its import of iron ore from India to a level of six million tonnes annually on a long term basis;

(b) whether any agreement has been signed in this regard;

(c) if so, the details thereof; and

(d) what are the other items on which the protocol has been signed and to what extent the trade between two countries will increase during 1988-89 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Rumania has agreed to import iron ore on long term basis at a level of 5-6 million tonnes annually. For the year 1988-89 an agreement has been signed with Rumania for supply of 1.25 million tonnes.

(d) In the Protocol of the 9th Session of the Indo-Romanian Government Joint Commission For Economic, Technical and Scientific Cooperation signed on 27th May, 1988, both sides expressed interest in further extension of the existing long term contracts for iron ore, bauxite, manganese ore, cotton and steel products beyond 1990. Interest was also shown in conclusion of such contracts for newprint, petrochemicals including LDPE, HDPE and PVC, ball bearings, wheels, wheel sets, corrosion resistant high density steel, casting pipes, petroleum equipment, charter hire of drilling rigs, track laying machinery for rails, diesel generating sets and equipment for steel sector, etc.

#### Export of Iron Ore

1461. SHRI SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of iron ore exported by the country during the last three years;

(b) the average FOB price per metric tonne realised during the last three export years; and

(c) the average world price during the same period ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Iron ore exported during the last three years and the average FOB realisation therefrom was as under :

(Quantity in Lakh Tonnes)

Year	Qty. exported	FOB relation per metric tonne (Rs.)
1985-86	300.18	184.95
1986-87	325.14	181.18
1987-88	283.05	175.68
(Prov)		

(c) Average world prices of iron ore are not compiled. However, FOB prices settled by main exporters during the above period

in the Japanese and European markets were as under :

(US Cents per unit Fe FOB prices)

		1985-86	1986-87	1987-88
<i>Japanese market</i>				
Australia	lumps	30.29	28.78	28.78
Brazil	Fines	25.97	24.67	23.68
	lumps	23.66	22.24	22.24
<i>European market</i>				
Australia	lumps*	38.48	36.20	33.15
	Fines*	34.30	32.40	29.35
Brazil	Fines	26.56	26.26	24.50

\*C and F Prices.

Tax Concessions to Hamdard Dawakhana Organisations

1462. DR. A.K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to a news item captioned "Demand

for 'Wakf-Tax' on Hamdard Group" appearing in the Statesman dated 1 May, 1988 wherein it is alleged that many organisations of the Hamdard Dawakhana (Wakf) Group declared as charitable for purpose of tax exemption have been converted into commercial concerns, over the years, and

as such have forfeited their right to income-tax and other concessions;

(b) is so, the names of such organisations, nature of concessions granted to them and the yearly value of concessions during the last three years; and

(c) whether any inquiry has been made in this regard, if so, the findings thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). Government is aware of the news item that appeared in the 'Statesman' dated 1st May, 1988. The Income-tax department's record shows that the commercial activities are being carried on only by the premier organisation of the Group, namely, Hamdard Dawakhana (Wakf). Assessments of this Wakf upto the assessment year 1983-84 denying exemption under section 11 of the Income Tax Act have been made by the Assessing Officer and these are being disputed in appeal and are pending at different levels of appeal. Section 2 (15) of the Income-tax Act defining charitable purpose was amended with effect from 1.4.1984. By virtue of this changed definition of charitable purpose and taking into consideration the fact that the income of the Wakf from commercial activities was being distributed and applied for charitable purpose and it is having importance throughout India, it has been notified as exempt under section 10 (23C) (iv) of the Income-tax Act for assessment years 1984-85 to 1988-89.

#### Blacklisting of Industrialists for Tax Evasion

1463. SHRI BHATTAM SRIRAMA-MURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether Government have announced the policy of blacklisting industrialists for tax evasion and denying them future licences for expansion capacity or raising capital;

(b) if so, the details of such blacklisted industries, during 1987-88 and the current year upto date;

(c) the various industries which received benefit from cent percent reduction of

import duty on N-paraffins; and the removal of excise duty of 15 per cent on PTA; and

(d) the extent of advantage derived during the last 2 years ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) No, Sir.

(b) Does not arise.

(c) As per the information available with the Government textile and petrochemicals industries would be benefitted.

(d) The extent of advantage derived from the reduction in import duty and removal of excise duty would respectively depend upon the quantity imported and the quantity manufactured. On rough estimates the revenue involvement is to the extent of about Rs. 55 crores.

#### Sickness Insurance Scheme for Small Scale Units

1464. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether the Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested the Sickness Insurance Scheme to be formulated and introduced by the Reserve Bank of India to safeguard the interest of the small scale units;

(b) if so, whether the recommendation has been made only after comprehensive survey reports received from about one hundred small scale units associations including Chambers of Commerce about the causes of sickness;

(c) whether Government have examined the matter; and

(d) if so, the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) It has been



brought to notice that Federation of Indian Chambers of Commerce and Industry has produced a Survey regarding sickness in Small Scale Industry. A suggestion has been made therein that a Sickness Insurance Scheme may be formulated and introduced by the Reserve Bank of India to safeguard the interests of small Units.

(b) The Survey has been reportedly made after obtaining information from Small Industry Associations including Chambers of Commerce.

(c) No, Sir.

(d) Does not arise.

**Seminar on Problem and Prospects of Handicrafts**

1465. SHRI SUBHASH YADAV :  
SHRI PRAKASH CHANDRA :

Will the Minister of TEXTILES be pleased to state :

(a) whether a Seminar on the problems and prospects of handicrafts in the country was organised in New Delhi recently;

(b) if so, the number and names of the participants in the Seminar; and

(c) the details of discussions held and recommendations made to Government, if any ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). A statement is given below.

**Statement**

(a) Yes, Sir.

(b) The name of 84 persons who participated in the seminar are given in statement below.

(c) A seminar on the problems and prospects of handicrafts was organised on 27th May, 1988 in New Delhi by the Export Promotion Council for Handicrafts, an autonomous body set up under the aegis of the Ministry of Textiles. The problems faced by the Indian Handicraft exporters were discussed during the seminar. The main emphasis was on the need for develop-

ing an export culture by the Government Agencies connected with the export of handicrafts. Keeping in view the competition being faced in the overseas markets, providing a better market intelligence and design guidance by the Export Promotion Council, was demanded.

Some of the vital recommendations made during the seminar were as follows :

- (i) Participation in trade fairs/exhibitions abroad by new entrepreneurs in this sector be encouraged.
- (ii) Availability of accurate Market Intelligence under the aegis of the Export Promotion Council.
- (iii) Subscription to good magazines/journals.
- (iv) A booklet be issued by the Office of the Chief Controller of Imports and Exports containing the salient guidelines providing to craft exports.
- (v) Clarification to issue with regard to General Notes under Col. 5 against product Group 'H'—Appendix-17 for the definition of handicrafts.
- (vi) The old scheme for despatch of free samples by the exporters to the foreign buyers be restored.
- (vii) Simplification of the procedures for the export of Ivory products and the handicrafts of Silver.
- (viii) Re-introduction of Export House Scheme under the consortia of SSI units.
- (ix) Deemed exports which include sales to the foreign tourists and others be considered as a condition to become eligible for the Export House Certificates and other benefits.
- (x) Expeditious clearance of the applications pending in the Offices of the Joint Chief Controller or Imports and Exports.

(xi) Description of the items classified under Sub. Sl. No. 3804 to include handicrafts of brass in addition to brass artwares.

(xii) Acceptance of any amount of convertible foreign currency be allowed against the sale of the merchandise to the foreign tourists.

**Statement**

***Export Promotion Council for Handicrafts Seminar on Problems and Prospects of Handicrafts Held on 27.5.1918 in New Delhi***

**List of Participants**

1. Sh. Shri Nath,  
M/s. Nath Brother Exim  
International Ltd.,  
New Delhi
2. Sh. Arun Juneja,  
M/s. Anand Internaional  
New Delhi-1
3. Sh. Pankaj Patel  
M/s. Akash Exports  
Baroda-11
4. Sh. Aman Bajaj  
M/s. Aesthetic Trade Links  
(P) Ltd.,  
New Delhi
5. Sh. B.V. Talwar,  
M/s. Alankrit  
New Delhi-20
6. Representative  
M/s. A.K. International  
New Delhi-65
7. Representative  
M/s. Durga International  
New Delhi
8. Sh. M.M. Khan  
M/s. Fxport International  
Delhi-6
- 9 Representative  
M/s. Expo. Crafts (P) Ltd.,  
Calcutta-73
10. Mrs. Manju Kapoor  
M/s. Expocrafts International,  
New Delhi-65
11. Sh. M.L. Sharma  
M/s. Emen Export House  
New Delhi-19
12. Sh. Tom Thomas Mohan  
M/s. Handicrafts Development  
Corpn. of Kèrala Ltd.  
Trivandrum-1
13. Sh. P.N. Suri  
M/s. Hansa Agencies (P) Ltd.  
New Delhi-20
14. Representative  
M/s. Hansa Export Corpn.  
New Delhi-20
14. Sh. Hari Shankar Gupta  
M/s. Hira Lal and Son  
New Delhi-5
16. Sh. Om Prakash Prahladka  
M/s. Hitachi-KK Mfg. Co.  
Calcutta-6
17. Sh. Gunjan Kumar Rohatgi  
M/s. Indogin Exports  
New Delhi-1
18. Sh. Davinder Kataria  
M/s. Kataria Auto  
Industries  
Delhi
19. Sh. S.L. Sharma,  
M/s. Kiran Export  
Ghaziabad-3
20. Sh. M.K. Sampath Kumaran  
M/s. Karnataka State Arts  
and Crafts Emporium  
New Delhi-1
21. Sh. M.L. Gupta  
M/s. Kottage India  
New Delhi-19
22. Mrs. Neera Singh  
M/s. Magnum Sales  
New Delhi-65
23. Sh. P.K. Jain  
M/s. Maxwell Leasing and  
Finance Ltd.,  
Delhi-6

24. Sh. K.N. Sachdev  
M/s. Mullick Brothers  
New Delhi-48
25. Sh. Manmeet Singh  
M/s. Omega Exports  
New Delhi-49
26. Sh. Kamlesh Jhurani  
OXFAM (India) Trust  
New Delhi-16
27. Sh. J.L. Sarna  
M/s. P and S Exports Corpn.  
New Delhi-1
28. Sh. F.C. Miglani  
M/s. Paradise Wood  
Carving Industries  
Saharanpur-1
29. Sh. Rajbans Bahadur  
M/s. Rabco Exports (I)  
Pvt. Ltd.,  
New Delhi
30. Sh. H R. Dhingra  
M/s. Rudra Exporters  
New Delhi
31. Sh. Satish Verma  
M/s. Speciality Merchandise  
Marketing Co.,  
New Delhi 15
32. Sh. Ashok Kumar Oberoi  
M/s. Sun International  
Traders, Moradabad-1
33. Sh. Brij Bhushan Lal  
M/s. Sheo Prashad Brij  
Bhushan Lal  
Jagadhari-3
34. Sh. Vijay Khanna  
M/s. Shan International  
New Delhi-1
35. Sh. J.R. Luthra,  
M/s. Subhash Emporium  
Agra
36. Sh. Anil Kumar Singhal  
M/s. Smimi Exports  
Ghaziabad-1
37. Representative  
M/s. Sanjay International  
Mainpuri
38. Sh. A. Samanta  
M/s. Samanta Enterprises  
New Delhi-5
39. Representative  
M/s. Nepal Art Palace  
New Delhi
40. Sh. Mohd. Iqbal Shamsi  
M/s. Brass Artware Mfrs.  
(Exporters) Association  
Moradabad
41. Sh. S S. Ahluwalia  
M/s. Tijarat International  
New Delhi-14
42. Sh. Sushanto Mitra  
Smt. Kanta Giri  
M/s. Toyin  
Saharanpur-1
43. Sh. Kalsang  
M/s. Tibetan Reguges  
Self-Help Handicrafts  
New Delhi-14
44. Sh. Pema Tsultrim  
M/s. Tibetan Children's  
Village Handicraft-cum-Vocatio  
Training Centre  
Distt. Kangra-19
45. Mrs. Amba Handa  
M/s. Vaishali International,  
New Delhi-65
46. Sh. B.K. Mangal  
M/s. Vikas Export Corpn.  
New Delhi-5
47. Sh. Baldev Raj Nagpal  
M/s. Vidhata Intl.  
New Delhi-26
48. Sh. T.S. Sawhney  
Hony. Secy.  
M/s. Handicrafts Exporters  
Association  
New Delhi
49. Sh. K.L. Katyal  
M/s. Vorka Exports  
Moradabad
50. Sh. Mohd. Khurshid  
Member Exporters, M/s. S M.

- (Ebrahim and Son)  
Moradabad
51. Sh. L.P. Agarwal  
M/s. Ajanta Arts  
Moradabad
52. Representative  
Tibet International Traders,  
New Delhi-24
53. Representative  
M/s. Orient Exports  
New Delhi
54. Representative  
M/s. Jai of India,  
New Delhi
55. Representative  
M/s. Satyam Export India Pvt.  
Ltd. New Delhi
56. Representative  
M/s. Indian Arts and Crafts  
Syndicate,  
New Delhi
57. Representative  
M/s. Widelinks  
Varanasi
58. Representative  
M/s. Orpheus, International  
Enterprises,  
New Delhi
59. Ms. Prem Lata Sheshadri  
M/s. Bharat Technologies  
Pvt. Ltd., New Delhi
60. Sh. V. N. Behal  
M/s. New Indo Foreign  
Trading Corpn.,  
Bombay
61. Sh. V. D. Pahwa  
M/s. Surya Trading  
Corp. of India Pvt. Ltd.,  
New Delhi
62. Sh. S. Jeet  
Publisher  
Handicrafts India Year Book,  
New Delhi
63. Sh. P. K. Datta, IAS  
Dev. Commn. (Handicrafts),  
Office of DC (Handicrafts)  
West Block VII, R. K. Puram,  
New Delhi-66
64. Sh. S. K. Mohapatra, IAS  
Jt. Dev. Commr. (Handicrafts)  
Office of DC (Handicrafts)  
West Block VIII,  
R. K. Puram,  
New Delhi
65. Sh. D. K. Mukhopadhyay, IES  
Jt. Dev. Commr. (Handicrafts)  
Office of DC (Handicrafts)  
R. K. Puram,  
New Delhi
66. Sh. A. K. Kutty, IAS  
Jt. Dev. Commr. (Handicrafts)  
Office of DC (Handicrafts)  
R. K. Puram,  
New Delhi
67. Sh. R. K. Bhagotra,  
Dy. Director (EP)  
Office of DC (Handicrafts)  
R. K. Puram,  
New Delhi
68. Sh. Sant Lal  
AD (EP),  
Office of DC (Handicrafts)
69. Sh. S. K. Sharma  
Asstt. Director (EP)  
Office of DC (Handicrafts)
70. Sh. D. L. Pandit,  
Research Officer  
Office of the DC (Handicrafts)
71. Sh. R. L. Misra, IAS  
Chief Controller of  
Imports and Exports,  
New Delhi
72. Sh. S. K. Sood, IAS  
Jt. Chief Controller of  
Import and Export (CLA),  
New Delhi
73. Sh. Chander Prakash,  
Dy. Chief Controller of  
Imports and Exports,  
New Delhi
74. Sh. Ram Murti  
Director (Statistics)

Office of CCI and E,  
New Delhi

75. Sh. P. N. Malhotra,  
Director (DBK)  
Directorate of Drawback,  
New Delhi
76. Sh. K. S. Sivaraman,  
A-dtl. Collector of Customs,  
New Delhi
77. Sh. Basu Asstt.  
Collector (Customs),  
New Delhi
78. Shri R. S. Menrekar,  
Regl. Manager,  
ECGC, New Delhi
79. Sh. N. T. Hariramani  
Jt. Controller (Exchange  
Control Deptt.),  
New Delhi
80. Prof. L. Sahu  
Indian Institute of  
Foreign Trade,  
New Delhi
81. Dr. San Gupta,  
Professor  
Indian Institute of  
Foreign Trade  
New Delhi
82. Sh. Datta Trelu,  
Professor  
Indian Institute of  
Foreign Trade,  
New Delhi
83. Sh. T. S. Chadha,  
Secretary,  
Carpet Export Promotion  
Council,  
New Delhi
84. Miss Vijay Laxmi,  
Indian Institute of  
Foreign Trade,  
New Delhi

**Amendment to Election Laws**

1466. SHRI UTTAM RATHOD : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Election Commission in the light of its experience in the bye-elections to Lok Sabha and State Assemblies held in recent weeks suggested any amendment to be made in the election laws; and

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

THE MINISTER OF STATE IN THE  
MINISTRY OF LAW AND JUSTICE  
(SHRI H. R. BHARDWAJ) : (a) No, Sir.

(b) Does not arise.

**World Bank Suggestion on Perspective  
Plan for Electronics**

1467. SHRIMATI JAYANTI PAT-  
NAIK : Will the Minister of FINANCE  
be pleased to state :

(a) whether the World Bank has suggested to Government to workout a long-term perspective plan for electronics;

(b) if so, the reaction of Government to the suggestion of the World Bank;

(c) whether any comprehensive study has been undertaken in the matter; and

(d) if so, the details thereof and by which time such long term perspective plan is expected to be announced ?

THE MINISTER OF STATE IN THE  
DEPARTMENT OF ECONOMIC AFFAIRS  
IN THE MINISTRY OF FINANCE (SHRI  
EDUARDO FALEIRO) : (a) to (d). No  
Madam. However, the World Bank staff  
has prepared a draft report entitled "India  
Development of the Electronics Industry—a  
Sector Report" as part of their sectoral  
studies. It is an internal confidential docu-  
ment of the World Bank. Its distribution is  
restricted and recipients of the report are  
not authorised to disclose its contents. Any  
decisions on concerned matters would be  
taken strictly according to India's own  
priorities and policies.

[*Translation*]

**Fail in Trade with West Asian Countries**

1468. SHRI HARISH RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that there has been continuous fall in our trade with some of the West Asian countries including Iraq during the last three years;

(b) if so, the factors responsible therefor; and

(c) if not, the value of trade with major West Asian countries, separately during the last three years?

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P. R.

DAS MUNSI) : (a) to (c). Exports from India to the West Asian countries have increased during 1987-88. According to figures available with the Directorate of Commercial Intelligence and Statistics exports from India to these countries during 1987-88 were provisionally placed at Rs. 961.33 crores as compared to Rs. 780.60 crores (provisional) during 1986-87. Data regarding country-wise exports and imports in respect of some of the West Asian countries with whom India had substantial trade during the last three years are given in the statement below :

Statement

(Value in Rs. crores)

Country	Year	Exports to	Imports from
Bahrain	1985-86	36.05	139.17
	1986-87	26.01	97.64
	1987-88	33.65	49.89
Kuwait	1985-86	121.38	339.76
	1986-87	95.38	286.67
	1987-88	105.61	483.26
Oman	1985-86	63.51	360.91
	1986-87	47.08	199.97
	1987-88	82.16	102.08
Saudi Arabia	1985-86	221.32	794.24
	1986-87	218.94	687.23
	1987-88	295.62	1386.54
UAE	1985-86	265.22	644.36
	1986-87	287.45	332.80
	1987-88	313.62	783.11
Iraq	1985-86	33.99	547.04
	1986-87	15.99	149.67
	1987-88	17.34	373.32
Jordan	1985-86	7.88	160.24
	1986-87	14.01	134.37
	1987-88	6.91	118.27

Note : Figures for 1986-87 and 1987-88 are provisional.

[English]

**Objection Against Summary Assessment Scheme**

1469. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the Revenue Audit has come up with a strong objection against the summary assessment scheme introduced more than two decades ago and if so, the reasons therefor;

(b) whether the legitimate expansion of the Income-tax Department consistent with the increased work-load has been scuttled by the Scheme: and

(c) if so, whether any step has been taken to substitute the present window

dressing policy of enlarging the summary assessment scheme ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : It is correct that, in his report on the Revenue Receipts of the Union Government (Civil) for the year ended 31st March 1987 (No. 6 of 1988), the Comptroller and auditor General of India has, *inter alia*, stated that the liberalisations on summary assessments had not led to any appreciable reduction in the pendency in summary assessment cases and thus the Scheme had evidently not succeeded in reducing the pendency in such cases. The figures of disposal and pendency of summary assessments during the last 5 years is given as under :

Year	Total No. of summary assessments for disposal at the beginning of the year	No. of assessments disposed of during the year	Percentage of disposal to the total work load	No. of assessments pending as at the end of the year
1983-84	51,66,348	38,40,167	74.3	13,26,181
1984-85	48,28,645	42,75,692	88.5	5,52,953
1985-86	63,13,752	54,55,436	86.4	8,58,316
1986-87	70,85,460	61,78,782	87.2	9,06,678
1987-88	79,25,876	67,57,100	85.2	11,68,776

This would show that the overall position regarding disposal year after year is almost constant but some pendency remains because of increase in work load and manpower constraints.

(c) No, Sir.

(c) Does not arise.

**MMTC Scheme to Supply Non-Ferrous Metals**

1470. SHRI BALASAHEB VIKHE PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metal Trading Corporation (MMTC) has introduced a scheme for the supply of non-ferrous metals to promote exports of value-added engineering items; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) and (b). Yes Sir. In order to improve the competitiveness of Indian export in the International market, Government has decided to supply imported copper wire bars, zinc, lead, tin and nickel to exporters holding valid advance licences,

against surrender of these licences to MMTC. Under this scheme, MMTC will arrange supplies from its stock held in customs bonded warehouses at Bombay, Calcutta and Madras at exbond selling prices to be fixed on month to month basis. This scheme would greatly assist small scale exporters who find it difficult to directly import their small requirements of non-ferrous metals. MMTC's service charges have also been reduced for this scheme and this would enable duty free supply of the non-ferrous raw materials at competitive international prices.

**Tax Raids in Gujarat, Bombay, U. P., Calcutta, Madras and Delhi**

1471. SHRI CHHITUBHAI GAMIT :  
SHRIMATI PATEL RAMABEN  
RAMJIBHAI MAVANI :

Will the Minister of FINANCE be pleased to state :

(a) whether a number of tax raids have been conducted on some industrial and commercial premises, offices and residences in Gujarat, Bombay, Uttar Pradesh, Calcutta, Madras and Delhi during the period from 1 April, 1988 to 10 July, 1988;

(b) if so, the details thereof;

(c) the details of the cash, kind, incriminating documents etc. seized and

(d) the action taken against the culprits ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : (a) to (c). During the period 1st April, 1988 to 30th June, 1988, 1423 searches were conducted by the Income-Tax Department in various parts of the Country resulting in seizure of prima facie unaccounted assets worth approximately Rs. 28 crores 70 lakhs besides incriminating documents. During the course of these searches, persons searched had admitted concealment of income to the tune of Rs. 33 crores 97 lakhs in their statements.

(d) Appropriate action under the Direct Taxes Acts is taken in all the cases.

**Impact of Low Prices on Iron Ore Industry**

1472. SHRI C. JANGA REDDY :  
Will the Minister of COMMERCE be pleased to state :

(a) whether India is getting price for its iron ore supplied to Japan much lower than that received in 1982-83;

(b) if so, the facts thereof;

(c) whether payment of lower price of iron ore by Japan has affected the mining industry in Goa and other places;

(d) if so, the details thereof; and

(e) the steps taken to improve the iron-ore exports position in the International Market and to reduce the over-dependence on a single bulk market ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Iron ore export prices to Japan are currently lower than those obtaining in 1982-83 by about 30% in the case of MMTC's sales and by 37% in the case of sale by Goan exporters.

(c) and (d). Lower realisation from iron ore exports has led to erosion of profits of the mining industry and trade in Goa and other places.

(e) Market diversification, formulation of plans for expansion of port capacity to accommodate large sized vessels at Madras, Vizag and Paradip, tying up of export sales thro long term agreements with major buyers of iron ore, extension of benefits of 100% EOU scheme to mining and composites projects involving mining etc. are some of the steps taken to improve iron ore exports position in the international market and to reduce the over-dependence on a single bulk market.

**Production of Coins**

1473. SHRIMATI PATEL RAMABEN  
RAMJIBHAI MAVANI :  
SHRI RANJITSINGH GAEK-  
WAD :

Will the Minister of FINANCE be pleased to state :



(a) the quantity and value of coins of various denominations produced during 1 January, 1984 to 30 June, 1988;

(b) whether there is an acute shortage of smaller denomination coins in markets.

(c) if so, the steps taken to produce more such coins; and

(d) the details of quantity and value of such coins given to various banks and treasuries in Gujarat during the above period ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The information is given below :

Denomination	Quantity (in million pieces)	Value (in Rs. crores)
Rs. 5	74	3700
Rs. 2	—	—
Rs. 1	1880	188.00
50 P	1346	67.30
25 P	2120	53.00
20 P	2321	46.40
10 P	2354	23.50
5 P	598	3.00
	10693	418.20

(b) No, Sir.

(c) Does not arise. However, steps are being taken to augment production capacity in the Mints to meet future increase in demand.

(d) The information is given below:

	Quantity (in million pieces)	(Value (in Rs. crore)
1984 (April-Dec.)	32.1	0.40
1985	64.2	2.37
1986	157.0	5.87
1987	215.0	6.38
1988 (upto July)	40.9	0.95
	509.2	15.97

**Proposal to Establish Bank Security Force**

1474. SHRI G. BHOOPATHY : Will the Minister of FINANCE be pleased to state :

(a) whether the bank robberies are happening in different places of the country;

(b) if so, whether there is any proposal to establish Bank Security Force like Industrial Security Force; and

(c) if so, the time by which the force is likely to be established ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir. Bank robberies have been reported from different parts of the country.

(b) No, Sir.

(c) Does not arise.

**Banking Facilities in Nalgonda and Ranga Reddy Districts**

1475. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the bank branch-population ratio in our country as envisaged by the Reserve Bank of India;

(b) whether it is the same to all the States and districts;

(c) whether Nalgonda and Ranga Reddy districts in Andhra Pradesh are bank deficiency districts;

(d) if so, the reasons therefor; and

(e) the number of mandals in the above two districts which are not covered by a single nationalised bank branch and the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India

(RBI) has reported that the objective of the current Branch Licensing Policy for 1985-90 is to achieve a coverage of 17,000 population per bank office in the rural and semi-urban areas of each development block and making available at least one bank office within a distance of 10 kms. from every village. Hilly tracts, sparsely populated regions and tribal areas have given special consideration by relaxing the norm of population per bank office from 17,000 to 12,000 to 10,000, as the case may be, having regard to existing gaps in the availability of banking facilities. This policy is applicable to the entire country.

(c) and (d). RBI has reported that districts Nalgonda and Rangareddy are not considered deficient in banking coverage. As on 31.3.88 there were 148 branches in Nalgonda district and 125 branches in Rangareddy district. The average population per bank office (APPBO) in Nalgonda and Rangareddy districts, as on 31.3.88, was 15,000 and 13,000 respectively.

(e) For the purpose of branch expansion in the country during the current Branch Licensing Policy, development block has been adopted as the unit. RBI do not, therefore, maintain mandalwise information. RBI has reported that there are 15 blocks in Nalgonda district and 10 blocks in Rangareddy district all of which are banked and that there is no unbanked block in these two districts.

**Production in NTC Mills in Bombay**

1476. SHRI PRAKASH V. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether there has been any improvement in the productivity of the NTC mills in general and those in Maharashtra in particular during the last six months;

(b) whether the progress achieved or the trend of progress is considered to be satisfactory to take the mills out of the woods; and

(c) if not, the steps being contemplated to improve the situation ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) The average machine utilisation of NTC mills in Maharashtra and elsewhere showed some improvement in April, 1988 as compared to the performance in December, 1987.

(b) No, Sir.

(c) NTC has formulated a turn-around strategy based, *inter alia*, on selective modernisation with the help of institutional finance, restructuring of units, closure of uneconomic activities.

#### Seizure of Gold, Cash and Jewellery

1477. **SHRI H.M. PATEL :** Will the Minister of FINANCE be pleased to state :

(a) total quantity of gold, cash and jewellery seized during the period of 1 May to 15 June, 1988;

(b) the number of persons arrested; and

(c) the cases registered and number of persons prosecuted for the violation of FERA, smuggling and possession of excess income ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) :** (a) to (c). The Income Tax Department conducted 1036 searches during the period 1st May, 1988 to 30th June, 1988. These resulted in a seizure of prima facie unaccounted assets such as cash, jewellery and others amounting to Rs. 16 crores, 90 lakhs and 57 thousand besides incriminating documents indicating tax evasion. The persons searched during the course of the searches admitted concealment of income to the tune of Rs. 25 crores and 49 lakhs. Prosecution in respect of cases involving tax evasion is generally launched on completion of the regular assessment for the relevant year.

Information concerning searches conducted by Customs and Excise and Enforcement Authorities is being collected and will be laid on the Table of the House.

#### Production of Coins

1478. **SHRI AJOY BISWAS :** Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to increase the production of coins in the country; and

(b) if so, the details thereof ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) and (b). Yes, Sir. The Government has already set up a new Mint at NOIDA, U.P. with an estimated capacity of 2000 million pieces of coins per annum. A proposal for modernising the three existing Mints at Bombay, Calcutta and Hyderabad is also under consideration of the Government at an estimated cost of Rs. 131.23 crores. This is expected to increase the annual capacity of the three Mints from 1900 million pieces to 2700 million pieces of coins.

#### Decision to Close Down NTC Mills in West Bengal

1479. **SHRI BASUDEB ACHARIA :**  
**SHRI V. SREENIVASA PRASAD :**  
**KUMARI MAMATA BANERJEE :**

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have decided to close the nationalised NTC mills in West Bengal;

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

(c) whether Government propose to have a dialogue with the state Government of West Bengal for running the NTC mills in the State; and

(d) if not, the reasons therefor ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) No, Sir.

(b) Does not arise.

(c) and (d). The dialogue with the State Government is a continuous process.

**Closure of Mehboob Shahi Kulbarga Mills,  
Karnataka**

1480. SHRI VEERENDRA PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether the Mehboob Shahi Kulbarga Mill, Gulbarga (Karnataka) belonging to N.T.C. has been closed rendering more than 2,000 workers unemployed ; and

(b) if so since when it is closed and the compelling reasons for the closure and the efforts made or being made to reopen the mills ?

THE MINISTER OF TEXTILES SHRI RAM NIWAS MIRDHA) : (a) and (b). Mahboob Shahi Kulbarga Mills, Gulbarga is closed since 1.6.1988 as a result of disconnection of power supply by the Karnataka State Electricity Board. NTC has declared a lay-off the mill.

The question of reopening of the mill is before the Karnataka High Court and is, therefore, subjudice.

**Export Cess on Pepper**

1481. SHRI VAKKOM PURUSHOTHAMAN :

PROF. P. J. KURIEN :

SHRI A. CHARLES :

Will the Minister of COMMERCE be pleased to state :

(a) whether an export cess of rupees five per kilogram is being levied on export of pepper;

(b) if so, whether the price of pepper exported from India is higher in the international market as compared to the prices of pepper from other countries;

(c) if so, whether there has been any reduction in the export of pepper due to

this and consequent reduction in prices in the local market;

(d) whether Government have received representations against the levy of export cess; and

(e) if so, the details thereof and the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) An export cess at the rate of 3.5 per cent advalorem is being levied on export of pepper.

(b) The prices of Indian pepper in the international market have been slightly higher during certain months when compared to the prices of pepper from other producing countries. A Statement of comparative monthly average spot price is given below.

(c) Export of black pepper from India has increased during the last 4 years as follows :

Year	Quantity (MTs)
1984-85	25322
1985-86	37520
1986-87	36859
1987-88	38524

Prices of black pepper in India during 1987-88 showed a decline as compared to 1986-87.

(d) and (e). Representations have been received seeking reduction in export duty on pepper and to exempt levy of cess on contracts entered prior to 6th November, 1987, i.e. date of notification levying of cess. The matter relating to exemption of levy of cess on contracts entered prior to 6th November, 1987 is under consideration.

**Statement**

*Average spot Price of Black Pepper at West Germany US\$/MT.*

Month	MAL. MG1	Sarawak	Lamongk	Brazil
1	2	3	4	5
Jan.	4800	4500	4675	4800

1	2	3	4	5
Feb.	—	4775	4750	4900
March	—	4517	—	—
April	4200	4300	—	—
May	4067	3917	4100	4133
June	4033	3925	—	—

*Average Spot Price of Black Pepper at US Market (US\$/MT)*

Month	MAL. MG1	Lamong	Sarawak	Brazil
Jan:	5533	5523	—	4850
Feb.	5595	5000	4960	4942
March	4795	4806	4678	4658
April	4300	4468	—	4275
May	4032	4032	—	4025
June	4198	4199	4215	4211

**SC/ST Employees in National Textiles Corporation**

1482. SHRI RAM SWARUP RAM : Will the Minister of TEXTILES be, pleased to state :

(a) the number of SC and ST employees in the National Textiles Corporation in different categories;

(b) whether the prescribed reservation quota for SC and ST for employment has been fulfilled in the National Textiles Corporation and;

(c) if not, the steps taken by Government thereon ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) A Statement showing the number of employees, belonging to Scheduled Castes and Scheduled Tribes, in different groups in NTC and its subsidiary Corporations as on 31.3.1988, is given below.

(b) and (c). Fresh recruitment in NTC mills, since their nationalisation/take-over, has been marginal. However, reservation orders for SC/ST are kept in view by NTC whenever any recruitment is made.

Statement  
Representation of Scheduled Castes/Scheduled Tribes in the Services of NTC (Holding Company) and its 9 Subsidiary Corporations as on 31.3.1988

Name of N.T.C./Subsidiary Corporations	Number of SC (Group-wise)				Number of ST (Group-wise)					
	A.	B.	C.	D.	D(S)	A.	B.	C.	D.	D(S)
1. NTC (Holding Company)	6	11	18	16	7	1	—	2	5	—
<i>Subsidiary Corporations</i>										
2. NTC (APKK and M) Ltd., Bangalore	2	5	105	2614	68	—	—	15	132	—
3. NTC (DP and R) Ltd., New Delhi	3	12	217	1474	55	—	1	1	201	—
4. NTC (Gurarat) Ltd., Ahmedabad	1	8	1981	785	28	—	—	63	9	—
5. NTC (SM) Ltd., Bombay (including 13 taken over mills)	4	8	1459	961	97	6	—	293	249	5
6. NTC (MN) Ltd., Bombay *	6	9	912	985	69	3	2	288	514	—
7. NTC (MP) Ltd., Indore	—	3	52	8212	106	—	5	6	662	—
8. NTC (TN and P) Ltd., Coimbatore	2	7	91	2471	50	—	—	7	28	—
9. NTC (U.P.) Ltd., Kanpur	3	6	87	5294	182	—	—	2	—	—
10. NTC (WBABO) Ltd., Calcutta	2	3	28	741	33	—	—	1	142	—
	29	72	4950	23653	695	10	8	678	1942	5

**Sardar Sarovar Project**

1483. SHRI THAMPAN THOMAS : Will the Minister of WATER RESOURCES be pleased to state :

(a) the steps at which the Sardar Sarovar Project is at present as on 31 May, 1988;

(b) whether the complaints of environmentalists have been taken into consideration;

(c) whether any steps have been taken to maintain ecological balance; and

(d) if so, the details thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a). The Sardar Sarovar and Narmada Sagar projects have been cleared from techno-economic and environmental considerations and also under the Forest (Conservation) Act, 1980.

(b) Yes, Sir.

(c) and (d). Narmada Control Authority is overseeing the work of environmental safeguards.

**Per Capita Availability of Water**

1484. DR. G. VIJAYA RAMA RAO : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the per capita availability of water in India has been declining over the decades;

(b) if so, the position as on 1950 and in 1987;

(c) whether the planning of the hydrological cycle couple with the thinking on the drought; and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The demand for water has been increasing with rising population and increased

economic activities, but more and more water is also being brought within the category utilisable resources to cope with the increasing demands. There are no reliable statistics to suggest that per capita availability of water is declining.

(c) and (d). The requirements of drought situations are kept in view while planning, and scientific practices are being increasingly introduced for conservation and efficient use of available water.

**Bank Loans to Students to Prosecute Studies**

1485. SHRI G.M. BANATWALLA : Will the Minister of FINANCE be pleased to state :

(a) whether facilities are available to students for getting bank loans at low rates of interest to prosecute their studies, especially technical and professional and the loans being repayable in instalments after the student gets a job;

(b) if so, the details of such scheme;

(c) the details of banks which have extended this facility and the total number of students so covered and total amount of loans granted in each State; and

(d) in case there is no such scheme, whether Government propose to formulate the same ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India has reported that banks provide loans at 4% p.a. to students satisfying the eligibility criteria prescribed under Differential Rate of Interest (DRI) Scheme. Students of merits, prosecuting higher education and not in receipt of scholarship/maintenance grants from Government or educational authorities are eligible for loan under the Scheme. In exceptional cases the banks may grant loan exceeding the ceiling of Rs. 6,500 also. The family income of the borrower should not exceed Rs. 6,400 p.a. and Rs. 7,200 p.a. in rural and in urban and semi-urban areas respectively. As 40% of the total DRI advances by banks are reserved for mem-

bers belonging to Scheduled Castes/Scheduled Tribes, many students belonging to economically weaker sections of society can avail of educational loan at 4% p.a.

Banks also provide educational loan to indigent students (students coming from families whose total income does not exceed Rs. 12,000 p.a.) for the purpose of higher education in India at a concessional rate of interest not below the bank rate which is 10% p.a., at present. Loans granted for

other educational purposes carry rate of interest of 14% to 15.5% p.a.

(c) All the Scheduled Commercial Banks have extended educational loans and the Statewise break-up of educational loans extended by them as at the end of December, 1986 (latest available) is given in the statement below.

(d) Does not arise.

#### Statement

*State-wise breakup of Educational Loans by all Scheduled Commercial Banks as on the Last Friday of December, 1986*

(Rs. in lakh)

Name of State/Union Territory	No. of accounts	Balance outstanding
1	2	3
<b>I. Northern Region</b>	1941	194.20
Haryana	168	16.53
Himachal Pradesh	103	5.46
Jammu and Kashmir	56	5.25
Punjab	286	23.74
Rajasthan	866	52.02
Chandigarh	40	8.75
Delhi	422	84.45
<b>II. North Eastern Region</b>	600	41.03
Assam	330	17.17
Manipur	71	7.68
Meghalaya	35	3.68
Nagaland	1	0.06
Tripura	129	8.91
Arunachal Pradesh	4	0.21
Mizoram	30	3.31



1	2	3
Sikkim	—	—
<i>III. Eastern Region</i>	6085	235.87
Bihar	816	52.47
Orissa	2015	71.69
West Bengal	3250	111.65
Andaman and Nicobar Islands	4	0.06
<i>IV. Central Region</i>	2358	244.77
Madhya Pradesh	1232	65.37
Uttar Pradesh	1126	179.40
<i>V. Western Region</i>	9699	663.67
Gujarat	3742	192.81
Maharashtra	5850	465.49
Goa, Daman and Diu	106	5.21
Dadra and Nagar Haveli	1	0.16
<i>VI. Southern Region</i>	49258	2278.16
Andhra Pradesh	4307	264.64
Karnataka	17928	959.51
Kerala	9720	282.27
Tamil Nadu	17148	764.04
Pondicherry	154	7.69
Lakshadweep	1	0.01
All India	69941	3657.70

*Source :* Reserve Bank of India.

**Cases Filed for FERA Violations**

1486. SHRI BHADRESWAR TANTI :  
Will the Minister of FINANCE be pleased to state :

(a) whether any criminal cases have been filed by the Directorate of Enforcement against private businessman and their

firms for violation of FERA regulations in 1987-88 upto date; and

(b) the number of FERA cases filed in the last three years and pending as on 1 April, 1988 ?

THE MINISTER OF STATE IN THE  
DEPARTMENT OF ECONOMIC AFFAIRS

**IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) During 1987-88, the Directorate of Enforcement (FERA) has launched prosecution in 111 cases in the courts of law against private businessmen and their firms.

(b) The Directorate of Enforcement launched prosecution in 1518 cases for FERA violations during last three (financial) years, and 917 prosecution cases were pending as on 1.4.88.

**Sales Depot of Coffee Board at Ulsoor**

1487. **SHRI V. S. KRISHNA IYER :** Will the Minister of COMMERCE be pleased to state :

(a) whether there is any sales depot of the Coffee Board of Ulsoor, Bangalore City; and

(b) if not, whether Government propose to open a states depot of the Coffee Board at Ulsoor ?

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

(b) In view of the fact that there are already 5 Sales Depots (India Coffee Depots), 2 India Coffee Vans and one India Coffee House in Bangalore City itself, there is no proposal to open a depot at Ulsoor.

**Representations against Import Policy Regarding Cash Crops and Spices**

1488. **PROF. P.J. KURIEN :**

**SHRI MULLAPPALLY RAMACHANDRAN :**

**PROF. K.V. THOMAS :**

**SHRI K.P. UNNIKRISHNAN :**

**SHRI SURESH KURUP :**

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have received representations against the new import policy in respect of cash crops and spices;

(b) if so, the specific points of objections contained in those representations; and

(c) the reaction of Government thereto ?

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

(b) Representations were based on the apprehensions that the new import policy for rubber, spices, copra, coconut oil, coir and coir products would lead to a fall in prices which would affect the farmers and the economy of Kerala.

(c) There has been no change in the Import Policy in respect of (i) rubber (ii) pepper (iii) coconut oil and copra and (iv) coir and coir products. Only imports of certain spices—cloves, cinnamon/cassia, nutmeg and mace have been de-canalised and allowed under Open General Licence. Except for a short spell of canalisation, these items had been allowed earlier for import under Open General Licence. During the period of canalisation there were problems with regard to imports and distribution, and litigation matters. These led to shortages and a consequent increase in prices. As these items are required in every household and also for the preparation of Ayurvedic medicines, they have been brought back on Open General Licence. The new import policy is not likely to affect the farmers.

**Fraud in Bank of Baroda Branches in Calcutta**

1489. **SHRI RAM BAHADUR SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether the Central Vigilance Commission has completed enquiry into Rs. 10 crore fraud in three branches of Bank of Baroda in Calcutta;

(b) if so, the details thereof; and

(c) the action taken against the officials found guilty ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) to (c). Bank of Baroda has reported that the Commissioner for Departmental Inquiries, who was appointed by the Bank on the advice of Central Vigilance Commission for conducting

inquiries against the officials found involved in the fraud cases which occurred at the Bank's Calcutta branches, has so far completed inquiries in respect of three officials only. The Bank of Baroda has reported that on the basis of inquiry, the following action has been taken against the concerned officials :

- |  |                                      |
|--|--------------------------------------|
| (a) Deputy General Manager (Inspection)        | — exonerated of all charges          |
| (b) Chief Manager (Inspection)                 | — Removed from the Bank's service    |
| (c) Branch Manager Hazra Road Branch, Calcutta | — Dismissed from the Bank's service. |

#### Court Cases of State Bank of Hyderabad

1490. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred question No. 6326 on 8th April, 1986 regarding pending court cases of State Bank of Hyderabad and state :

(a) whether the requisite information has since been collected;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

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

(b) The information is set out in the statement below.

(c) Does not arise.

#### Statement

*The number of Court Cases (both civil and criminal) of State Bank of Hyderabad pending during the years 1985, 1986 and 1987 and amount involved is given below :*

	1985		1986		1987	
	No. of Court Cases pending (Civil and Criminal)	Amount involved (Rs. in lakhs)	No. of Court Cases pending Civil and Criminal)	Amount involved (Rs. in lakhs)	No. of Court Cases pending (Civ. and Cr)	Amount involved (Rs. in lakhs)
(a) Pending at the beginning of the year (i.e. brought forward)	31,120	2345	33,842	2467	36,130	3405
(b) Added during the year	5,534	418	5,379	1274	11,798	2880
(c) Total (A+B)	36,654	2763	39,221	3741	47,928	6285
(d) Lost during the year	—	—	—	—	—	—
(e) Won and decreed during the year	2,812	296	2,091	336	3,507	410
(f) Pending at the end of the year	33,842	2467	36,130	3405	44,621	5879

Since no Civil/Criminal case has been lost by the bank in the years 1985, 1986 and 1987, the question of taking action on this account against any official/employee/lawyer by the bank does not arise.

**Customer and Counter Services in State Bank of India**

1491. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken a note of the fact that the customer and counter services are deteriorating in the State Bank of India;

(b) if so, the reasons therefor;

(c) whether the officials of the State Bank of India have carried out any 'Meet the customers' programmes for better understanding, interactions and contact between them and the customers so as to make note of the customer's difficulties to resolve them through service modes; and

(d) if so, the number of such programmes organised so far and the dates and places where these programmes were organised ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). During the last three years, all the public sector banks including State Bank of India (SBI), have taken several measures in the direction of improving the quality of their customer service. State Bank of India have reported that as a result of these measures there has been perceptible improvement in the Customer and counter services rendered in the branches of State Bank of India.

(c) and (d) The State Bank of India have reported that they have a system of meeting the Customers and user public. All persons attending such Meets are provided opportunity, *inter alia* to voice their grievances and express opinions on the quality of services rendered by bank's branches.

During 1987 such Customer Meets were held at 4022 centres of the bank all over the country. Of these, 679 meets were held exclusively in rural areas. Besides the Meets, the bank follows a system of holding customer relations programmes for different categories of clients like commercial clients, small scale industrialists and small businessmen etc. 9950

such programmes were conducted during 1987. Farmers meets were also held by the bank to meet the agriculturists so as to know their problems and to solve them.

**Clearance to Telugu Ganga Project**

1492 SHRI V. SOBHANADREE-SWARA RAO :

SHRI C SAMBU :

SHRI MANIK REDDY :

Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government of India have received from Government of Andhra Pradesh information on the comments made by the Central Water Commission and also compensatory afforestation proposals about the Telugu Ganga Project; and

(b) if so, the likely date by which clearance will be accorded to this project ?

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

(b) The clearance of the Project depends on the settlement of environmental and inter-State issues.

**Setting up of Rural Banks**

1493. SHRI SRIBALLAV PANIGRAHI: Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to set up any new rural bank this year;

(b) if so, the details thereof;

(c) whether there is any demand for opening of a rural bank for the districts of Sambalpur and Sundargarh in Orissa by bifurcating the present Balangir Anchalika Gramya Bank having unweildy jurisdiction over three districts, *i.e.* Balangir, Sambalpur and Sundargarh; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI

EDUARDO FALEIRO) : (a) and (b). NABARD has reported that for the present there is no proposal to open a new Regional Rural Bank.

(c) and (d). NABARD has further reported that Government of Orissa desired to have a new regional rural bank to cover Sundergarh district and in case this was not feasible the State Government proposed that the area of Bolangir Anchalik Gramya Bank might be enlarged to include Sundergarh District. The latter proposal was accepted and Sundergarh district was added to the area of operation of Bolangir Anchalik Gramya Bank in 1982.

The Regional Rural Banks Act 1976 does not provide for bifurcation of any existing regional rural bank.

[Translation]

#### Irregularities in Determining Value of Goods under Central Excise

1494. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

(a) whether the Central Excise Collectors have committed irregularities in determining value of goods covered under the central excise;

(b) if so, the action taken so far against the officers and staff responsible for such irregularities; and

(c) the extent of loss suffered due to such irregularities ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) No, Sir.

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

[English]

#### Syndicate Bank Branches in North Zone

1495. SHRI H.N. NANJE GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that a huge amount cash is kept in of various branches of the

Syndicate Bank in North Zone because of lack of space in their strong rooms and currency chests;

(b) the total amount of such idle cash which does not bring any income to the bank;

(c) whether the bank had hired premises for currency chests at Moradabad and Mathura;

(d) if so, when these premises were taken on hire;

(e) whether currency chests have been opened at these places; and

(f) not, the reasons for not opening the chests, the amount paid as rent and whether persons responsible for such negligence have been punished ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Syndicate Bank is faced with some difficulty in this regard which it is trying to sort out in consultation with Reserve Bank of India and State Government authorities.

(b) It will not be in public interest to disclose these details as it may infringe on the safety of the concerned branches.

(c) to (f). Information is being collected and to the extent permissible will be laid on the Table of the House.

#### Consignment Tax

1496. SHRI PRATAPRAO B. BHOSALE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Maharashtra, have represented Union Government for enactment of consignment tax legislation in order to meet drought situation and development needs;

(b) if so, the details thereof;

(c) whether Government propose to take action on the representation of State Government;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (e). The Government of Maharashtra had written to the Central Government about the need for enactment of a legislation on consignment tax in order to plug the loop-holes which have contributed to the evasion of sales tax on a large scale and also for resources mobilisation to bridge the gap between available resources and the outlays required for sustaining developmental efforts at reasonable levels. Since there are differences of opinion about levy of this tax among the interested parties, further action would depend on the resolution of these differences.

#### NRI Investment

1497. SHRI PRAKASH CHANDRA :  
SHRI SITARAM J. GAVALI :

Will the Minister of FINANCE be pleased to state :

(a) the estimated money so far invested by the Non-Resident Indians during the last one year;

(b) whether Government propose to provide more facilities to the N.R.Is. to persuade them to invest money in India; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The total investments made by non-Resident Indians upto 31st May, 1988 are as follows :

(Rupees in crores)

2. Direct Investment (Proposals Aproved)	1,313.15
2. Portfolio Investment (Actual Purchases of Shares/Debentures)	64.83

(b) and (c). Government has decided to introduce a new Scheme of Foreign Currency denominated Bonds for Non-Resident Indians on non-repatriation basis. Details will be announced separately.

#### Textile Rehabilitation Fund

1498. SHRI HAROOBHAI METHA : Will the Minister of TEXTILES be pleased to state :

(a) the amount drawn from the Textile Worker's Rehabilitation Fund by Government of Gujarat;

(b) whether any proposal has been made by State Government of Gujarat for payment of rehabilitation relief to workers of any closed mills;

(c) if so, the details thereof; and

(d) the action taken by Government on such proposals ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Drawals out of the Textile Workers' Rehabilitation Fund are made by the Textile Commissioner and not the State Government concerned.

(b) to (d). As per available information, the State Government got verified and forwarded by the Official Liquidator 36 cases of Shri Bansidhar spinning and Weaving Mills, Ahmedabad. These have been sanctioned by the Regional Officer of the Textile Commissioner.

[Translation]

#### Exemption of Lotteries from Income Tax

1499. SHRI K.N. PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) the rules governing exemption to lotteries from income tax and the conditions to be fulfilled by lotteries to get exemption from income tax; and

(b) the number of the lotteries in the country exempted from income tax during the last three years ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Section 80 TT of the Income-tax Act, 1961, as it stood prior to its deletion by the Finance Act, 1986 with effect from 1-4-1987, provided for deduction from income by way of winnings from lotteries. Where the winnings did not exceed five thousand rupees, the whole of such winnings; and in any other case, five thousand rupees as increased by a sum equal to fifty per cent of the amount by which the winnings exceeded five thousand rupees was deductible under this provisions. After the deletion of Section 80 TT, no separate exemption is available in respect of winnings from lotteries except the exemption of rupees five thousand under section 10 (3) of the Income Tax Act, 1961 in respect of all receipts of a casual and non-recurring nature which with effect from 1.4.1987, includes winnings from lottery also.

(b) There is no provision in the Income Tax Act which exempts particular lotteries from income-tax.

[English]

#### Fall in Prices of Cardamom

1500. SHRI K. MOHANDAS :  
PROF. P.J. KURIEN :

Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a steep fall in the prices of cardamom during the last three years;

(b) if so, the total loss suffered by the growers on this count;

(c) the extent to which they have been compensated and steps being taken to ensure a reasonable price for the growers; and

(d) the steps being taken to get better price for Indian cardamom in the international market ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI) : (a) Average price of cardamom sold in auctions during the past six years are as follows.

Year	Rs./Kg.
1982-83	161.08
1983-84	370.49
1984-85	199.91
1985-86	132.80
1986-87	118.32
1987-88	140.64

(b) The auction prices cannot be considered un-reasonable.

(c) The Spices Board has been implementing various development schemes to provide subsidies to the farmers for various activities. The Spices Trading Corporation Ltd., a Government of India enterprise procured and made efforts to export cardamom.

(d) International price for cardamom is largely determined by supply and demand.

#### Closure of Manindra and B.T. Mills of West Bengal

1501. SHRI ATISH CHANDRA SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether Manindra and B.T. Mills in Cossimbazar in Murshidabad district of West Bengal are going to be closed;

(b) if so, the reasons thereof; and

(c) what efforts have been made by the N.T.C. with regard to renovation, modernisation and cutting down the losses of the said mills ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) There is, at present, no decision to close down Manindra and Bengal Textile Mills in Cossimbazar in Murshidabad district of West Bengal.

(b) Does not arise.

(c) A sum of Rs. 185.76 lakhs has been spent by NTC on renovation/modernisation of Manindra mills and Bengal Textile Mills. Recently, NTC has formulated mill-specific action plan to improve the performance.

**Economic Co-operation Between SBI and Soviet Banks**

1502. SHRI GOPALA KRISHNA THOTA : Will the Minister of FINANCE be pleased to state :

(a) whether the State Bank of India has signed four memoranda of understanding with four Soviet banks covering a wide range of subjects in banking and economic co-operation; and

(b) if so, whether Union Government are giving any encouragement to other nationalised banks also ?

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

(b) Besides State Bank of India, three nationalised banks viz. Canara Bank, Central Bank of India and United Bank of India have been participating in the banking transactions relating to the Indo-USSR bilateral trade.

**Proposal for Exemption of Dearness Allowance from Income Tax**

1503. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal before Government to exempt the Dearness Allowance paid to the Government employees from Income Tax as well as to raise the exemption limit Income Tax;

(b) whether Government have received requests in this regard;

(c) if so, whether a decision is likely to be taken shortly; and

(d) if not, the reason therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). Numerous suggestions were received by the Government for exempting dearness allowance, paid to the Government employees from income tax as well as to raise the exemption limit of income-tax. These suggestions were examined and not found to be acceptable.

(d) The overall economic policy, resource crunch and the fact that the threshold limit up to which no income-tax is payable is quite high in India *vis-a-vis* other countries of the world considering the per capita income, are some of the reasons for not raising the exemption limit of income-tax and granting exemption to Dearness Allowance Finance Act, 1988 has already increased the standard deduction to neutralise the increased burden on account of inflation and this has benefitted a large section of taxpayers in the fixed income groups. No further concessions at this stage are considered necessary.

**Investment by IFCI and Nationalised Banks in Steel and Allied Products Limited, Calcutta**

1504. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) the amount of investment by the Industrial Finance Corporation of India (IFCI) and nationalised banks in the Steel and Allied products Limited, Calcutta lost due to closure of the company;

(b) whether any action has been taken to secure the re-opening of the company; and

(c) if so, the facts thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Banks and financial institutions including Industrial Finance Corporation of India have filed suits for recovery of their dues. The matter is sub-judice, and the actual loss, if any, of institutions/banks are not ascertainable at this stage.



(b) and (c). It has been reported that institutions had explored various possibilities of getting another entrepreneur to accept the responsibility for reviving this industry. But there had been no positive response.

[*Translation*]

**Losses Incurred by Mica Trading Corporation**

1505. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Mica Trading Corporation is running into heavy losses; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Accounts of the Mico Trading Corporation (MITCO) for the year 1987-88 are yet to be audited and finalised. Upto the period 1986-87 for which audited accounts are available, MITCO has been reporting profit.

(b) Does not arise.

**Complaints Regarding Loans Distributed to Poor People and Marginal Farmers**

1506. SHRI NARSINH MAKWANA: Will the Minister of FINANCE be pleased to state :

(a) whether complaints have been received from various parts of the country in regard to the loans being distributed to poor people and marginal farmers;

(b) whether large scale bungling has been committed in the name of these people and if so, the details thereof;

(c) whether an enquiry has been conducted into the complaints to received; and

(d) if so, whether any remedial measure has been taken in the light of the findings of the enquiry ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). Representations received from individuals generally relate to non-sanction of loans, delay in disbursement of loans, write off or remission of dues, rescheduling of repayment schedule etc. Such representations from the individuals are referred to the concerned authorities for necessary corrective action. Corrective measures are taken by banks in respect of complaints, with a view to provide necessary redressal to the complainant.

[*English*]

**Sea-Erosion in Karnataka**

1507. SHRI G. DEWARAYA NAIK : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Union Government have received any fresh proposal from the Government of Karnataka for sea-erosion work;

(b) if so, the details thereof; and

(c) the action taken by Government thereon ?

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

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

**Price of Natural Rubber**

1508. PROF. K. V. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal to increase the floor price of natural rubber.

(b) whether the price of natural rubber in the international market increasing; and

(c) the difference between its domestic price and purchase price abroad ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R.

**DAS MUNSI**) : (a) Government considers revision of the price band for natural rubber on the basis of the variation in the factors taken into account for the fixation of the price band.

(b) The rubber prices in the international market which had been displaying a rising trend upto June, 1988 have now started showing a downward trend since July, 1988.

(c) The domestic price of RMA-IV grade and the purchase price abroad of RSS-III (Equivalent grade to RMA-IV) has been as under :

	(Rs. per MT)	
	Average Domestic Prices	Average Price in the Malaysian Market (CIF)
Between April-June, 1988	17411	17486
On 28.7.1988	18800	19128

#### Seizure of Contraband Goods

1509. **SHRI E. AYYAPPU REDDY** : Will the Minister of FINANCE be pleased to state :

(a) the total quantity of contraband goods seized by the customs officials from 1 April, 1986; to 1 April, 1988, and

(b) the amount paid to the Officers and employees of the Customs Department as reward for detecting Gold smuggling during the above period ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA)** : (a) The total value of contraband goods seized by the Customs authorities during the period from 1st April, 1986 to 1st April, 1988 is Rs. 503.20 crores approximately.

(b) Rs. 12.61 crores approximately have been paid as cash rewards to the Officers and employees of the Customs and Central Excise Department during the period from 1.1.1986 to 1.4.1988 for the part played by them in anti smuggling activities. Separate figures of cash rewards paid for detecting gold smuggling alone are not maintained.

#### Offer of Foreign Currency Funds by Soviet Union for Industrial Projects

1510. **SHRIMATI BASAVARAJESWARI** :

**SHRI H. B. PATIL** :

Will the Minister of FINANCE be pleased to state :

(a) whether the Soviet Union has offered foreign currency funds to India for deployment in setting up industrial projects in the country;

(b) if so, the details of the offer made;

(c) the main purpose of this fund;

(d) to what extent the industrial projects in the country will be helped; and

(e) whether any agreement has been signed in this regard; if so the details thereof ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO)** : (a) to (e). The Government of the USSR has been extending Credits to the Government of India in Boubles for financing identified projects mainly for the development of basic and heavy industries. Since February, 1955, 14 Economic Credits have been extended and Credit Agreements executed therefor till the end of 1987-88. Out of these, 8 Credits upto 3.3.1977 have been contracted and have almost been fully utilise. Details of the Credits, *i.e.*, the name of the Credit, the date of the Credit Agreement and the amount of the Credit are given in the statement below.

## Statement

*Credits from the USSR*

(In M/Boubles)

S. No.	Name of Credit	Date of Agreement	Amount of Credit
1.	Bhilai Credit	02-02-55	122.36
2.	Credit for Industrial Proj.	09-11-57	112.50
3.	Credit for Drug Projects	29-05-59	18.00
4.	First Credit for third Plan Projects	12-09-59	337.50
5.	Barauni Credit	28-09-59	22.50
6.	Second Credit for Third Plan Projects	21-02-61	112.50
7.	Bokaro Credit	25-01-65	200.00
8.	Credit for Fourth Plan Proj.	10-12-66	300.00
9.	Credit for ferrous Metallurgical and Coal Projects (fully earmarked for Vizag Steel Project Stage I)	27-04-77	250.00
10.	Credit for Sixth Plan Projs.	10-12-80	520.00
11.	Credit for Stage II of Vizag Steel Project	12-05-83	140.00
12.	Credit for Seventh Plan Proj.	22-05-85	1000.00
13.	Credit for projects in Power, oil exploration, steel and coal sectors	27.11-86	1200.00
14.	Credit for Karnal refinery and Thermal Project	24-11-87	700.00
<b>Total</b>			<b>5035.36</b>

Flood in Brahmaputra River

(b) the details thereof ?

1511. SHRI C. SAMBU :  
 SHRI MANIK REDDY :  
 SHRI V. S. KRISHNA IYER :

Will the Minister of WATER RESOURCES be pleased to state :

(a) what steps are being taken by Union Government to help the Assam Government to overcome the flood situation from Brahmaputra river; and

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The Government of India have established Brahmaputra Board for Planning and integrated implementation of measures for the management of floods in the Brahmaputra Valley.

The Government of India has been extending Central Loan Assistance to the Government of Assam towards Flood

Management Schemes. Since 1974-75, Rs. 167.5 crores have been released.

**Harabhangi Medium Irrigation Project  
of Orissa**

1512. SHRI SOMNATH RATH :  
Will the Minister of WATER RESOURCES be pleased to state :

(a) the original estimate for the construction of Harabhangi Medium Irrigation Project in Orissa and the time schedule for its completion;

(b) the present estimate to complete the project and the likely date of its completion;

(c) the total amount spent so far on the project and the amount lying unspent and since when; and

(d) the steps being taken to expedite the completion of the Project ?

THE MINISTER OF STATE IN THE  
MINISTRY OF WATER RESOURCES  
(SHRIMATI KRISHNA SAHI) : (a) and  
(b). The required information is as under :

	Cost Rs. in crores)	Schedule for com- pletion
Original	9.09	3/85
Present	54.27	3/92

(c) An expenditure of about Rs. 18.6 crores has been incurred on the project upto 3/88 and most of the outlay provided for the Project has been utilised.

(d) The State Government has already taken various steps for its early completion including obtaining World Bank assistance.

**Increase in Drug Trafficking and Smuggling**

1513. SHRI SATYENDRA NARAYAN  
SINHA :

SHRI H. B. PATIL :  
SHRI MOHANBHAI PATEL :

SHRI BALASAHEB VIKHE  
PATIL :

SHRIMATI BASAVARA-  
JESWARI :

SHRI AMARSINH RATHWA :

Will the Minister of FINANCE be  
pleased to state :

(a) whether there has been significant  
increase in the drug trafficking/smuggling in  
the country during last few months;

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

(c) the details of the action plan  
recommended by the Cabinet Sub-Committee  
to control drug trafficking and the action  
taken thereon;

(d) whether Government propose to  
bring some changes in the Narcotic Drugs  
and Psychotropic Substances Act, 1985  
in order to check illegal traffic in drugs and  
also to deal with the offenders strictly;

(e) if so, the details thereof; and

(f) the details of assistance/guidelines  
given to the State Governments by Union  
Government to check illegal drug  
trafficking?

THE MINISTER OF STATE IN THE  
DEPARTMENT OF REVENUE IN THE  
MINISTRY OF FINANCE (SHRI A. K.  
PANJA) : (a) and (b). India, in view of  
its geographical location between two major  
sources of illicit drugs, commonly known as  
the Golden Crescent region and the Golden  
Triangle region, continues to face the pro-  
blem of transit traffic in drugs. The drug  
law enforcement agencies in the country  
remain vigilant to check the illicit traffic  
and as a result of various counter-measures  
taken, significant quantities of drugs have  
been seized in the first 6 months of this  
year also. The quantities of the drugs  
seized in the first 6 months of 1987 and  
1988 are given below :

S. No.	Name of drug	Quantity seized (Kgs.)	
		1987	1988
1.	Opium	582	1,372
2.	Morphine	18	4
3.	Heroin	1,650	1,708
4.	Ganja	7,160	15,469
5.	Hashish (Charas)	1,264	12,258
6.	Cocaine	2	17
7.	Methaqualone	155	536

(Figures rounded off to the nearest kilogram)

(c) The Cabinet Sub-Committee had recommended, *inter alia*, the following measures to be taken on a time bound basis :

1. Provision of a separate law for preventive detention of drug offenders;
2. making drug offences non-bailable;
3. forfeiture of property of drug traffickers;
4. procedure for pre-trial disposal of seized drugs; and

(5) not extending any privilege or remission to the punishments awarded under the Act.

An Ordinance called 'The Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance, 1988 (No. 7 of 1988)' has already been promulgated on 4.7.88, So far (as on 18.7.88), out of 152 detention orders issued, 118 persons had been detained under the above Ordinance.

(d) and (e). Yes, Sir. A comprehensive draft of the Legislation seeking to amend the Narcotic Drugs and Psychotropic Substances Act, 1985, incorporating the recommendations of the Cabinet Sub-Committee is at an advanced stage of finalisation.

(f) The States have already been directed to be vigilant and take necessary remedial measures against the threat posed by drug pushers, especially in the vicinity of schools, educational institutions, etc. The expenditure incurred by the States on payment of rewards to their officers and informers are also reimbursible by the Central Government. The States have also been requested to set up Special Courts exclusively for trial of drug offenders.

#### Meeting of Chief Vigilance Officers of Nationalised Banks

1514. SHRI KRISHNA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether a meeting of the Chief Vigilance Officers, nationalised banks was held on 6 July 1988, in New Delhi;

(b) if so, the decisions taken therein for monitoring/detecting bank fraud; and

(c) whether an action plan for anti-corruption drive in banks was also mooted therein, if so, the details thereof ?

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

(b) In the meeting of Chief Vigilance Officers of Public Sector Banks/Financial Institutions, which was held in New Delhi on 6th July, 1988, for monitoring/detecting bank funds the following decisions, amongst others, were taken :

1. Reconciliation of books of accounts both inter-branch and intra-branch should be speeded up;
2. The do's and don'ts prescribed by the banks should be strictly implemented;
3. RBI's guidelines relating to sanction of loans by banks should be assiduously adhered to;
4. Swift effective and deterrent action should be taken against those who are found to be involved in fraud/corruption cases;
5. Regular and timely submission of statements of assets and liabilities by officers should be ensured.

(c) Implementation of the Action Plan on anti-corruption measures, prescribed by Ministry of personnel, Public Grievances and Pension (Department of Personnel and Training), was also discussed at the meeting, especially with reference to disposal of vigilance cases pending for long periods.

#### Inland Container Depots

1515. SHRIMATI D.K. BHANDARI : Will the Minister of COMMERCE be pleased to state :

- (a) whether the Inland Containers Depots are currently functioning in the country;
- (b) if so, their locations with utility thereof;
- (c) whether the Inland Containers Depots are proposed to be provided during current year;
- (d) if so, give details thereof;
- (e) whether an Inland Container Depot is proposed to be constructed in Sikkim during current year or next year: and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) and (b). With a view to facilitate the shippers located at inland locations, Inland Container Depots (ICDs) have been developed at suitable inland locations. These ICDs confer the benefits of containerisation on break-bulk export cargoes at originating from inland centres. So far ICDs have been set up at Bangalore, Guntur, Anaparti, Coimbatore, Guwahati, New Delhi and Ludhiana. These has even ICDs have handled 33,728 ISO containers interms of TEUs (twenty-foot equivalent units) during 1987-88 as against 27,862 TEUs in 1986-87.

(c) and (d). It is proposed to set up an Inland Container Depot at Hyderabad during 1988-89.

(e) and (f). In terms of priority and trade requirements there is no proposal to set up an ICD in Sikkim at present.

#### Closure of Textile Mills

1516. SHRI RANJIT SINGH GAEKWAD : Will the Minister of TEXTILES be pleased to state :

- (a) the number of textile mills which faced closure since January, 1988 to 30 June, 1986 State-wise;
- (b) the number of textile mills closed during 1986 and 1987, State-wise;
- (c) approximate rate of raw cotton prevailing during above three year; and
- (d) the reasons given for closure of textile mills in general during each of the above years ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). A statement is given below.

(c) The index number of wholesale prices of raw cotton during 1986, 1987 and 1988 (Base 1970=71=100) was 176.5, 271.7 and 323.2 (June, 1988 provisional) respectively.

(d) The main reasons for closures during these years were financial difficulties, strikes/lock-outs, etc.

**Statement**

(a) and (b). Number of cotton/man made fibre textile mills closed during 1986

and remaining closed as at the end of 1986, mills closed during 1987 and remaining closed as at the end of 1987 and the mills closed since January 1988 to 30th June, 1988 and remaining closed as at the end of June 1988 are as under :

	1986	1987	1988
Andhra Pradesh	1	2	—
Gujarat	12	8	3
Karnataka	3	4	2
Kerala	—	4	1
Madhya Pradesh	3	1	—
Maharashtra	—	5	1
Rajasthan	1	3	—
Tamil Nadu	15	22	7
Uttar Pradesh	—	6	1
West Bengal	—	8	1
Orissa	—	—	1
<b>Total :</b>	<b>35</b>	<b>63</b>	<b>17</b>

**[Translation]**

**Opening of Bank Branches in Rajasthan**

1517. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to open some new branches of the commercial and rural banks in Rajasthan during 1988-89;

(b) if so, the names of the places where these branches are proposed to be opened and the time by which these are likely to be opened; and

(c) if not, the reasons therefor ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC**

**AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :**

(a) to (c). Reserve Bank of India (RBI) has reported that on the basis of list of identified centres received from the State Government of Rajasthan, 229 eligible rural and semi-urban centres have been allotted to commercial banks including Regional Rural Banks for opening branches during the current Branch Licensing Policy for 1985-90. District-wise details of these 229 centres allotted to banks in Rajasthan are set out in the statement below. In addition, RBI has allotted 21 urban centres to banks for opening branches during the current Branch Licensing Policy period. Year-wise targets have not been prescribed. RBI had initially advised the banks to open branches at the allotted centres in a phased manner during the remaining period of the current Branch Licensing

Policy period upto March, 1990. It would not, therefore, be possible to indicate the names of centres where branches may be opened during 1988-89. However, in the context of Service Area Approach to rural lending, RBI has instructed banks to open their branches at the allotted centres expeditiously to facilitate allocation of villages to such branches under this scheme. In accordance with the information available with RBI banks have opened 117 branches in Rajasthan so far.

**Statement**

*District-wise details of 229 rural and semi-urban centres allotted to banks for opening branches in Rajasthan during the current Branch Licensing Policy 1985-90*

Name of District	No. of centres allotted
1	2
Alwar	11
Ajmer	14
Bharatpur	8
Banswara	10
Barmer	14
Bikaner	27
Bhilwara	13
Bundi	1
Chittorgarh	7
Dholpur	8
Churu	4
Dungarpur	9
Jaisalmer	5
Jaipur	6
Jalore	15

1	2
Jhunjhunu	3
Jodhpur	13
Kota	3
Nagaur	2
Pali	2
Sawai Madhopur	10
Sirchi	2
Sikar	8
Sriganganagar	18
Tonk	3
Udaipur	11
Jhalawar	1
<b>Total :</b>	<b>229</b>

[English]

**Cases of Search and Seizures**

1518. SHRI RADHAKANTA DIGAL : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of cases pertaining to search and seizure by the income tax department are pending;

(b) if so, the number of such pending cases as on 31 March, 1988; and

(c) the steps being taken to clear those cases ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). As on 31st March, 1988 the number of pending search and seizure assessments was 10,602. The Action Plan for 1988-89 as approved by the Central Board of Direct Taxes provides that each Assistant Commissioner in charge of search and seizure cases (Investigation Circle) must complete at least 50 assess-



ments during the year, subject to the overall condition that assessments of all cases where searches were conducted before 31.3.1987 must be completed by 31.3.1989.

**Permission to Sell Land of Textile Mills  
in Bombay**

1519. SHRI D.B. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether a proposal is pending with Union Government for grant of permission to textile mill owners in Bombay to sell the lands belonging to the textile mills;

(b) if so, the details thereof; and

(c) the action taken by Union Government in this regard ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The power to permit the sale of such land lies with the competent Urban Land Ceiling Authority/State/Government/Union Territories Administration concerned and not with the Union Government.

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

**Jaunpur Town Protection Scheme**

1520. SHRI KAMLA PRASAD SINGH : Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 21 November, 1985 to Unstarred Question No. 822 regarding plan to protect Jaunpur from floods and state :

(a) whether by now the Planning Commission to whom the Jaunpur Town Protections Scheme was forwarded by the Technical Advisory Committee in March, 1985 has since discussed the matter and arrived at some decisions/conclusions;

(b) if so, the details of the decisions/conclusions thereof;

(c) if not, the reasons for not arriving at any decision/conclusion all these years; and

(d) the details of steps taken to check the flood situation hovering over Jaunpur ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (d). The Scheme was discussed in the meeting of the Advisory Committee in November, 1985. The observations included that B.C. Ratio of the scheme was less than one, model experiments are needed and thereafter the scheme has to be reviewed.

**Eighth Finance Commission Award for  
Payment of Compensatory Allowance  
to Staff in Tribal Areas**

1521. SHRI SAMAR BRAHMA CHOUDHURY : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Rajasthan has defied Union Government's directive regarding utilisation of the Eighth Finance Commission Award for payment of compensatory allowance to the staff working in the Tribal areas; and

(b) if so, the steps proposed for ensuring compliance of the Award ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). Government of Rajasthan proposed to divert the amount allocated on the basis of the recommendations of the Eighth Finance Commission for payment of Compensatory Allowance to staff posted in tribal areas, to construction of quarters for staff in such areas, owing to certain difficulties faced by them in this regard. This proposal has not been accepted by the Government of India and the State Government has been requested to furnish the action plan for payment of compensatory allowance.

**Post Office Saving Scheme**

1522. SHRI SWAMI PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the saving schemes which are in operation through post offices;

(b) the total deposits against each saving scheme, State and Union Territory-wise, as on 31 May, 1988;

(c) whether attraction in small saving through banks is much higher than through post offices although the former gives less rate of interest;

(d) if so, the reasons therefor ?

(e) the steps Government propose to take in this regard to raise the level of post office saving schemes ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The saving schemes operated through post offices are indicated below :

Sl. No.	Name of Scheme
1	2
1.	Post Office Savings Account
2.	Post Office Time Deposit Account
3.	Post Office Recurring Deposit Account

1	2
4.	National Savings Scheme, 1987
5.	Post Office Monthly income Account
6.	National Savings Certificates II Issue
7.	National Savings Certificates VI Issue
8.	National Savings Certificates VII Issue
9.	Social Security Certificates
10.	Indira Vikas Patra
11.	Kisan Vikas Patra
12.	Public Provident Fund

(b) The information is indicated in the statement below.

(c) to (e). Deposits in Small Savings during current year indicate increase compared to corresponding period in 1987-88. Small Savings Schemes are improved and new schemes introduced when necessary for increasing the collection.

## Statement

Gross Deposits during April to May 1988 in small savings scheme operated through Post Office

(Rs. in crores)

Name of States/Union Territories	Post Office Savings Account	P. O. Time Deposit Account	P. O. Recurring Deposit Account	National Saving Scheme 1987	P. O. Monthly Income Account	N. S.C. IIInd Issue	N.S.C. VIth Issue	N.S.C. VII Issue	Indira Vikas Patra	Kisan Vikas Patra
1	2	3	4	5	6	7	8	9	10	11
1. Andhra Pradesh	27	2	7	1	4	—	6	—	16	3
2. Arunachal Pradesh	—	—	—	—	—	—	—	—	—	—
3. Assam	7	14	2	—	—	—	6	—	3	—
4. Bihar	50	6	6	—	3	2	28	—	12	10
5. Goa	1	—	1	—	—	—	1	—	1	—
6. Gujarat	28	4	9	3	10	—	36	2	28	12
7. Haryana	19	3	5	—	2	—	7	—	10	4
8. Himachal Pradesh	7	1	3	—	—	—	4	—	6	1
9. Jammu and Kashmir	5	1	1	—	—	—	3	—	4	3
10. Karnataka	21	2	9	1	4	—	20	1	12	—

	1	2	3	4	5	6	7	8	9	10	11
11. Kerala	11	11	1	6	—	3	—	2	—	6	—
12. Madhy Pradesh	22	22	2	6	—	3	—	7	—	12	2
13. Maharashtra	39	39	6	31	7	10	1	63	7	33	2
14. Manipur	—	—	—	—	—	—	—	—	—	—	—
15. Meghalaya	1	1	—	—	—	—	—	1	—	—	—
16. Mizoram	—	—	—	—	—	—	—	—	—	—	—
17. Nagaland	—	—	—	—	—	—	—	—	—	—	—
18. Orissa	17	17	1	3	—	1	—	5	—	4	2
19. Punjab	18	18	3	4	—	4	—	12	—	19	7
20. Rajasthan	15	15	5	8	—	2	—	6	—	15	3
21. Sikkim	—	—	—	—	—	—	—	—	—	—	—
22. Tamil Nadu	26	26	2	8	1	2	1	5	1	9	1
23. Tripura	2	2	—	1	—	—	—	1	—	—	—
24. Uttar Pradesh	104	104	14	17	1	7	—	59	1	43	15
25. West Bengal	58	58	9	7	1	28	—	50	5	33	8
26. A and N Islands	—	—	—	—	—	—	—	—	—	—	—
27. Army Post Office	2	2	—	1	—	—	—	—	—	—	—

	1	2	3	4	5	6	7	8	9	10	11
28. Chandigarh	1	—	—	—	—	1	1	1	—	2	—
29. Daman and Diu	—	—	—	—	—	—	—	—	—	—	—
30. Delhi	17	8	2	—	4	3	—	18	2	15	3
31. Lakshdeep	—	—	—	—	—	—	—	—	—	—	—
32. Pondicherry	—	—	—	—	—	—	—	—	—	—	—
33. Dadra, Nagar Haveli	—	—	—	—	—	—	—	—	—	—	—

Note : (1) In Social Security Certificates and Public Provident Fund, the Statewise deposit is less than Rs. 1 crore and hence not shown.

(2) Collections less than Rs. 1 crore not shown in the statement.

**Eligibility of Delhi University Staff to Contest Elections to Legislative Bodies**

1523. SHRI VIJAY KUMAR YADAN: Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the teaching and non-teaching staff of University of Delhi and its colleges can contest the election of Metropolitan Council/Legislative Assembly/Parliament; and

(b) if so, under which condition ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : (a) There is no bar for the Delhi University and its colleges to contest elections to the Legislative Bodies. However, the non-teaching staff of the University and colleges have not been so permitted.

(b) The teachers who are elected/nominated to Parliament or State Legislature are required to take leave of absence during their term as Members. However, in this process, they will not be losing their seniority or increments.

**Foreign Collaborations in Food Processing Sector**

1524. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) how many foreign collaborations in the food processing sector have been approved in the last three years;

(b) how many of these collaborations involved technical fees alone and how many involved equity participation; and

(c) the outflow of foreign exchange by companies in the food processing sector on account of foreign collaborations ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI): (a) to (c). The information is being collected and will be laid on the table of the House.

**Imposition of Penal Tariffs on Indian Exports by United States**

1525. SHRI NARSING SURYAVANSI : Will the Minister of COMMERCE be pleased to state :

(a) whether the United States contemplates to impose penal tariffs or other import restriction on cashew import from India; and

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

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

(b) Does not arise.

**Definition of Declared Goods**

1526. SHRI NARSING SURYAVANSI: Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news-item captioned, "Declared goods need proper definition, says FICCI" appearing in the Hindu dated 27 June, 1988;

(b) if so, whether Union Government propose to define clearly the 'Declared goods' under the Central Sales Tax Act and sign a memorandum of understanding with the State Governments as suggested by the Federation of Indian Chambers of Commerce and Industry (FICCI);

(c) whether it has been reported to Government by FICCI that businessmen face various problems due to difference in the interpretation of items identified as declared goods; and

(d) if so, the steps taken/proposed to be taken by Government in this direction ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) The items listed as 'declared goods' have been clearly spelt out in the Central Sales Tax Act, 1956 and have been worded in consultation with the concerned Government departments. The Federation of Indian Chambers of Commerce and Industry has not indicated the specific items of declared goods in respect of which difficulties are being experienced. The provisions

of the Central Sales Tax Act, 1956, including the declared goods, are statutory in nature having been enacted by the Parliament and, therefore, the Central Government do not propose to sign any memorandum of understanding with the State Governments.

(c) Yes, Sir.

(d) The administration of Central Sales Tax Act, 1956 is vested by law in the sales tax authorities of the States and Union Territories who interpret the provisions of the Act including the items identified as declared goods. Whenever any problems arising due to difference in interpretation of items identified as declared goods are brought to the notice of the Central Government, the same are examined and necessary clarifications issued to all concerned or the matter is taken up with the concerned State Government and sorted out.

**Opening of Regional Office on Punjab National Bank at Hamirpur in Himachal Pradesh**

1527. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has received any request from the Punjab National Bank for a licence for the opening of a new regional office of the bank with Head Office at Hamirpur in Himachal Pradesh by creating a new region comprising Hamirpur and Una districts;

(b) if so, the decision taken by the Reserve Bank of India on this request; and

(c) if no decision has been taken so far, the date by which the decision is likely to be taken and the reasons for delay ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India has reported that it has not received any proposal from Punjab National Bank for opening of a new Regional Office at Hamirpur in Himachal Pradesh.

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

**Opening of Branches of Gramin Banks in Kangra District of Himachal Pradesh**

1528. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state :

(a) whether any recommendations from Government of Himachal Pradesh for the opening of new branches of gramian banks in the Kangra district of the State have been received by the Reserve Bank of India during last three years, including the current financial year.

(b) if so, the names of the places which have been recommended by the State Government for this purpose during each year separately; and

(c) the names of the places for which the licences have since been issued during each one of these years and the date by which the licences are likely to be issued for the remaining branches alongwith reasons for delay ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Reserve Bank of India (RBI) has reported that under the current Branch Licensing Policy for 1985-90, the State Government of Himachal Pradesh had forwarded an initial list of 14 identified centres in September, 1986 and a supplementary list of 9 centres in May, 1987 for opening branches in District Kangra. Out of these 23 centres, the State Government had recommended 18 centres for allotment to the Regional Rural Bank. The names of these 18 centres are indicated below :

1. Rajhoon
2. Majhin
3. Bankhandi
4. Bharoli
5. Seul
6. Basti Kohala

7. Rajaina
8. Sarimlog
9. Gander
10. Balakrupi
11. Lahru
12. Sunhi
13. Chanmunda
14. Mastgarh
15. Nurpur
16. Darini
17. Ghuggar
18. Kandbari

Out of 23 identified centres, only 12 centres were found eligible for opening branches as per the norms laid down in the current Policy; and therefore remaining 11 centres were not considered by RBI for allotment to any bank. Out of 12 aligible centres, RBI has allotted 3 centres namely Majhin, Bharoli and Sarimlog to Himachal Gramin Bank for opening branches in Kangra District and the remaining 9 centres have been allotted to Public Sector Banks.

#### Target for Small Savings

1529. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has fixed any

target for small savings for each State/ Union Territory for the year 1988-89;

(b) whether any prizes are also awarded to the States and districts which excel in this performance; and

(c) if so, the details thereof and the names of the States/districts which have been given prizes during the last three years ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO):

(a) No, Sir.

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

#### Vacant Seats in Lok Sabha and Vidhan Sabha Constituencies

1530. PROF. NARAIN CHAND PARASHAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there are any cases of Lok Sabha/Vidhan Sabha constituencies having remained vacant on account of petitions in the Courts even though the incumbents have died long ago; and

(b) if so, the details thereof, including the dates with effect from which the seats are vacant ?

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

(b) A Statement containing the requisite information is given below.

#### Statement

Name of the State	No. and name of constituency	Date of vacancy	Cause of vacancy	Reason for not filling the vacancy
1	2	3	4	5
<b>Lok Sabha</b>				
1. Bihar	38 Sasaram (SC)	5.7.86	Death	Election Petition pending in High Court



1	2	3	4	5
2. Uttar Pradesh	81 Baghat * Legislative Assembly	29.5.87	Death	-do-
1. Bihar	324-Hussainabad	13.2.88	Death	-do-
2. Uttar Pradesh	201-Gouri Bazar	26.6.88	Death	Appeal pending before Supreme Court

**Flood Forecasting Network at Lower Ganga Division**

1531. SHRI R.P. DAS: Will the Minister of WATER RESOURCES be pleased to state :

(a) whether there is any proposal to implement the flood forecasting network at Lower Ganga Division under the Central Water Commission in addition to hydrological observations in view of protecting the flood prone areas in West Bengal in the rivers Ganga, Mahananda, Bhairab, Churni, Jalangi etc :

(b) if so, the steps have been taken so far; and

(c) if not, the reason therefor ?

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

(b) Does not arise.

(c) No proposal on the subject has been received from West Bengal Government.

**Narcotic Drugs and Psychotropic Substances Act, 1985**

1532. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether the illicit distillation is playing havoc in the Society particularly affecting the members of the weaker sections of Society;

(b) if so, whether the stringent provisions contained in the Narcotic Drugs and Psychotropic Substances Act, 1985 can be made applicable to such offences; and

(c) if not, whether Government will consider covering such offences suitably at the time of necessary legislation pursuant to the recent ordinance providing for more stringent punishments for offences relating to narcotic drugs ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). Presumably, the question refers to the illicit distillation for the production of liquor. While such illicit liquor may adversely affect the health of the persons consuming it, the Narcotic Drugs and Psychotropic Substances Act, 1985 has been enacted essentially to check illicit traffic in such drugs and substances and therefore illicit distillation for the production of liquor does not come under the purview of this Act. For the same reasons this cannot be covered under the proposed legislation to replace the Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance, 1988.

Illicit distillation for the production of liquor is violative of the State Excise Laws and the State Governments and required to take necessary action to eradicate this evil.

**Modification of Income Tax Rules**

1533. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether Income-tax Rules provide for an obligatory irrevocable trust for a superannuation scheme to be eligible for a deductible expense of contribution to the superannuation fund;

(b) if so, whether the said Rules also require purchase of an annuity policy from the LIC which offers negligible returns on the investment based on their out-moded tables; and

(c) if so, whether Government propose to modify the Income-tax Rules to allow investment in nationalised banks as well as Unit Trust of India to generate competition among the public sector financial institutions and improve return of the trust funds in the interest of a better working of the Social Security Scheme ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) Yes, Sir. But, it is not correct to say that the annuity policies of the Life Insurance Corporation offer only negligible returns on investment. The Life Insurance Corporation has improved its scheme and the process of improvement is to continue in future also.

(c) Does not arise.

#### Profitability of Foreign Banks

1534. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether the profitability of foreign banks is higher than that of the Indian banks mainly because they do not have to do any priority sector lending at present;

(b) whether the foreign banks have preferred to serve big industry; and

(c) the steps Government propose to take in consultation with the Reserve Bank of India to bring foreign banks into the net of priority sector lending ;

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI

EDUARDO FALEIRO) ? (a) to (c). Unlike in the case of Indian banks, targeted lending to priority sector is not being insisted upon in the case of foreign banks operating in India. These banks function mainly in metropolitan/port towns and have a comparatively more selective clientele/profitable business. Reserve Bank of India has, however, advised these banks to increase their involvement in financing small scale industry, retail trade, self-employed persons etc.

#### Hire Purchase Finance by Leasing Companies

1535. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether the leasing has presently lost much of its glitter and many leasing companies are now diversifying to hire purchase finance and other new areas of activities, which offer better margins than leasing business.

(b) whether hire-purchase finance has become a booming business, especially in consumer goods; and

(c) if so, what changes have been or are being contemplated in the guidelines formulated for functioning of the leasing companies which would enable them to diversify into new areas of activities ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (c). In terms of Non-Banking Financial Companies (Reserve Bank) Directions 1977 an "Equipment Leasing Company" means any company which is a financial institution carrying on as its principal business, the activity of leasing of equipment or the financing of such activity. A "Hire Purchase Finance Company" has been defined as any company which is a financial institution carrying on as its principal business hire purchase transactions or the financing of such transactions. Only one facet of the activities of these companies, namely, acceptance of deposits by these companies from public is regulated by the Reserve Bank of India under the above mentioned Directions. Reserve Bank of India has reported that no changes in

the existing directions to regulate the deposit acceptance by equipment leasing/hire purchase finance companies are considered necessary.

#### Revival of Sick Units in West Bengal

1536. SHRI PIYUS TIRAKY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Government of West Bengal has been pursuing the financial institutions including Industrial Development Bank of India, Industrial Reconstruction Bank of India, Industrial Credit and Investment Corporation of India etc., to initiate steps to revive/revitalise sick or closed units in West Bengal;

(b) if so, the details of the financial assistance needed by West Bengal;

(c) details of the steps taken by Union Government during the last three years; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). All-India term lending financial institutions i.e. IDBI, IFCI, ICICI and IRBI have reported that they have not received any general reference from the Government of West Bengal to initiate steps for revitalisation/revival of sick or closed units in West Bengal. However, in individual cases, some of these institutions have interacted with West Bengal Government.

(c) and (d). RBI has laid down guidelines for close monitoring of all borrowal accounts by banks and to draw rehabilitation packages in respect of such sick industrial units as are found to be potentially viable. The packages may provide, *inter-alia*, for phased repayment to banks with reliefs/concessions like reduced rates of interest, funding of overdues, waiving of penal interest, etc. As regards non-viable units, banks undertake action as appropriate for the recovery of dues which include, *inter-alia*, sale of goods hypothecated, enforcement of security available against the borrower/guarantor, etc.

#### Rise in Inflation in 1986 and 1987

1537. SHRI SYED MASUDAL HOSSAIN : Will the Minister of FINANCE be pleased to state :

(a) whether inflation touched an alarming double digit figure in 25 cities in the year that ended October, 1987;

(b) if so, city-wise details thereof; and

(c) the corresponding figure during October, 1986; city-wise details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The All India Consumer Price Index of Industrial Workers is the weighted average of 50 industrial centres. The annual inflation rate in October, 1987 in terms of CPI was 9.5 per cent. While 25 centres recorded a higher than the average rate of inflation, remaining 25 experienced a lower inflation rate as may be seen in the statement below.

#### Statement

#### Centre-wise Inflation Rate in CPI

(Base 1960=100)

Name of cities	Centre showing above average rate of inflation		Name of cities	Centre showing below average rate of inflation	
	October, 87	October, 86		October, 87	October, 86
1	2	3	4	5	6
1. Guntur	10.8	12.2	1. Gudur	8.1	3.5

1	2	3	4	5	6
2. Digboi	10.7	10.5	2. Hyderabad	7.1	9.8
3. Deema-Deema	14.2	5.0	3. Mariani	5.0	6.7
4. Labac	13.1	-0.8	4. Jamshedpur	7.9	9.7
5. Rangapara	10.8	8.0	5. Noumundi	7.8	20.4
6. Jharia	10.9	13.1	6. Ammathi	6.5	12.5
7. Kodarma	11.5	10.5	7. Bangalore	8.7	10.1
8. Monghyr	12.2	11.9	8. Chikmagalur	5.5	9.7
9. Ahmedabad	13.4	9.9	9. Kolar-Gold-Field	8.9	16.9
10. Bhavnagar	11.5	11.3	10. Alleppey	5.0	12.0
11. Yamuna Nagar	16.0	7.3	11. Alwaye	1.5	13.8
12. Srinagar	10.3	13.5	12. Mundakayam	7.8	9.8
13. Balaghat	14.0	10.7	13. Bhopal	6.8	13.2
14. Bombay	11.0	9.6	14. Gwalior	7.5	8.0
15. Barbil	14.8	8.3	15. Indore	7.4	13.4
16. Amritsar	16.0	6.8	16. Nagpur	9.9	6.1
17. Ajmer	13.3	8.0	17. Sholapur	8.7	2.3
18. Jaipur	15.6	2.1	18. Sambalpur	7.7	3.0
19. Madras	11.2	7.9	19. Coimbatore	9.8	6.4
20. Madurai	12.8	8.8	20. Coonoor	9.7	7.6
21. Varanasi	11.9	11.1	21. Kanpur	8.8	9.3
22. Asansol	11.2	7.5	22. Saharanpur	8.7	5.7
23. Darjeeling	14.1	12.9	23. Calcutta	4.6	11.5
24. Jalpaiguri	10.9	7.3	24. Hawrah	3.1	11.7
25. Delhi	14.2	9.5	25. Raniganj	5.0	13.0
All India	9.5	5.1		9.5	5.1

**Reconsideration of the Provisions of Direct Tax Laws (Amendment) Act**

1538. **SHRI MOHAN BHAI PATEL :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that President of the PHD Chamber of Commerce and Industry (PHDCCI) has submitted a note to Government for reconsideration of some of the provisions of the Direct Tax Laws (Amendment) Act particularly relating to scientific research and the scheme of taxation of partnership firms;

(b) if so, the details thereof and how far it will be helping in building up of technology and research base in the country; and

(c) the reaction of Government thereon?

**THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) :** (a) Yes, Sir. PHD Chamber of Commerce and Industry (PHDCCI) has submitted a pre-budget memorandum for Union Budget 1988-89 which also contained suggestions on the provisions relating to Direct Tax Laws (Amendment) Act, 1987.

(b) PHDCCI has stated that in India mostly obsolete and outdated technology is used in industrial production, thus resulting in high cost of production and unsatisfactory quality of industrial products. The withdrawal of the provisions relating to deduction of expenditure on scientific research with effect from 1st April, 1989 will discourage indigenous research and development and further improvement in the technologies imported. It has, therefore, suggested that the provisions relating to deduction of expenditure on scientific research should be restored. This will give a boost to research and development while costing very little to revenue as it is only an advancing of depreciation.

(c) The views expressed by the Chamber have been examined and the reaction of the Government thereon will be reflected in the proposed Direct Tax Law (Amendment) Bill, 1988.

**Construction of Sea Walls to Prevent Sea Erosion in Kerala**

1539. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government of Kerala has requested to Union Government to extend financial help for the construction of sea walls to prevent sea-erosion along coastal line of the State; and

(b) if so, the details thereof and the reaction thereto ?

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

(b) The Central Government has been extending loan assistance of Kerala for undertaking protection works to check sea erosion of vulnerable sections of the coast-line.

An expenditure of Rs. 83.14 crores had been incurred upto March, 1988 for protection of coast-line. Of this, Central loan assistance amounts to Rs. 42.12 crores.

**Sale of Imported Edible Oil by STC**

1540. **SHRI MATILAL HANSDA :** Will the Minister of COMMERCE be pleased to state :

(a) whether Union Government have directed S.T.C. to sell imported edible oil in the open market;

(b) if so, the reasons therefor;

(c) whether the rise in prices of edible oil decreased after selling of imported edible oil in the open market; and

(d) whether Government propose to increase the quota of the different States ?

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

(b) Government had permitted open sale of imported edible oil with a view to

containing the prices in the indigenous market.

(c) The availability of imported edible oil for open market sale has to some extent, contained the price in the open market.

(d) No, Sir. The monthly allocation of imported edible oils to different States is determined by various factors like stocks in the Central Pool, requirement of the State, prices of edible oils in the open market, etc.

#### **Demands of SBI Officers Federation**

1541. SHRIMATI BIBHA GHOSH GOSWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the State Bank of India Officers Federation staged a dharna on 4 January, 1988 in front of the Banking Department of his Ministry;

(b) if so, the details thereof;

(c) the details of their demands; and

(d) the action taken/proposed to be taken by Government to meet their demands ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Yes, Sir. The SBI Officers and Staff Federations, who held the Dharna also submitted a memorandum on 4.1.1988. The memorandum submitted by the Joint Action Committee of the Federations mentioned about the majority following enjoyed by the Federations in SBI and their non-political status. Giving an outline of the healthy industrial relations between the management and employees in SBI within the over-all framework of Bank's industrial relation policy, the Joint Action Committee expressed the resentment of the Federations over alleged attempts by a particular union to gain strength in SBI using Governmental and political power and highlighted the adverse consequences of any such attempt.

(d) Government is keen that healthy industrial relation situation prevails in the Industry. Government has endeavoured to see that no discrimination whatsoever is

made against any union. The allegation of the Joint Action Committee of foisting a particular union by Government is materially baseless and does not call for any action.

#### **World Bank Assistance**

1542. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has increased its assistance for India in 1988-89 financial year;

(b) if so, the total amount of the World Bank assistance sought by Government for the above financial year;

(c) the actual amount of assistance given by the World Bank to India in that year; and

(d) the detailed of the World Bank assistance expected to be made available ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). During the World Bank's fiscal year 1988, ending 30th June 1988, the World Bank has approved commitments amounting to \$ 2982.2 million, comprising \$ 2265 million IBRD loans and \$ 717.2 million IDA credits. This represents an increase over the preceding fiscal year's (1987, ending 30th June 1987) commitment level of \$ 2805 million. It is also higher than the amount of \$ 2500 million for the Bank's fiscal year 1988 indicated by the World Bank at the Aid India Consortium meeting in June 1987.

For the Bank's fiscal year 1989, ending 30th June 1989, the World Bank has indicated a figure of \$ 2700 million at the Aid India Consortium meeting held in June 1988.

#### **Problems of Exporters**

1543. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Exporters have been asked to submit unit-wise action plan for five years;

(b) if so, the details of the different exporters who have submitted their action plan so far;

(c) whether Government have identified the problems of exporters; and

(d) if so, the steps taken to help the exporters to increase their exports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Export Promotion Councils have been advised to prepare action plans with reference to individual to major exporters indicating their export plans in different areas and markets and submit the same to the Government so that suitable action could be taken to remove bottlenecks and increase exports.

(b) According to the information readily available, about 1000 exporters have already submitted their action plans.

(c) and (d). Series of initiatives have already been taken by the Government for increasing exports. However, identification of exporters' problems and implementation of corrective measures is a continuing process.

#### Gold Import for Export-Oriented Units

1544. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) the number of 100 per cent gold jewellery complexes in the country;

(b) whether the Minerals and Metals Trading Corporation has been empowered to supply gold to 100 per cent export-oriented units; and

(c) if so, the details of different 100 per cent gold jewellery manufacturing units getting this facility ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) One 100 per cent export oriented gem and jewellery complex apart from the units in the export processing zones, in functioning in the country at New Delhi.

(b) and (c). Government have notified a scheme for stock and supply of gold by MMTC to all units in Export Processing Zones and under the scheme of 100 per cent export oriented units. Follow-up action is being taken by the concerned departments and agencies in this regard for units to avail of the facility.

#### Export of Automobiles

1545. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to adopt a major strategy to boost the export of automobiles;

(b) whether some incentives are proposed to be announced to boost export of automobiles;

(c) if so, the details thereof; and

(d) the steps taken to implement them ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d). A number of measures have been taken by the Government to boost export of engineering goods including automobiles. These *inter-alia* include : liberalisation of licensing procedures and technology import, a new regime of Cash Compensatory Support, access to raw materials and consumables at international competitive prices, reduction in interest rates of pre and post shipment credit, interest rebate on new term loans to units which export more than 25% of their production, assistance from export marketing fund for marketing activities abroad, introduction of new blanket exchange permit scheme to facilitate export promotion activities, grant of replenishment licences, duty drawback etc.

#### Export of Engineering Goods

1546. SHRI PURNA CHANDRA MALIK : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of engineering goods is stagnating;

(b) if so, the reasons therefor; and

(c) the actual engineering export during 1986-87 and 1987-88 as against total production ?

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

(b) Does not arise.

(c) The export figures and the total production during 1986-87 and 1987-88 are as below :

(Rupees in Crores)

Year	Exports	Total Production
1986-87	1150.00 (P)	44,501 (E)
1987-88	1320.00 (P)	51,399 (E)

P : Provisional

E : Estimated

**Opening of Bank Branches in West Bengal**

1547. SHRI PURNA CHANDRA MALIK : Will the Minister of FINANCE be pleased to state :

(a) whether the West Bengal Government recommended for 612 new centres for opening of bank branches under the current branch licensing policy period (1985-90);

(b) if so, the details thereof;

(c) the number of bank branches opened so far; and

(d) the time by which the remaining branches are likely to be opened ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). Reserve Bank of India (RBI) has reported that the State Government of West Bengal had forwarded a list of 629 identified centres for

opening branches during the current Branch Licensing Policy for 1985-90 as per details given below :

Name of District	No. of centres identified
Bankura	27
Birbhum	31
Burdwan	43
Cooch Behar	28
Darjeeling	12
Nowrah	19
Hooghly	46
Jalpaiguri	19
Malda	16
Midnapore	109
Murshidabad	67
Nadia	54
West Dinajpur	37
Purulia	32
24 Parganas (South)	50
24 Parganas (North)	39
<b>Total</b>	<b>629</b>

Out of these 629 centres, RBI has allotted 435 eligible rural and semi-urban centres to various banks for opening branches during the current Branch Licensing Policy. As per the information available with RBI, banks have opened branches at 172 centres in West Bengal so far. RBI initially advised the banks that the branches at the allotted centres should be opened in a phased manner during the remaining period of the Policy. However, in the context of Service Area Approach to rural lending, banks have been instructed to open branches at allotted centres expeditiously to facilitate allocation



of villages to such branches under this scheme. It is, however, not possible at this stage to indicate the likely dates by which remaining branches will be opened, as opening of branches depends upon a number of factors on which banks have no control such as availability of necessary infrastructural facilities including suitable premises for the branch.

#### Fall In Export of Finished Leather

1548. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether, the objective of promoting export of value added export has resulted in steep fall of export of finished leather from easter region;

(b) if so, the details thereof; and

(c) whether Government propose to review the present policy of export of finished leather *vis-a-vis* value added leather goods for export from easter region ?

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

(b) and (c). In view of above, do not arise.

#### Failure of National Handloom Development Corporation to Supply Yarn

1549. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the National Handloom Development Corporation (NHDC) which was created to make available yarn as well as dyes and chemicals at reasonable prices to the handloom sector has failed to perform its role and the yarn shortage has crippled handloom units;

(b) if so, the problems which have made it difficult for this Corporation to perform its role, and

(c) the steps being taken by this Ministry to sort out matters ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) No, Sir. The National Handloom Development Corporation has been supplying yarn, dyes and chemicals to handloom agencies in different States in steadily increasing quantities as per the details given in the statement below.

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

#### Statement

(Value : Rs. in lakhs)

(Quantity : Lakh Kgs.)

Year	Yarn		Dyes and Chemicals	
	Quantity	Value	Quantity	Value
1984-85	2.49	92.44	—	—
1985-86	20.87	629.75	0.48	58.2
1986-87	28.08	823.00	1.03	132.90
1987-88	63.05	2604.62	2.95	288.21

#### Smuggling of Electronic Goods

1550. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of electronic goods such as VCR, VCP, electronic

watches cameras etc. are being smuggled into the country;

(b) if so, the details of such goods confiscated by the Customs at the International Airports during the years 1986-87 and 1987-88;

(c) the number of persons arrested and how many out of them were foreigners;

(d) how these smuggled goods are being disposed of; and

(e) what steps are being taken to tight checking of smuggling ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : (a) Seizures made indicate, that electronic goods such as V.C.Rs, Watches etc. continue to be sensitive to be smuggled into the country.

(b) The quantity alongwith the value of such goods seized at the international airports at Bombay, Calcutta, Madras and Delhi during the financial years 1986-87 and 1987-88 are given in the statement below.

(c) The number of Indian nationals arrested by the Customs authorities during the financial years 1986-87 and 1987-88 are given below :

	1986-87	1987-88U
No. of Indian nationals arrested	2288	2136
No. of foreign nationals arrested	470	360

(d) Electronic Consumer goods are sold to the public through Registered Co-operative Societies/Federation including National Consumers Cooperative Federation Military/para-military/Police canteens etc.

Such goods are also sold to the public in retail through Customs retail shops.

(e) The anti-smuggling drive has been intensified and the anti-smuggling machinery throughout the country including that at the international airports has been geared up. Close co-ordination is being maintained with all the agencies concerned in the detection and prevention of smuggling. Sophisticated equipment like X-ray machines are being increasingly used.

#### Statement

1986-87

(Value : Rs. in lakhs)

S. No.	Airports	Watches		V.C.Rs.	
		Quantity	Value	Quantity	Value
1.	Delhi	1,78,652	73.08	70	8.7
2.	Madras	1,752	1.89	19	2.18
3.	Bombay	6,8,777	6.06	323	2.30
4.	Calcutta	1,114	9.64	35	4.11
<i>1987-88 (Provisional)</i>					
1.	Delhi	64,203	52.85	10	1.22
2.	Madras	1,910	5.02	35	4.22
3.	Bombay	6,54,636	316.00	1948	2.61
4.	Calcutta	1,025	6.47	63	7.90

**Fulfilment of Export Obligations**

1551. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of various loopholes in the export obligations;

(b) whether steps are being initiated to correct this anomaly; and

(c) if so, the estimated loss of potential incremental exports on the account of such gaps in policy implementation ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Export obligations are imposed on Duty Free Licences Import Export Pass Books and DTC Imprest Licences. Besides, export obligations are imposed by Administrative Ministries/sponsoring authorities at the time of grant of Letters of Intent/Industrial Licences/Foreign Collaboration Approvals etc., and also in certain cases of Capital Goods Licences. The Export Obligation is being monitored by the Office of Chief Controller of Imports and Exports, Ministry of Commerce, who have not come across any loopholes in the export obligations. Formulation of Import and Export Policy is a continuous process and whenever misuse of facilities comes to the notices of the Government, necessary steps are taken to rectify the same.

(c) Does not arise.

**Export Commitments of Companies in Food Processing**

1552. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) the names of companies which have given export commitments in food processing; and

(b) the quantity, value and items of their export during last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) and (b). Export obligations are imposed on all Duty free Licences/Import-Export Pass Books. Besides,

export obligations are being imposed by Administrative Ministries/Sponsoring Authorities at the time of grant of Letters of Intent/Industrial Licences/Foreign Collaboration Approvals, etc. and also in certain cases on Capital Goods Licences. CCI and E is monitoring the export obligation on the above licences. Separate data industry-wise is not maintained.

**External Assistance to Maharashtra**

1553. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether Maharashtra Government has urged Union Government to pass on the entire amount of external assistance to the State Government and also to reduce the rate of interest;

(b) whether the Chief Minister of Maharashtra raised this issue during the National Development Council meeting held at New Delhi during November, 1985 and March, 1988;

(c) whether any decision has been taken by Union Government in this regard; and

(d) if not, the reasons thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). Some States, including Maharashtra, had urged the Government of India to pass on the entire amount of external assistance to State Governments and also to reduce the rate of interest. Chief Minister, Maharashtra had also raised this issue in the meetings of the National Development Council held in November, 1985 and March, 1988.

For the present, considering all aspects of the case, it has been decided to continue the existing policy under which 70% of the aid disbursed on externally aided projects is passed on to State Governments, as additional Central assistance.

**[Translation]**

**Programme to Check Trafficking in Narcotics**

1554. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have formulated any concrete programme to check trafficking in narcotics and certain guidelines have been issued in this connection; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Yes, Sir. The Hon'ble Prime Minister has laid down broad-guidelines for a new initiative to combat drug trafficking and to prevent drug abuse. A Cabinet-Sub-Committee headed by the Home-Minister has also been constituted to oversee and coordinate the working of different Ministries and steps taken to intensify the fight against drug abuse and trafficking.

The Action Plan includes;

- (i) vigorously enforcing the legislative provisions and strengthening of the Narcotic Drugs and Psychotropic Substances Act, 1985, wherever necessary;
- (ii) expeditious destruction of seized/confiscated drugs;
- (iii) strengthening of laboratory facilities;
- (iv) undertaking a massive training programme for police and other drug law enforcement officers;
- (v) strengthening of intelligence set up relating to drug interdiction;
- (vi) survey/destruction of illicit poppy/cannabis plants;
- (vii) setting up of Special Courts (based on work-load) for expeditious trial of drug offences;
- (viii) tightening control at Bombay and Delhi airports being main transit and exit points;
- (ix) distribution of mobile drug identification Kits; and

(x) to spread awareness about drug abuse.

In order to further strengthen the legislative frame work, the Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance, 1988 has been promulgated on 4.7.88. Under the Ordinance as on 28-7-1988, 152 detention orders have been issued and 118 persons have been detained.

[English]

Complete Cell for: Foreign Buyers

1555 SHRI S.M. GURADDI : Will the Minister of COMMERCE be pleased to state :

(a) whether Union Government have set up a Cell to deal with complaints lodged by the foreign buyers regarding substandard quality of Indian products and non-adherence of delivery schedule;

(b) if so, when the Cell was set up and the other details thereof; and

(c) the extent to which setting up of the Cell has helped to meet the requirements and demands and number of cases which have got the help in rejecting goods which were found substandard ?

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

(b) The Trade Dispute Cell was set up on 26.5.1988 in the Office of the CCI and E. The Export Commissioner has been designated as the Nodal Officer for the purpose of dealing with trade disputes and complaints.

(c) The Trade Dispute Cell has been set up very recently and as such it is too early to say as to how far it has been effective in resolving trade disputes.

Arrests Under Narcotic Drugs and Psychotropic Substances Act

1556. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) the number of arrests made in the country (foreigners to be shown separately) under the Narcotic Drugs and Psychotropic Substances Act since its enactment giving the names of States where the number of arrests have been the highest;

(b) the percentage of conviction under the above Act and the reasons for the low conviction rate, if any; and

(c) the manner in which Government propose to take this problem effectively ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). Under the Narcotic Drugs and Psychotropic Substances Act, 1985, powers of search, seizure, arrest and conducting of investigation have been vested with a number of Central and State enforcement agencies, *viz.*,

Central	State
Central Excise,	State Revenue
Narcotics,	State Drug
Customs,	Control
Revenue Intelligence,	State Excise, and
Economic Intelligence, Bureau and Narcotics Control Bureau	Police

While a system of quick reporting on search, seizure, arrest, etc. in the prescribed format has been devised, reports from all agencies are not received. In the circumstances, information in respect of arrest available with Narcotics Control Bureau is not complete.

As per information available with the Narcotics Control Bureau, out of 11,088 persons prosecuted under the aforesaid Act since its enactment, cases have been decided in respect of 1,849 persons, of whom 962 persons have been convicted. The percentage of conviction works out to about 52%. As all cases where judgments had been pronounced might not have been reported to the Bureau, the percentage of conviction, out of the total number of cases decided, could

be still higher. Nevertheless, the court proceedings tend to be protracting and a number of cases pending in the courts are also high. In order to expedite the disposal of pending cases, the State Governments have been advised to set up special courts depending upon the workload.

A comprehensive draft legislation to amend the Narcotic Drugs and Psychotropic Substances Act, 1985 in order to further strengthen it is also at an advanced stage of finalisation.

#### Recovery of Loan from Shipping Companies

1557. SHRI BANWARI LAL PUROHIT :

SHRI H.N. NANJE GOWDA :

Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been to the newsitem captioned "shipping industry in a debt trap" appearing in the 'Hindustan Times' of 8 July, 1988;

(b) whether Shipping industry owed crores of rupees to Government by way of loans and interest thereon; and

(c) the steps Government have taken/propose to take to recover the dues and improve the performance of the shipping industry ?

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

(b) The total accumulated debt owed by the shipping industry to Government on account of loans both by Private and Public Sectors is Rs. 885.52 crores as on 31st March, 1988. A sum of Rs. 102.71 crores on account of interest is also owed to Government by the Private Sector Shipping Companies as on 31st December, 1987.

(c) The Shipping Credit and Investment Company of India Limited has carried out financial appraisal of several shipping companies which had been assisted by erstwhile Shipping Development Fund Committee. In the case of those shipping

companies which are considered to be sick but viable, rehabilitation packages have been worked out for them. These companies are expected to service their restructured debt burden. In the case of sick and non-viable shipping companies, action for recovery of Government dues would be initiated by the SCICI who have been appointed designated person under Shipping Development Fund Committee (Abolition) Act, 1986.

The recent measures taken by Government to improve performance of shipping industry include providing financial assistance to viable shipping companies through rehabilitation proposals, helping companies to get increased share of Indian cargo, simplifying procedures for acquisition and scrapping of vessels, encouraging acquisitions of specialised, modern fuel efficient vessels, etc.

#### Production of Raw Jute

1558. SHRI SYED SHAHABUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) the latest estimate of the production of raw jute in 1987-88;

(b) the estimated requirement of jute industry for 1988-89;

(c) the expenditure on the special jute development programme during 1987-88; State-wise; and

(d) the rise in the productivity level of jute during the current plan period, State-wise ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The latest estimate of the production of raw jute in 1987-88 stands at 58.20 lakh bales.

(b) The estimated requirement of jute in 1988-89 is as follows :

(Unit : Lakh bales)

Mill consumption	77.00
Domestic consumption	4.00
Exports	0.50
	81.50

(c) The following amounts have been released to the States under Special Jute Development Programme so far :

(Rs. in lakhs)

1. Andhra Pradesh	15.13
2. Assam	77.12
3. Bihar	82.57
4. Meghalaya	5.93
5. Orissa	40.71
6. Tripura	5.93
7. Uttar Pradesh	5.93
8. West Bengal	352.92
	586.24

(d) The productivity of raw jute has gone up from 1411 kgs per hectare during 1984-85 to 1641 kgs per hectare during 1986-87.

#### Letter From M.P.'s Regarding Affairs of Scindia Steam Navigation Company Limited

1559. SHRI AJIT KUMAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any letter from some Members of Parliament regarding the affairs of Scindia Steam Navigation Co. Ltd.;

(b) if so, the details thereof; and

(c) the action taken/proposed to be taken by Government to streamline the working of the company ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Letters from some Members of Parliament have been received concerning M/s Scindia Steam Navigation Company Limited. These letters contained suggestions *inter alia* for

taking over the management of the Company; nationalisation of the Company; to provide proper management to the Company; implementation of the rehabilitation plan in respect of Scindias, etc.

(c) It has been since decided that the Company will be run through its Board of Directors. The Board of Directors will have to take decisions regarding streamlining of the working of the Company with a view to running it as a viable concern.

#### World Bank Loan for Silk Production in AP

1560. SHRI BHATTAM SRIRAMA-MURTY : Will the Minister of TEXTILES be pleased to state :

(a) whether the World Bank has been sanctioned Rs. 175 crores loan for promoting weaving and reeling units for silk production in Andhra Pradesh for a period of five years;

(b) if so, the details of the works for which the loan was intended;

(c) whether the Union Government propose to include 26 types of small scale industries under Khadi and Village Industries Commission which produce silk; and

(d) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : No, Sir.

(b) Does not arise.

(c) and (d). The Khadi and Village Industries Commission promotes development of 26 village industries and khadi, which includes silk khadi also. After the amendment of DVIC Act, Khadi and Village Industries Commission have indentified 75 new industries to be taken up in a phased manner. In the first phase. 34 new village industries, which are not connected with production of silk, have been brought within the purview of KVIC during 1988-89. All the four varieties of natural silk viz, Mulberry, Tasar, Eri and Muga, are being produced by KVIC institutions covering about 7% of silk production.

#### Supply of Water to Madras City from Telugu Nanga Project

1561. SHRI BHATTAM SRIRAMA-MURTY : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Government of Tamil Nadu agreed to share the cost of Telugu Ganga Project for supply of water to Madras city etc.

(b) if so, to what extent;

(c) the total amount so far paid Andhra Pradesh Government by Government of Tamil Nadu and the steps to be taken by Government of Tamil Nadu to fulfil their obligations and commitments;

(d) whether any proposal has been made for the formation of canal from Tamil Nadu border to provide water to the reservoir and at what cost; and

(e) the present stage of progress of Telugu Ganga Project and when it is expected to supply water to Madras ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). As per Inter-State Agreement of 1983, the Governments of Andhra Pradesh and Tamil Nadu agreed to share the expenditure on the construction improvements including lining and maintenance of specified components of Telugu Ganga Project.

(c) Pending approval of the Project, Tamil Nadu Government has already paid Rs. 47 crores to Government of Andhra Pradesh.

(d) Yes Sir, at Rs. 14.30 crores.

(e) The project has not been approved by Planning Commission.

#### Income Tax Raids on Mafia Gangs Operating in Dhanbad and other Areas

1562. SHRI BHATTAM SRIRAMA-MURTY :

SHRIMATI MADHUREE SINGH :

DR. G.S. RAJHANS :

SHRI SATENDRA NARAYAN  
SINHA :

SHRI RAMASHRAY PRASAD  
SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether simultaneous income tax raids at the Dhanbad Mafia Dons establishments in their home towns as also in Patna and Delhi were recently conducted; and

(b) if so, with what results ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The Income-tax Department in coordination with the Central Bureau of Economic Intelligence and Directorate of Revenue Intelligence, conducted searches at Dhanbad, Patna, Balia, Chhapra, Calcutta and New Delhi on 9.6.1988 at the residential and business premises of certain leaders of the 'Coal Mafia' and their associates. During these searches, unaccounted assets including cash and jewellery and a large number of incriminating documents have been seized. The aggregate value of the seized assets is about Rs. 46.95 lakhs.

During these searches, concealment of income to the tune of Rs. 60 lakhs was admitted in a statement by one of the persons. Prohibitory orders restraining operation were issued in respect of 140 bank accounts relating to the persons searched. Also, 14 unlicensed fire arms and 683 live cartridges were recovered and five persons were arrested for violation of the Arms Act.

#### Survey to study Credit System

1563. DR. DATTA SAMANT : Will the Minister of FINANCE be pleased to state :

(a) whether the Nationalised banks have made official survey to study credit system through which financial assistance is given to rural farmers of various income groups; and

(b) if so, the outcome of this survey ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The senior executives of public sector banks at the instance of Reserve Bank of India (RBI) had carried out field visits in rural areas with a view to make a qualitative assessment of lending by their branches. No official survey of the rural credit system as such was conducted by them.

Some of the findings of the study were as under :

- (i) The emphasis in rural lending has been on the achievement of quantitative targets.
- (ii) Wherever backward and forward linkages and other infrastructural support were weak and inadequate bank credit could not produce the desired results;
- (iii) The target oriented approach rural lending under Government sponsored schemes instead of approach or area intensive approach has resulted in the dilution of the quality of lending.
- (iv) The support from State Governments in formulating credit plans was not adequate. Further, in the implementation of the credit plans some deficiencies have developed on account of multiplicity of agencies.
- (v) It would be better if each rural branch is made accountable for meeting credit requirements of the command area allotted to it.

RBI organised a seminar on rural lending in January 1988 to discuss the various aspects of rural lending based on the findings of the studies undertaken by the senior executives of banks and a committee was constituted to examine the various suggestions made in the seminar and to make suitable recommendations. In the meanwhile, it has been decided that bank branch is located at rural and semi-urban centres may be given a designated service area covering about 15 to 25 villages in its



neighbourhood. The branch will be primarily responsible for meeting the appropriate credit needs of its service area. RBI has since issued detailed guidelines on 14.3.1988 to the Chief Executives of the Commercial banks and regional rural banks regarding the operational aspects of the service area concept.

#### Foreign Tours by Union Ministers

1565. SHRI KAMAL CHAUDHRY : Will the Minister of FINANCE be pleased to state :

(a) the number of tours undertaken by Union Ministers abroad during the period from 1 March, 1987 to 31 May, 1988; and

(b) the details of the expenditure incurred one each of such tours during the said period ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). The information is not available and will have to be collected from all the Ministries/Departments of the Government of India. Collection of this information will involve considerable time and labour and the result to be achieved will not be commensurate with the time and labour involved in collecting the information.

[*Translation*]

#### Modernisation of Hira Mill, Ujjain

1566. SHRI SATYANARAYAN PAWAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken necessary steps for improving the functioning of the Hira Mill at Ujjain run by the National Textile Corporation;

(b) whether there is any proposal to modernise this Mill;

(c) if so, the amount allotted for this work and the time by which it is likely to be completed; and

(d) if not, the steps proposed to be taken to reduce losses of this mill ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). With a view to improving the functioning of the mill NTC has invested an amount of Rs. 368.74 lakhs on the modernisation of Hira Mill at Ujjain. However, the losses of the mill are increasing. NTC is trying to contain the losses through effective control over operations, curtailment of uneconomic activities.

[*English*]

#### Central Allocation for Minor Irrigation in Orissa

1567. SHRI NITYANANDA MISHRA : Will the Minister of WATER RESOURCES be pleased to state :

(a) what allocation of funds have been made by the Centre to augment minor irrigation and tubewell irrigation facilities in Orissa during last three years;

(b) how much of the funds could be utilised;

(c) the augmented water supply created as a result thereof; and

(d) whether any targets have been fixed for the next two years and if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Central assistance to the States is given in the form of block loans and grants and is not tied to any particular head or sector of development. In addition, is provided to the States through various Centrally Sponsored Schemes for accelerating the pace of development of minor irrigation. It is, therefore, not possible to quantify the allocations for minor irrigation.

(c) and (d). Minor Irrigation potential created in Orissa during 1985-86, 1986-87 and 1987-88 are 50.05 thousand Ha., 60.5 thousand Ha., and 65 thousand Ha. (Anticipated) respectively against the 7th plan target of 526 thousand Ha.

#### Lok Adalats to Resolve Tenancy Disputes

1568. SHRI NITYANANDA MISHRA :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government have any proposal to hold Lok Adalats to resolve tenancy disputes;

(b) if so, when this is going to be started; and

(c) which of the metropolitan cities will have these Adalats to start with ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) to (c). Lok Adalats are not regularly constituted Law Courts. They are based upon voluntary efforts to resolve the disputes through conciliation and persuasive methods. These Lok Adalats are organised and monitored by the State Legal Aid and Advice Boards. The Civil cases which are taken up at these Lok Adalats occasionally do include tenancy disputes. There is no proposal to hold special Lok Adalats for resolving tenancy disputes, as such but the State Boards are free to do so.

**Export of Minerals from Orissa**

1569. SHRI NITYANANDA MISHRA : Will the Minister of COMMERCE be pleased to state :

(a) the targets projected for export of minerals during the Eighth Five Year Plan with details about each mineral;

(b) the targets fixed out of the above for Orissa against the present annual figure of export;

(c) whether this will call for better impact in transport and mine mechanisation; and

(d) if so, whether Union Government have fully examined and drawn up plan to assist the State Government to meet the targets ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) Targets for export of minerals during the Eighth Five Year Plan have not been finalised.

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

**Increase in Export of Non-Traditional Items**

1570. SHRI NITYANANDA MISHRA : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been any improvement in the export of non-traditional items during the last three years;

(b) if so, the extent of improvement and the earnings therefrom; and

(c) whether the recent fiscal concessions granted have created the desired impact to boost the export and if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). A statement indicating exports of non-traditional items during 1985-86, 1986-87 and 1987-88 is given below.

(c) According to the provisional figures, India's exports during the first two months of the current financial year *i.e.* April-May, 1988 amounted to Rs. 2938.90 crores, as compared to Rs. 2457.50 crores during April-May, 1987 thereby showing an increase of 19.6 per cent.

**Statement**

(Value : Rs. Crores)

S. No.	Commodity	1985-86	1987-88	
			(R)	(P)
1	2	3	4	5
1.	Fruits and Vegetables	124	147	150
2.	Marine Products	409	479	525

1	2	3	4	5
3.	Meat and Meat Products	74	76	85
4.	Readymade garments	1067	1218	1791
5.	Leather and Leather Mfrs.	770	787	1148
6.	Chemical and Related Products	497	475	823
7.	Gem and Jewellery	1503	2069	2613
8.	Sports Goods	24	17	37
9.	Machinery and Transport equipment	954	932	1432
10.	Petroleum Products	510	411	633
Total of above :		5932	6611	9239

P : Provisional

R : Revised

Source : DGCI & S, Calcutta.

**Recommendations of Tripartite Committee  
Appointed by Gujarat on Textile  
Crisis**

**1571. SHRI DAULATSINHJI JADEJA :**  
Will the Minister of TEXTILES be pleased  
to state :

(a) whether the tripartite committee appointed by State Government of Gujarat on textile crisis has recommended that the prices of Indian textiles should be arranged by suitable reduction in duties so that it is competitive against the foreign smuggled man-made fabrics;

(b) if so, whether union Government have accepted this recommendation; and

(c) if so, what action has been taken so far to implement this recommendation ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) Yes, Sir.

(b) and (c). The question of reduction in duties in respect of textile item is reviewed by the Government from time to time. A large number of concessions were given in the 88-89 budget.

**Impact of Textile Modernisation Fund**

**1572. SHRI DAULATSINHJI JADEJA :**  
Will the Minister of TEXTILES be pleased  
to state :

(a) whether it is a fact that the midterm appraisal of the Seventh Plan indicates that the fund set up for modernisation of Textile industry does not yet have any significant impact; and

(b) if so, the action Government propose to take to bring about the success of the textile policy (1985) ?

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** (a) The midterm appraisal of the Seventh Plan indicated that the pace of disbursement of the Textile Modernisation Fund was not satisfactory.

(b) Disbursement have picked up now. However, the IDBI has been advised to ensure proper and expeditious utilisation of the Fund. Since the Fund became operative only from 1st August, 1986 and the average implementation period of a modernisation programme is 15 months from disbursement, it is too early to assess the

impact of the Fund. The Government have already appointed an Experts Committee to review the implementation of the Textile Policy.

#### Delimitation of Constituencies

1573. SHRI DAULATSINHJI JADEJA :  
SHRI MANIK REDDY :  
SHRI C. SAMBU :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the recommendation made by the Election Commission for fresh delimitation of Constituencies in the country so far;

(b) whether Government have received any proposals from the States to rotate the reservation of Assembly and Parliamentary Constituencies for Scheduled Castes and Scheduled Tribes from one constituency to the other periodically instead of permanently declaring the same every time.

(c) whether political parties have been or are proposed to be consulted in this regard; and

(d) if so, the details thereof and the action taken or proposed ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) The Election Commission has recommended that the Constitution may be amended in such a manner that while the total number of seats allotted to various States in the House of the People and the various State Legislative Assemblies may remain unaltered, delimitation of parliamentary and assembly constituencies in each State/Union territory may be taken after every decennial census. The Election Commission has also proposed that a statutory provision be made that no constituency remained reserved for more than a decade.

(b) No Sir. No such proposal has been received from State Governments.

(c) and (d). The proposal referred to in part (a) above are yet to be discussed with political parties.

#### Removal of Central Excise on Diesel Oil

1574. SHRI DAULATSINHJI JADEJA :  
Will the Minister of FINANCE be pleased to state :

(a) whether Government have received representations from the National Fishing Trawlers and Allied Industries Association for removal of all central excise on diesel oil supplied to trawlers of the deep-sea class;

(b) if so, the details thereof;

(c) the reasons for not giving consideration to this demand ?

(d) whether the concerned officers have held meetings with this Association in Visakhapatnam on this subject; and

(e) if so, the outcome thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). A representation has been received from the National Fishing Trawlers and Allied Industries Association, Visakhapatnam requesting for supply of High Speed Diesel to the fishing trawlers at international prices. Presumably the request is for total exemption from excise duty leviable on diesel oil supplied to fishing trawlers.

High speed diesel oil is fully exempt from excise duty when it is supplied to deep-sea fishing trawlers approved as 100% Export Oriented Units, subject to the conditions laid down in the Notification No. 123/81-Central Excise dated the 2nd June, 1981. High speed diesel oil used in deep-sea fishing vessels which are not less than 13.7 metres in length and using motors not less than 150 BHP is entitled to exemption from 50% of the normal excise duty leviable on such diesel oil. Full exemption from excise duty can be claimed in such cases if proof of export of shrimp at the rate of 1 tonne for every 1.08 KL of diesel used is produced. The above concessions in regard to excise duty on diesel oil supplied to deep-sea fishing vessels are considered adequate.

(d) No, Sir.

(e) Does not arise.

#### Borrowing to Service Debts

1575. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to resort to further borrowing to service its debts;

(b) if so, the percentage of rise in the Total Debts Servicing at the end of 1987 as compared to the rise in the Total Debts Servicing at the end of 1985 and 1986; and

(c) to what extent Government propose to resort to further borrowing to finance liabilities and how it is going to reflect on the Indian economy as a whole ?

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

The level of borrowings by the Government is dependent upon the flow of resources from tax and non-tax sources on the one hand and the projected expenditures on the other hand. Normally, borrowings are put to productive uses through which the economy gains.

#### Statement

*Statement showing the total charges paid towards servicing internal market loans and external debt of the Central Government and percentage increases thereof from 1985-86 to 1987-88 (RE)*

Year	Total debt servicing charges (Rs. crores)	Percentage increase over the previous year
1985-86	4290	25.3
1986-87	5784	34.8
1987-88 (RE)	6823	18.0

Of the debt service charges, the interest are met from Revenue receipts while repayment of the principal is a part of the Capital Budget. Government does not borrow specifically to repay debt.

#### Recovery of Bank Loans from Sick Units

1576. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) the number of private sector sick units borrowers from nationalised banks prosecuted to recover the amount during last three years; and

(b) whether any bank manager has been prosecuted for favouring doubtful borrowers so far ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) In cases of all defaulting borrowers, including industrial units, banks file suits for recovery of their dues as a last resort. While banks maintain data regarding overall number of recovery suits filed and amounts involved therein, no separate classification of such suits filed against sick units is maintained.

(b) Cases involving perpetration of frauds/defalcations, including making of bogus advance, are reported by the banks to RBI/Police. Action, including criminal prosecution by the police, against bank staff also in appropriate cases, is taken.

[Translation]

#### Permission for Opium Cultivation

1577. SHRI MAHENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the names of the States in which permission for the cultivation of opium has been accorded by Union Government during the last three years alongwith the area of land under its cultivation, the quantity of opium produced, the quantity consumed out of it for domestic purposes, the quantity exported and the value thereof year-wise;

(b) whether Government propose to grant licences for lesser areas for cultivation of opium in future; and

(c) if so, the details of the steps likely to be taken in this regard during the next five years alongwith the impact of it on the cultivation of opium in Mandisor district of Madhya Pradesh in the coming years ?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Opium poppy is at present being cultivated in Madhya Pradesh, Uttar Pradesh and Rajasthan, on account of Central Government. Particulars of area under cultivation, quantity of opium produced, exported and value thereof, during the last three years are given below :

Crop Year	Area licensed (Hectares)	Opium produced (at 70° C) (Metric Tonnes)	Quantity exported (Metric Tonnes)	Value (Rs. in crores)
				(Financial Year)
1985-86	24,361	878	802	24.29
1989-87	23,336	866	642	25.50
1987-88	21,761	723	466*	18.80

\*(Provisional)

The quantity consumed for domestic purposes differs from year to year and presently, it is 100 M.Ts. per year approximately. Besides, a small quantity of opium in the form of medicinal cake and powder is also consumed for making medicinal preparations, etc.

(b) and (c). Production of opium in the country is mainly for export. In view of the huge stocks of opium with Government factories and fall in exports, a steep cut in the area or even stopping of opium production for sometime is called for. However, having regard to the likely socio-economic hardships that might be caused by such a drastic step, Government have been constrained to effect gradual reduction in the area under cultivation. Such reduction is effected by various methods like percentage cuts, increasing qualifying yield, and fixing the maximum size of the land holding per cultivator for licence for poppy cultivation. As the area to be licensed each year is to be determined having regard to various factors at the relevant period of time, it is not possible to give details of the programme for the next five years. However, it has been the policy of the Govern-

ment to allow uniform criteria in licensing the area under poppy cultivation in all the traditional poppy growing areas.

[English]

#### Foreign Investment

1578. SHRI SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the quantum of additional direct foreign investment in the country during last three years, year-wise;

(b) whether Government propose to take steps for raising the annual level of such investment;

(c) whether in this context, Government are considering allowing equity participation by foreign capital upto 25 per cent or even higher subject to specific conditions;

(d) whether the terms of direct foreign investment are likely to be relaxed only in certain specified fields; and

(e) if so, the brief particulars of the fields of economic activity in which liberalisation may be allowed ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The following approvals for Direct Foreign Investment has been given in last 3 years :

Year	Rs. in crores
1985	Rs. 126.07 crores
1986	Rs. 106.95 croree
1987	Rs. 107.71 crores

(b) to (e). The basic frame-work of our foreign investment policy is laid down in various documents including the Industrial Policy Resolution, Although it is not an open door policy, it has a substantial degree of flexibility. It permits technical as well as financial collaborations over a wide range of industrial activities. It is the intention of the Government to promote more direct foreign investment within the broad frame-work of this policy. Such equity participation is already permissible upto 40% and even more. Equity participation of more than 40% is already permissible for industries involving sophisticated technology or export oriented industries.

[*Translation*]

**Increase in Yarn Price**

1579. SHRI BALWANT SINGH RAMOOWALIA :  
SHRI TEJA SINGH DARDI :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that due to a Government proposal to increase the prices of yarn, there is discontentment among the weavers working in handloom industry in Tamil Nadu and they have threatend to go on strike;

(b) if so, the details thereof;

(c) whether Government propose to increase the prices of yarn;

(d) if so, to what extent and the reasons for increasing the prices thereof; and

(e) the steps taken by Government to avert the strike ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). The State Government of Tamil Nadu has reported that the strike notice, earlier issued by Handloom Weavers' Associations has been withdrawn following the fixation of a negotiated rate for supply of yarn to Handloom Associations under the State Government's "Yarn for Power" scheme.

(c) No, Sir.

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

**Proposal to make Election Commission a Multi-Member Body**

1580. SHRI BALWANT SINGH RAMOOWALIA :  
DR. SUDHIR ROY :  
SHRI BASUDEB ACHARIA :  
SHRI SAIFUDDIN CHOWDHARY :  
SHRI ANIL BASU :  
SHRI VILAS MUTTEMWAR :  
SHRI BAJU BAN RIYAN :  
SHRI SURESH KURUP :  
SHRI TEJA SINGH DARDI :  
SHRIMATI MANORAMA SINGH :  
SHRI SARFARAZ AHMAD :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government have considered a proposal to make the Election Commission a multi-member body instead of a single member body;

(b) if so, whether Government agree to implement this proposal;

(c) if so, the time by which the above proposal will be implemented; and

(d) if not, the reasons for not accepting the proposal ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) and (b). Such a proposal is among the proposals for electoral reforms sent by the Election Commission. No decision has been taken so far.

(c) It is not possible to indicate this.

(d) Does not arise.

[English]

Percentage of Commercial Borrowings  
in Foreign Debt

1581. SHRI K.P. UNNIKRISHNAN : Will the Minister of FINANCE be pleased to state :

(a) the publicly Guaranteed Foreign Debt of India as on 30 June, 1988;<sup>a</sup>

(b) the percentage of commercial borrowing or non-concessional debt as part of the publicly guaranteed foreign debt during the last three years, year-wise;

(c) the average rate of interest paid for such commercial borrowings, year-wise; and

(d) the total debt to be discharged in this category with interest amount, as on 30 June, 1988 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The total publicly guaranteed foreign debt of India as on 31.3.88 is estimated to be about Rs. 50738 Crores. The figures for June 88 are not available. The debt outstanding on Commercial Borrowings Account is 17.48 per cent of total publicly guaranteed foreign debt as on 1.4.88. Similar information in respect of Commercial Borrowings for earlier years is not available.

(c) Interest rates vary depending upto currencies in which the borrowings were made. Rate of interest can not be furnished year-wise since currencies and floating rates vary.

(d) Total debt outstanding in this category as on 31.3.88 is estimated to be Rs. 8872 crores. The interest payable on this amount during 1988-89 is estimated at Rs. 645 crores.

Tax Dues From Indian Express Newspapers (Bombay) Pvt. Ltd.

1582. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI :  
SHRI P. KOLANDAIVELU :

Will the Minister of FINANCE be pleased to state :

(a) whether the income-tax authorities have assessed the tax due from the Indian Express Newspapers (Bombay) Private Ltd. after recent investigations ;

(b) if so, the amount recoverable as tax dues; and

(c) the steps taken to recover these dues ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) As a result of investigations in the case of Indian Express Newspapers (Bombay) Pvt. Ltd. assessments for the assessment years 1982-83 and 1983-84 have been reopened/set-aside. These assessments are yet to be finalised pending details/clarifications from the assessee.

Proceedings u/s 14 (2)/17 (1) of the Wealth-tax Act for the assessment years 1984-85 to 1986-87 were also initiated. The assessments for these years where enquiries have almost concluded are likely to result in substantial demand. But the department has not passed the assessment orders due to a restraint order of the Bombay High Court.

(b) and (c). Tax demands in respect of the earlier years i.e. assessment years 1981-82 and 1984-85 are pending against the assessee. Although these demands are in appeal, the Department has collected about Rs. 10 lakhs from the assessee in the last financial year leaving balance demand of Rs. 26,82,164.



**Proposal to appoint more High Court Judges**

1583. SHRI G. BHOOPATHY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there is any proposal to appoint more High Court Judges in order to remove delay and stagnation of cases in High Courts;

(b) if so, how many judges will be required in each State to solve the problem;

(c) whether Union Government have asked the State Governments to intimate the requirement of Judges in their respective States; if so, the details thereof; and

(d) the action taken by Union Government thereon ?

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

(b) to (d). The Chief Ministers and Chief Justices concerned with certain High Courts were addressed by the Central Government in June, 1985 to consider augmentation of Judge strength for speedy disposal of cases. On the basis of proposals received from several High Courts, the creation of new posts of Judges/Additional Judges was agreed to in principle As on 1-8-1988, in addition to the sanctioned strength of 444, 88 new posts have been agreed to be created. High Court wise break up is contained in the Statement below.

**Statement**

(As on 1-8-88)

High Court		Sanctioned Strength			Creation of New Post Agreed to		
		Pmt. Judges	Addl. Judges	Total	Pmt.	Addl.	Total
1	2	3	4	5	6	7	8
1.	Allahabad	55	5	60	—	2	2
2.	Andhra Pradesh	24	2	26	6	4	10
3.	Bombay	42	6	48	—	12	12
4.	Calcutta	42	—	42	3	5	8
5.	Delhi	25	2	27	—	6	6
6.	Gauhati	10	—	10	7	2	9
7.	Gujarat	18	3	21	5	4	9
8.	Himachal Pradesh	5	1	6	—	1	1
9.	Jammu and Kashmir	7	—	7	1	3	4
10.	Karnataka	25	—	25	3	2	5
11.	Kerala	21	—	21	—	7	7
12.	Madhya Pradesh	23	7	30	—	1	1

1	2	3	4	5	6	7	8
13. Madras		25	—	25	—	—	—
14. Orissa		11	1	12	1	1	2
15. Patna		35	—	35	4	—	4
16. Punjab and Haryana		23	—	23	—	3	3
17. Rajasthan		21	2	23	—	5	5
18. Sikkim		3	—	3	—	—	—
Total		415	29	444	30	58	88

#### Property Rights of Women

1584. PROF. MUDHU DANDAVATE : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the workshop on the status of widows, abandoned and destitute women of India held in Delhi from 22 to 24 April, 1988 inaugurated by the Chairman of the Law Commission has made a number of recommendations about the property rights of women including matrimonial property right to women; and

(b) if so, whether Government propose to bring a bill to ensure such a property right to women ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) Government has not received any recommendations on the property rights of women from the organizers of the workshop on the status of widows, abandoned and destitute women of India.

(b) Does not arise.

#### Proposal to Curb the number of Electoral Contestants

1585. SHRI M. RAGHUMA REDDY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government are considering a proposal to curb the number of electoral

contestants by barring independents from filing nominations; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) No Sir.

(b) Does not arise.

#### Arrest of International Drug Syndicate In Capital

1586. SHRI M. RAGHUMA REDDY :  
SHRI SUBHASH YADAV :  
SHRI MANIK REDDY :  
SHRI PRAKASH CHANDRA :  
SHRI C. MADHAV REDDY :  
SHRI SITARAM J. GAVAL :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the press report appearing in the Times of India dated 8th July 1988 wherein it has been stated that 32 kingpins of international drug syndicates have been arrested in the capital;

(b) if so, the quantity of drugs seized;

(c) the nature of action taken against the culprits;

(d) whether any inquiry has since been made; and

(e) whether Government propose to take any steps to stop such type of crime and if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance has been promulgated on 4.7.1988. The Ordinance provides for the detention of any person with a view to preventing him from engaging in illicit traffic. Illicit traffic has been severally defined in the Ordinance to cover a number of illicit operations including production, manufacture, etc. of drugs and also cultivation of narcotic plants. Under the Ordinance, as on 28.7.1988, 168 persons have been detained in respect of whom there was evidence that they had indulged in/likely to indulge in illicit traffic in drugs.

(b) During the period 1.1 1988 to 30.6.1988, the following drugs have been seized :

	Qty. (in kgs)
Opium	1,372
Morphine	4
Heroin	1,708
Ganja	15,470
Hashish	12,259
Cocaine	4
Methaqualone	535

(c) and (d). The detenus have been lodged in different jails all over the country. After the completion of investigation and requisite procedural formalities, they are also liable for prosecution under the Narcotic Drugs and Psychotropic Substances Act, 1985.

(e) Government have initiated various aggressive counter-measures against drug-related crimes, which, *inter-alia*, include strengthening of the preventive and intelligence machinery (specially around borders),

adoption of a liberalised reward scheme for officers and informers, strengthening of bilateral co-operation between neighbouring countries (including regional co-operation under the aegis of SAARC). Special narcotics cells have created in all the Customs and Central Excise Collectorates all over the country as well as in the State Police Organisations, 704 persons had been arrested upto June, 1988 for drug trafficking offences.

Further, as pointed out above, under Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance, 1988 promulgated on 4.7.1988 as on 28.7.1988, 152 detention orders had been issued, in which 118 persons had been detained from different places, thus immobilising them from indulging in illicit traffic in drugs.

#### Telugu Ganga Project in Hot Water

1587. SHRI M. RAGHUMA REDDY :  
SHRI MANIK REDDY :  
SHRI C. MADHAV REDDY :

Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government's attention has been drawn to the newsitem which appeared in the "Daily" Bombay, dated 4 July, 1988 under the heading "Telugu Ganga Project in hot water";

(b) if so, the details thereof; and

(c) the reaction of Government thereon and the steps contemplated, if any, to solve the problem ?

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

(b) It has been reported in the newsitem that availability of water in the Krishna river would be less than what had been allocated by the Krishna Water Disputes Tribunal.

(c) The Award of Krishna Water Disputes Tribunal is open for review after 31st May, 2000 A.D.

**Increase in Employment with the Growth of Handloom, Powerloom and Textile Units**

(Amount in Rs. crores)

1588. SHRI PRAKASH V. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether any survey has been made to find out that with the growth in the number of handloom, powerloom and other textile units, in Maharashtra, there has been a proportionate increase in employment during last three years;

(b) if the employment generation is low, the reasons therefor; and

(c) the steps proposed to be taken by Government to improve the position ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) No survey has been made by the Central Government in Maharashtra on handlooms, powerlooms and other textile units and the employment position therein.

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

**Credit Blocked in Sick Units**

1589. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) total credit blocked in sick units; and

(b) the number of units which belong to public sector and private sector ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India (RBI) has reported that the total credit blocked in sick units as at the end of June, 1987 was as follows :

Year	Loans sanctioned		Loans Disbursed	
	No. of concerns	Amount (Rs. in crores)	No. of concerns	Amount (Rs. in crores)
1985	211	377.22	197	277.34
1986	293	668.90	948	357.19
1987	383	788.03	282	479.08

Note : Disbursements include disbursements made against sanctions accorded in earlier years also.

(i) SSI sick units 1542.25

(ii) Non-SSI Sick Industrial Companies (as defined in Sick Industrial Companies (Special Provisions) Act, 1985. 2680.44

(iii) Non-SSI weak units (not covered by the Act mentioned above). 1515.19

(b) RBI have reported that as at the end of June, 1987, the number of Non-SSI weak units was 231 in public sector and 397 in the private sector; Non-SSI sick units were 1024 in the private sector.

**Loans Advanced by Industrial Finance Corporation of India**

1590. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) the amount advanced by the Industrial Finance Corporation of India to industrialists as loans of over rupees fifty lakhs during 1985 to 1987, year-wise; and

(b) the number of industries and individuals who received the amount ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Available details of loans sanctioned and disbursed by the Industrial Finance Corporation of India to concerns where the amounts in individual cases exceeded Rs. 50 lakhs in each of the Calendar Years 1985, 1986 and 1987 are set out below :

**Stock of Handloom Cloth in Kerala and Tamil Nadu**

1591. SHRI THAMPAN THOMAS : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of handloom cloths kept in stock on account of 'No Market' in Kerala and Tamil Nadu; and

(b) the steps taken by Union Government to ensure the disposal of accumulated stock ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The quantity of handloom cloth in stock with State Handloom Agencies as on 31.3.1988 was Rs. 17.00 crores in Kerala and Rs. 140.39 crores in Tamil Nadu, as reported by the respective State Governments.

(b) The Government of India is implementing several schemes for promoting the sale of handloom products, such as :

- (i) Organisation of Handloom Expos in major cities of the country;
- (ii) Providing share capital assistance to State Handloom Organisations for raising working capital finance, opening of more retail outlets, etc.;
- (iii) Opening of handloom marketing complex through the National Handloom Development Corporation; and
- (iv) National Design Collection Programme for marketing of products with new designs etc.

**Cash Assistance to Marine Exporters**

1592. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have issued guidelines regarding cash assistance to be given to exporters;

(b) whether cash assistance to some marine products exporters has recently been raised;

(c) if so, the details thereof;

(d) whether the Marine Products Export Development Authority (MPEDA) made proposals to fix the rate of cash assistance on marine products in 1982; and

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

(b) No, Sir.

(c) Does not arise.

(d) Yes, Sir.

(e) The rates of CCS on various items were fixed in accordance with the general principles in this regard.

**Irradiation of Food and Spices for Export Purposes**

1593. DR. G. VIJAYA RAMA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have given clearance for irradiation of a few articles of good and spices for export purposes at present and if so, full details thereof indicating items and sources of irradiation; and

(b) how many units have been set up so far and how many are under construction under Seventh Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) Government have approved in principle the irradiation of spices, froglegs and prawns for export. To work out the modalities and other details, Government have constituted a National Monitoring Agency. The Agency has recommended the maximum irradiation dosage for spices of 1 Mrad (10 Kgy) and for shrimps 0.4 Kgy).

(b) No unit for irradiation have yet been set up.

**CCS for Garment Exports to Non-Quota Countries**

1595. SHRI G. M. BANATWALLA :

Will the Minister of TEXTILES be pleased to state :

(a) the present rate of cash compensatory support (CCS) for garment export to non-quota countries;

(b) whether Government are aware of the need and recommendation for increasing this CCS to boost the export and provide greater incentive for exploring longer markets in non-quota countries; and

(c) if so, Government's reaction in the matter ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The present rate of cash compensatory support (CCS) cotton garment export to non-quota countries is 10%.

(b) and (c). Higher CCS are always considered on the basis of cost data justifying the same.

#### Review of NRI Investment Policy

1596. SHRI BHADRESWAR TANTI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any efforts to secure more investment by non-resident Indians for different industries and projects;

(b) if so, the details thereof;

(c) whether the NRI investment policy and procedure are being reviewed by Government from time to time; and

(d) if so, the facts thereof ?

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

(b) Government have set up a Special Approval Committee in the Department of Industrial Development to provide a Single window Clearance to NRI entrepreneurs for various approvals such as industrial licence, import of capital goods, foreign collaboration etc. NRIs have also been permitted to import capital goods which are

indigenously available provide they undertake to finance fully such imports and do not seek repatriation of capital and income earned thereon. Most of the State Governments have also constituted High-Level Review Committee which attend to the requirements of the NRIs for allotment of industrial shed water and power connection financial assistance etc.

(c) and (d). The NRI investment policy is kept under review. Government have constituted a consultative committee in the Department of Economic Affairs which looks into the various policy and procedural issues connected with NRI investment. As a result of the deliberation of this Committee, several policy and procedural issues such as visa norms for NRI entrepreneurs, opening subscription collection account at the overseas location and refund of money therefrom without bringing to India, foreign currency denominated bonds on non-repatriation basis etc., have been initiated with a view to improving the investment climate in India.

#### Claims Pending with LIC

1597. SHRI BHADRESWAR TANTI : Will the Minister of FINANCE be pleased to state :

(a) the number of claims pending with the Life Insurance Corporation for last three years;

(b) whether the claimants are entitled to interest on their claims; and

(c) the steps taken to dispose of claims expeditiously ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a). The number of claims pending with the Life Insurance Corporation for the last three years are as under :

As on	No. of claims (in lakhs)
31.3.1986	1.02
31.3.1987	0.85
31.3.1988	0.87

(b) The claimants are not entitled to interest on their claims as per policy conditions but the LIC pays interest at 9% per annum on the net claim amount on ex-gratia basis for the period of delay on the part of its offices over one month in respect of maturity claims and over three months in respect of death claims.

(c) The steps taken by LIC to dispose of the claims expeditiously include the following :

- (1) Decentralisation of the function of settlement of both maturity and death claims to its branches.
- (2) Preparation of lists of maturity claims including survival benefits in advance of the due date and despatch of requisite discharge vouchers by registered post two months in advance in respect of policies in force and 4 months in advance in respect of paid-up policies.
- (3) Waiver of age proof in respect of maturity claims not exceeding Rs. 20000.
- (4) Dispensing with indemnity bond for loss of original policy documents in case of net claims upto Rs. 1,000.
- (5) Dispensing with legal proof of title on the strength of indemnity bond from the legal heirs of the deceased life assured jointly with a surety for claim amount depending upon merits of each death claim where that title is open.
- (6) Dispensing with investigation into the bonafides of early death claims not exceeding Rs. 10,000 in case of prima-facie genuine claims on the basis of submitted claims forms.

#### **IDBI Scheme for Discounting Machinery Bills**

1598. SHRI JAGANNATH PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Development Bank of India (IDBI) has decided to introduce a special scheme for discounting machinery bills; and

(b) if so, the details regarding this new scheme alongwith its facilities on a selective basis extended so far as the question of manufacturing of machinery is concerned?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The Industrial Development Bank of India (IDBI) has reported that it has introduced a new scheme for direct discounting of bills with effect from June 16, 1988. The facility under the scheme would be available on a selective basis to relatively large machinery manufacturers who have been in production for atleast 5 years with good track record of performance and sound financial position. The purchaser of machinery and equipment should be an industrial concern as defined in the Industrial Development Bank of India Act, 1964. This scheme would operate concurrently with the existing bills re-discounting scheme of IDBI. The rates of discount under the scheme would be as follows :

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#### *Unexpired Usance*

(a) 6 months to 60 months	11.5%
(b) 6 months to over 60 months but upto 84 months.	11%

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#### **Irrigation Bonds by Karnataka**

1599. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Karnataka has sought the permission of Union Government to float Irrigation Bonds to complete the various major irrigation projects in the State;

(b) if so, when the requisition was made; and

(c) whether Government would consider giving permission to float Irrigation Bonds by Karnataka Government early ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a). According to information available with the Ministry of Finance, no such request has been received.

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

**Computerisation of Branches of State Bank of Mysore**

1600. **SHRI V.S. KRISHNA IYER :** Will the Minister of FINANCE be pleased to state :

(a) whether the branches of State Bank of Mysore in Bangalore city are computerised;

(b) if so, the name of the branches and the total amount spent for air-conditioning and computerising each branch;

(c) the amount paid by each computerised branch on electricity and other maintenance; and

(d) In view of high cost of maintenance, whether Government propose to continue computerising the branches of the State Bank of Mysore ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :** (a) State Bank of Mysore has reported that out of its 48 branches located in Bangalore city, Electronic Ledger Posting Machines have been installed by the bank at 15 branches.

(b) and (c). Branch-wise details of the amount invested in installation of computer systems and the cost involved in providing air-conditioning facility are given in the statement I below. The branch-wise details of amount paid by each of these mechanised branches on electricity and maintenance of computer systems/peripherals as reported by State Bank of Mysore are given in the statement II below.

(d) In view of the benefits that have accrued due to computerisation, the bank proposes to continue the arrangement.



## Statement I

*Amount Invested in Installation of Computer System and Cost Involved in Providing Air-Conditioning Facility*

(Rs. in lacs)

Sl. No.	Branch Name	Details of computer systems		Details of air-conditioning	
		Number	Investment	Number	Investment
1	2	3	4	5	6
1.	Banashankari	2	1.60	1(*)	0.35
2.	Basavaraja Market	3	2.40	1(*)	0.35
3.	Chamarajapet	3	2.40	2	0.48
4.	CBAB Complex	4	3.20	4	1.21
5.	Hanumanthanagar	4	3.20	2	0.47
6.	Indiranagar II Stage	2	1.60	2(*)	0.71
7.	Jayanagar	3	2.40	2	0.46
8.	Cooke Town	2	1.60	4	1.21
9.	Shankarapuram	3	2.40	2	0.44
10.	Shopping Market Complex	3	2.40	1(*)	0.35
11.	Vidhana Veedhi	3	2.40	2(*)	0.65

1	2	3	4	5	6
12.	Vijayanagar	4	3.20	2	0.48
13.	Vyalikaval	2	1.60	2	0.52
14.	Wilson Gardens	3	2.40	3	0.75
15.	IX Block Jayanagar	4	3.20	2	0.46
Total		45	36.00	32	8.89

(\*) = Split Type of Air-conditioners

### Statement II

*Amount Paid by each Mechanised Branch on Electricity and Maintenance of Systems/Peripherals (monthly averages)*

S. No.	Branch name	No. of installations			Amount of					(amount in rupees)
		Compu-ter system	UPS*	Air-conditions	Electricity charges paid	Computer system	UPS unit	Air-conditions	Batteries	
1	2	3	4	5	6	7	8	9	10	
1.	Banashankari	2	1	1	3,750	1,280	200	105	60	
2.	Basavaraja Market	3	1	1	4,690	1,920	200	105	60	

1	2	3	4	5	6	7	8	9	10
3.	Chamarajpet	3	1	2	5,630	1,920	260	150	60
4.	CBAB	4	1	4	8,440	2,560	260	300	60
5.	Hanumanthanagar	4	1	2	6,560	2,560	260	150	60
6.	Indiranagar II Stage	2	1	2	4,690	1,280	260	210	60
7.	Jayanagar	3	1	2	5,630	1,920	260	150	60
8.	Cooke Town	2	1	4	6,560	1,280	200	300	60
9.	Shankarapuram	3	1	2	5,630	1,920	260	150	60
10.	Shopping Market Complex	3	1	1	4,690	1,920	260	105	60
11.	Vidhana Veedi	3	1	2	5,630	1,920	260	210	60
12.	Vijayanagar	4	1	2	6,560	2,560	260	300	60
13.	Vyalikaval	2	1	2	4,690	1,280	260	150	60
14.	Wilson Gardens	3	1	3	6,560	1,920	260	225	60
15.	IX Block Jayanagar	4	1	2	6,560	2,560	350	150	60
<b>Total</b>		<b>45</b>	<b>15</b>	<b>32</b>	<b>86,270</b>	<b>28,800</b>	<b>3810</b>	<b>2760</b>	<b>900</b>

\* = Un-interruptible Power Supply Unit

**MICR Cheques**

1601. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether some banks have made complaints to the Reserve Bank of India over the use of MICR cheques;

(b) if so, the main complaints of the banks and the customers of the banks on the use of MICR cheques; and

(c) the steps taken to make the MICR cheques most usable ?

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

(b) Some customers had expressed unhappiness over the non-availability of counter-foils in the MICR cheques.

(c) To mitigate this grievance, provision of one or two record slips has been made in the cheque book for the convenience of customers to keep a record of deposits/withdrawals etc.

**Import of Spices**

1602. PROF. P.J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) the total import of different spices during last year;

(b) the details of the quantity of each spice being imported during 1988-89; and

(c) the net foreign exchange out-go during last year and the anticipated outgo during current year ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Import data of different spices are published in the 'Monthly Statistics of Foreign Trade of India' (Vol. II)—Imports brought out by Directorate General of Commercial Intelligence and Statistics, Calcutta, Copies of which are available in the Parliament Library. The latest available issue of this publication pertains to 1985-86

**Seizure of Gold by Directorate of Revenue Intelligence**

1603. SHRI SUBHASH YADAV :  
SHRI PRAKASH CHANDRA :  
SHRI SITARAM J. GAVALI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news item which appeared in "The Times of India" dated 4 July, 1988 wherein it has been stated that the officers of Directorate of Revenue Intelligence seized gold worth Rs. 2 crores from a Crew's Cabin on a Panamian registered ship M.V. 'Orient Express'?

(b) if so, the details thereof;

(c) whether any action has since been taken by Government against the culprits;

(d) the number of seizure cases detected during the last six months; and

(e) the remedial measures during taken to eradicate the evil ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a). Yes, Sir.

(b) and (c) Search of the Cabin of Second Officer of a Panamian registered ship M.V. 'Orient Express' on 31d July, 1988 resulted in the recovery and seizure of 375 foreign marked gold bars weighing 10 tolas each collectively valued at Rs. 1.42 crores approximately. The vessel valued at Rs. 2.5 crores approximately alongwith containers and goods meant for other ports collectively valued at Rs. 50 lakhs were also seized. The Second Officer was arrested.

(d) 27,229 (provisional) number of seizures have been effected during the last six months from January to June, 1988.

(e) The anti-smuggling drive has been intensified. The anti-smuggling machinery throughout the country including that at the airports has been geared up. Close coordination is being maintained with all the agencies concerned with the prevention and detection of smuggling.

**Liquidation of Machinery Manufacturers Corporation**

1604. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Chief Minister of Maharashtra urged Union Government during June, 1918 to defer liquidation of the Machinery Manufacturing Corporation for securing State Government's advances with the Corporation;

(b) if so, the reaction of Union Government in this regard;

(c) whether the State Government has also urged the Board for Industrial and Financial Reconstruction to ascertain the viability of the company for rehabilitation etc.; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). A letter from Chief Minister of Maharashtra has been received regarding deferment of liquidation of Machinery Manufacturers Corporation (MMC) or securing advances of the State Government with the company. MMC have already referred their case to Board for Industrial and Financial Reconstruction (BIFR). The Board would take a decision as per provisions of Sick Industrial Companies (Special Provisions) Act, 1985.

**Water Logging in the Mahanadi Basin Orissa**

1605. SHRIMATI JAYANTI PATNAIK : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether water logging has posed a serious problem in the Mahanadi basin in Orissa;

(b) if so, the difficulties faced on the extraction of rain water from that river basin;

(c) the total area affected by water logging; and

(d) the measures proposed to be adopted to save the areas from water logging ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (c). An area of about 2 lakh ha. is effected by water logging due to inadequate drainage system.

(d) The Government of Orissa has a proposal to prepare a detailed report for improvement of drainage in Mahanadi delta. According to preliminary estimates, the Scheme is to cost about Rs. 181.50 crores.

**Credit Card Scheme of Dena Bank**

1606. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have recommended the Dena Bank credit card scheme for the benefit of the farming community for adoption by all the nationalised banks in the country; and

(b) the details regarding its progress in Orissa ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. All Public Sector Banks have been advised by the Government of India in April 1988 to consider introducing the Credit Card Scheme of Dena Bank for the benefit of farming community. The Scheme could be considered for introduction by banks throughout the country including Orissa State. As per information available from RBI, Syndicate Bank has also introduced farm cards to provide instant credit to farmers.

**Special Audit of Branches of State Bank of Indore**

1607. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether any special audit was ordered by Government or the Reserve Bank of India into the affairs of the State

Bank of Indore, during the last three years; if so, the branch-wise, details thereof;

(b) whether the Reserve Bank of India propose to order fresh special audit of all the branches where a number of frauds/irregularities came to light by the internal auditors, if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) (a) and (b). Reserve Bank of India has reported that no special audit of any of the branch of State Bank of Indore was undertaken by it during the last three years. However, all commercial banks including public sector banks are inspected by Reserve Bank of India at periodical intervals under Section 35 of the Banking Regulation Act, 1949. All the public sector banks are also inspected annually under the system of Annual Financial Review. The findings of both these inspections are communicated to the banks and irregularities/deficiencies observed in their working are brought to their notice for necessary corrective follow up action. The findings are also discussed with Chairmen/Chief Executive Officers and senior officers of banks. Besides, banks have their own internal Inspection/Audit Department which periodically inspect/audit the branches, generally at an interval of 12-18 months. Most of the public sector banks have a system of concurrent audit at bigger branches. The functioning of the audit/inspection Departments of banks, periodicity of internal inspection, their coverage and follow up action thereon etc. are looked into by RBI during its periodical inspection of banks. Banks have been advised to take strict action against the officials where advances are found to have become sticky due to their negligence, inefficiency or suspected collusion on their part with unscrupulous borrowers.

Reserve Bank of India has reported that it has no proposal to conduct fresh special audit of any of the branches of State Bank of Indore.

#### Export to China

1608. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR:

SHRIMATI • JAYANTI PAT-  
NAIK :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to step up exports to China;

(b) whether some new items are listed for export to that country;

(c) if so, what are those new items; and

(d) the items proposed to be exported to China during 1988-89 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Yes, Sir.

(c) In the Trade Protocol signed with China for the year 1988-89 at Beijing on 8th June 1988, a number of new items have been included which the Indian side exports China to import from India like oil field chemicals, oil field equipment, computer software, transportation systems such as commercial vehicles etc.

(d) According to the Trade Protocol signed between the two countries for the April 1, 1988 to March 31, 1989, the items proposed to be exported to China during 1988-89 are Mineral Ores, Agricultural products, Chemicals, Engineering products, Urea, Plywood, Jewels and processed diamonds and synthetic yarn.

#### Textile Export to USSR

1609. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR : Will the Minister of TEXTILES be pleased to state :

(a) whether the Soviet Union desires to explore a wider range of textile import from India;

(b) whether Government have a proposal to organise an exhibition of textile fabrics to provide first-hand knowledge to that country;

(c) if so, when such exhibition is going to be organised;

(d) whether the Soviet Union is also willing to import textile machinery; and

(e) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) and (c). The Cotton Textile Export Promotion Council is organising textile display every year in Moscow for the benefit USSR buyers.

(d) and (e). Yes, Sir. USSR have recently shown interest in importing textile machinery from India and have proposed to send a team of experts to negotiate and finalise business.

#### Customer Services in Nationalised Banks

1610. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the customer services available in the nationalised banks need improvement;

(b) if so, the steps proposed to be taken by Government to provide prompt customer service in nationalised banks;

(c) the various works included in the prompt customer service; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). It is the endeavour of public sector banks to continually seek improvement in their service to the customers. Towards this objective they have taken various measures during the last three years. These measures include evolution of time norms for rendering common services, speedier clearing of cheques through computerisation of Clearing Houses, speedier collection of outstation cheques through increased use of courier services, creation of machinery for quick redressal of customers' grievances, extending to individuals the facility of immediate credit in respect of outstation cheques upto Rs. 2500, payment of interest at savings bank rate for delayed collection of out-

station cheques beyond 10/14 days, increased inter-face between customers and the bank Executives with a view to facilitating quick redressal of grievances and also promoting mutual understanding.

#### Multiplicity of Candidates in Election

1611. DR. A.K. PATEL : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Election Commission and/or others have requested the Government to take steps to stop the multiplicity of frivolous candidates in elections;

(b) the reaction of Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) Yes, Sir. The Election Commission has made such a proposal.

(b) The proposal is under active consideration of the Government along with other proposals of the Election Commission.

#### [Translation]

#### Economic Offenders

1612. DR. CHANDRA SHEKHAR TRIPATHI) : Will the Minister of FINANCE be pleased to state :

(a) whether the number of economic offenders is increasing continuously at present;

(b) if so, the number of economic offenders lodged in jails in various parts of the country at present; and

(c) the offences for which these offenders have been lodged in jails ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) As a result of vigorous drive launched by the Government against economic offenders the number of prosecutions launched against such offenders has shown as increasing trend over the last few years.

(b) and (c). After conviction of the economic offenders, as a result of successful prosecution they are handed over to the Jail administration which falls under the State Governments. Figures of persons presently lodged in Jails-offence-wise is not therefore available with the Central Government.

[English]

**Export Target Fixed by Government and CAPEXIL**

1613. SHRI S.B. SIDNAL :

SHRI S.M. GURADDI :

Will the Minister of COMMERCE be pleased to state :

(a) the export target fixed by Union Government and Chemicals and Allied Products Export Promotion Council (CAPEXIL) for 1988-89 *vis-a-vis* 1987-88: and

(b) the steps contemplated to achieve the target ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Chemicals and Allied Products Export Promotion Council (CAPEXIL) has fixed the target at Rs. 520 crores for the Year 1988-89. Target for 1987-88. was fixed at Rs. 445 crores.

(b) For achieving target, provisions for undertaking individual sales teams tours abroad, both general and specialised; organising Buyers-Sellers Meet abroad, advertisements within India and abroad, have been approved in the BE 1988-89 of the Council.

**Advisory Committee to Ensure Cocoon's Sale Within Silk Exchange**

1614. SHRI S B. SIDNAL :

SHRI S.M. GURADDI :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Karnataka has a proposal to set up an Advisory Committee on the working of silk exchanges to ensure that the cocoons were sold within the exchange;

(b) if so, the main functions of the Advisory Committee;

(c) the steps to be taken to see 100 per cent cocoons are brought to silk exchanges and used there; and

(d) to what extent this will help in increasing the silk production in the State ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) No, Sir.

(b) to (d) Do not arise.

**Financial Assistance from West Germany**

1615. SHRI S.B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether West Germany has allocated a financial assistance of Rs. 538 crores to India during 1988;

(b) if so, whether agreements have been signed between the two countries in this regard the details thereof;

(c) the main projects for which this loan will be utilised; and

(d) the conditions of repayment of this loan and by what time the assistance would be made available to India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The total over-all aid allocations from the Government of Federal Republic of Germany to India for the year 1988 were upto DM 672.44 million (approx. Rs. 522 crores) with the following breakup :

1

2

(i) Government to Government soft loan

DM 448.44 million (Rs. 348.16 crores)  
This includes soft loan of DM 182 million to be blended with export credit.



1	2
(ii) Export Credit	DM 182.00 million (Rs. 141.30 crores) Corresponding to matching portion of Government to Government soft loan for projectised imports by way of mixed financing in equal proportion.
(iii) Technical Assistance programme	DM 42.00 Million (Rs. 32.61 crores) 100% Grant
<p>(b) The agreement has been signed for an advance commitment of DM 74.5 million (Rs. 57.84 crores). For the balance amount, Agreement is likely to be signed shortly.</p> <p>(c) The loan amount would be utilised for</p>	
(d) (i) Soft Loan :	The terms are 0.75% rate of interest with 50 years repayment including grace of 10 years.
(ii) Export Credit :	It is provided on commercial terms and interest rate is subject to a ceiling of 10% with repayment period of about 10 years.
(iii) Technical Assistance Programme :	It is 100% Grant.

The assistance is made available to India after signing to the agreements.

#### Flow of Concessional Aid to Developing Countries

1616. SHRI S.B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether India and other developing countries have shown concern over the decline in concessional aid flows to the developing countries at the meeting of the World Bank and IMF in Washington on April 14 and 15, 1988;

(b) if so, the other points mentioned by India at the meeting; and

(c) to what extent the World Bank and IMF agreed to points raised by India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). At the Spring meetings of the World Bank and the IMF, India expressed concern over the trends in the flow of development assistance, and the adverse impact of these trends on the growth of developing countries. It was stressed that these disturbing trends need to

be reserved if the problem of poverty is to be tackled on any systematic and sustained basis, and indicated that there is need to consider innovative approaches, for financing projects which have a direct impact on poverty alleviation.

At the Development Committee, a joint Ministerial Committee of the World Bank and IMF, Ministers reiterated their commitment to support the low income countries in their development and adjustment efforts, and stressed the need for larger concessional flows. The Development Committee agreed to discuss, at the Annual IMF-World Bank meetings in September 1988, the adequacy of resource transfers to all developing countries and requested a report on this issue to facilitate their deliberations.

#### Cottage Insurance Scheme

1617. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have a plan to introduce cottage insurance scheme in the States;

(b) if so, the details thereof;

(c) the details of the amount allocated/proposed to be allocated, state-wise for the scheme; and

(d) the details of the poor and backward people, Scheduled Castes and Scheduled Tribes likely to be benefited, state-wise and when the Scheme is expected to be introduced ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) There is no plan introduce be Cottage insurance Scheme since Cottages are covered under the normal Fire Insurance Policy issued by the Insurance Companies.

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

Allocation of Fund for Minor Irrigation to A.P.

1618. SHRI V. TULSIRAM : Will the Minister of WATER RESOURCES be pleased to state :

(a) the details of minor irrigation funds allotted to the tribal area sub-plans for the State of Andhra Pradesh;

(b) whether Union Government have permitted to use the Special Central Assistance to supplement the plan funds of the State Government for minor irrigation sector of the tribal area sub-plan if not, the reasons therefor;

(c) whether Union Government are thinking to treat the minor irrigation programmes in the State for tribal family in the State for tribal family benefit and provide proportionate special central assistance to the State for its proper implementation; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) The fund quantified for tribal sub-plan by the State of Andhra Pradesh under the Minor Irrigation sector of the State Plan is Rs. 199.79 lakhs.

In addition Central assistance is available under various Centrally Sponsored Schemes for the development of minor irrigation.

(b) to (d). Minor irrigation is treated as one of the family oriented-cum-income generating schemes for which Special Central Assistance for tribal development (SCA) can be used. The inter-sectoral allocations of SCA including allocation for minor irrigation schemes, are decided by the State Government. No proportions are prescribed in this regard by the Central Government.

[Translation]

Scheme for Promotion and Development of Carpet Industry

1619. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether the Ministry is formulating a special incentive scheme for promotion and development of carpet industry in Uttar Pradesh;

(b) if not, the steps being taken to improve the deteriorating quality of carpets being manufactured in the hill areas of Uttar Pradesh; and

(c) whether there is any proposal to open any training centre to impart latest know-how of carpet weaving in these areas ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (c). Yes, Sir. Construction work for the National Institute of Carpet Technology at Bhadohi has started. This institute will impart training in carpet weaving as per latest techniques.

(b) Does not arise.

Opening of Branch Offices of LIC in Uttar Pradesh

1620. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the names of the districts in Uttar Pradesh in which branch offices have not been opened by the Life Insurance Corporation;

(b) whether there is a proposal to open branch offices of LIC in the State during 1988-89; and

(c) if so, the places where these branch offices are proposed to be opened ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : The LIC has 167 Branch Offices covering all the districts of Uttar Pradesh as on 31.3.1988. There is no district in which it has no Branch.

(b) and (c). The LIC has decided to open the following 9 new Branches in Uttar Pradesh during 1988-89 :

Name of Branch	District
1. Jeoni Mandi City Br. Agra	Agra
2. Aonla	Bareilly
3. Bilaspur	Rampur
4. Jalaun	Jalaun
5. Lal Banglow City Br. Kanpur	Kanpur
6. Karekhat	Jaunpur
7. Phulpur	Azamgarh
8. Pallakalan	Lakhimpur Kheri
9. Bangermau	Unnao

Opening of Regional Offices of General Insurance Corporation in Almora District of Uttar Pradesh

1621. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to open a regional office of the General Insurance Corporation in Almora district for the benefit of people of hill areas of Uttar Pradesh; and

(b) if so, the time by which this office is proposed to be opened there ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). No, Sir. The Setting up of a Regional Office is governed by certain criteria laid down by the Board of the General Insurance Corporation of India, such as the volume of premium income and the number of Divisional Offices to be controlled. Setting up of a Regional Office in Almora is not feasible since these norms are not met by any of the four insurance companies.

[English]

Levy on Profession Tax

1622. SHRI PRATAPRAO B. BHOSALE : Will the Minister of FINANCE be pleased to state :

(a) whether certain proposals of Maharashtra to increase maximum limit of levy on profession tax under Employment Guarantee Programme are pending with Government;

(b) if so, the details thereof;

(c) whether Government have accorded its approval to these proposals;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI) : (a) and (b). Yes, Sir. The Government of Maharashtra have stated that a tax on professions, trades, callings and employments is being levied by them for raising resources for implementing the Employment Guarantee Scheme. With a view to augmenting the resources for this scheme, they have proposed that the ceiling on levy of profession tax may be increased from the existing limit of Rs. 250 per person per annum and that for this purpose, Article 976(2) of the Constitution may be amended.

(c) to (e). A proposal to increase the limit of profession tax is under consideration of Government of India.

**Relief to Maharashtra in Respect of Small Savings Resources**

1623. SHRI PRATAP RAO B. BHOSALE : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Maharashtra has made certain proposals for providing relief to the State in the respect of small savings resources;

(b) if so, the details thereof;

(c) whether Union Government have accorded its approval to these proposals;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (e). Yes, Sir. The important proposals made by Government of Maharashtra for improving Small Savings Collections are indicated below :

(i) The maturity period of Indira Vikas Patra (I.V.P.) be brought back to 5 years.

(ii) The rate of interest on National Savings Certificates be revised upward from 11% to 12%.

(iii) The pattern of investment of Employees Provident Funds operative before 1.4.86 should be restored.

(iv) Agents mobilising funds under Monthly Income Scheme and Indira Vikas Patra should be eligible to get commission at the rate of 1%.

(v) Cumulative Time Deposit Scheme, which was discontinued from 1.4.1986, be reinstated.

Maturity period of Indira Vikas Patra sold on or after 1st March, 1988 has been reduced to five years. Agents mobilising collections under Post Office Monthly Income Account are eligible to get commis-

sion at 1% of the deposits. It has not been possible to accept other proposals.

**Nationalisation of Khandesh Mills Jalgaon and Shreeniwas Mills, Bombay**

1624. SHRI PRATAP RAO B. BHOSALE : Will the Minister of TEXTILES be pleased to state :

(a) whether the State Government of Maharashtra has requested Union Government for nationalisation of Khandesh Mills, Jalgaon and Shreeniwas Mills, Bombay and grant of advance Plan assistance;

(b) if so, the details thereof; and

(c) the reaction of Union Government thereto ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) The Maharashtra Government had asked for Advance Plan Assistance amounting to Rs. 32.54 crores for nationalising the two mills.

(c) The matter is under consideration.

**Import Duty on Rubber**

1625. SHRI K. MOHAN DAS : Will the Minister of FINANCE be pleased to state :

(a) whether the import duty on rubber has been reduced substantially;

(b) if so, the details thereof;

(c) whether this has had adverse impact on the price of natural rubber in the country; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA) : (a) There has been no reduction in the import duty on natural rubber in the recent past.

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

**Prevention of Illicit Traffic of Narcotic  
Drugs and Psychotropic Substances  
Ordinance 1988**

**1626. SHRI SHANTARAM NAIK :  
SHRI JAGANNATH PATNAIK :  
SHRI JAI PRAKASH  
AGARWAL :**

Will the Minister of FINANCE be pleased to state :

(a) whether the Prevention of Illicit Traffic in Narcotic Drugs and Psychotropic Substances Ordinance, 1988 have been into force;

(b) if so, the essential features of the Ordinance and the action taken for its strict implementation;

(c) the number of arrests made under the Ordinance uptill now;

(d) the places where these arrests have been made; and

(e) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) The salient features of the Ordinance are given below :

(i) The Officers specially empowered by the Central and State Governments shall be vested with the powers to issue orders of detention of any person (including a foreigner) with a view to preventing him from engaging in illicit traffic;

(ii) the orders of detention issued for a person invoking two or more grounds shall be deemed to have been made sparately on each ground, so as prevent such orders from being rendered invalid or inoperative merely because one or some of the grounds is/are vague, non-existent, not relevant, not connected or any other reasons whatsoever;

(iii) suitable provisions have been made for apprehension and detention of the absconders;

(iv) Provisions have been made for the constitution of Advisory Board, by the both the Central and State Governments, as prescribed under Article 22 of the Constitution of India, to whom a reference in respect of the detenu, is required to be made by the appropriate Government within five weeks from the date of detention;

(v) The Advisory Board is required to give its report indicating its opinion specifically whether there exists sufficient cause or otherwise of the detention within 11 weeks from the date of detention of the person concerned;

(vi) Provision for detention of persons for longer periods than three months without obtaining the opinion of the Advisory Board in certian areas categorised in the Ordinance as 'highly vulnerable to illicit traffic' has been made.

(vii) the maximum period of detention in such areas is for two years and in areas other than those categorised as 'highly vulnerable to illicit traffic is for a period of one year';

(viii) Provision also exists for temporary release of persons detained on furnishing necessary bond with sureties and observance of the conditions specified in this behalf; and

(ix) No person against whom a detention order made under the said Ordinance is in force shall be released whether on bail or bail bond otherwise.

The States and Union Territories have been requested to take full advantage of the Ordinance and neutralise the activities of the drug smugglers in the States/Union Territories.

(c) to (e). As on 28-7-1988, in the 152 detention orders issued 118 persons

have been detained, in various places like Delhi, Bombay, Calcutta, Madras, Varanasi, Patna, etc. The Drugs involved were heroin, charas (hashish), ganja, opium, etc.

#### Private Lending Institutions in Kerala

1627. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government propose to initiate any measures to control the continued growth of private lending institutions in Kerala commonly called 'Blade Companies', if so, the details thereof;

(b) whether Government of Kerala has suggested any alterations in the Reserve Bank of India Rules so as to effectively control private lending, if so, the details thereof; and

(c) the decision of the Reserve Bank of India and Union Government with regard to these proposals ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The 'Blade Companies' functioning in Kerala State are reported to be unincorporated bodies engaged in acceptance of deposits from the public and lending money to persons at exorbitant rates of interest.

In so far as the money lending activities of the 'Blade Companies' are concerned, 'Money Lending' is a State subject and are regulated under the respective State Legislations.

As regards the acceptance of deposits by the unincorporated bodies like individuals, partnership firms etc. are concerned, these are regulated under Chapter III-C of Reserve Bank of India Act, 1934. These provisions prohibit acceptance of deposits in excess of the specified number of depositors. The Act also provides for penal action, including fine and imprisonment, against violations of the provisions of the Act.

The constitutional validity of Chapter III-C of Reserve Bank of India Act, 1934

has been challenged and the matter is pending in the Supreme Court and is, therefore, sub-judice.

(b) and (c). Reserve Bank of India has reported that in the context of a judgement given by the High Court, Kerala, Ernakulam, it has been suggested to the State Government of Kerala to bring out separate legislation for providing effective and speedy remedies to the depositors. The State Government of Kerala has suggested to Reserve Bank of India to have the whole matter studied by appointing a competent commission/committee. Reserve Bank of India has not yet taken a decision on this.

#### Monopoly Procurement of Cashewnuts.

1628. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) which are the cashew producing State that have declared cashew procurement a State monopoly;

(b) whether Kerala has lost some of its foreign buyers of cashew kernel; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Kerala.

(b) and (c). The monopoly procurement of raw cashew has been introduced by the Government of Kerala only this year. It is too early to arrive at any conclusion.

#### Special Cell for Women Entrepreneurs by Punjab National Bank

1629. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Punjab National Bank propose to establish a special cell at its headquarters for looking after the needs of women entrepreneurs; and

(b) if so, the details thereof;

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI

EDUARDO FALEIRO) : (a) and (b). Punjab National Bank has reported that a proposal for establishing a Special Cell for Women Entrepreneurs is under its consideration and details are being worked out.

#### Trade with USSR

1630. SHRI BALASAHEB VIKHE PATIL :  
SHRIMATI JAYANTI PATNAIK:

Will the Minister of COMMERCE be pleased to state :

(a) whether it is proposed to buy more machines from the USSR;

(b) if so, whether trade flow between India and the USSR has increased during 1986-87 and 1987-88;

(c) if so, the details thereof; and

(d) the volume of Indo-USSR trade-likely to be reached by 31 March, 1989 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Continuous efforts are being made by both India and USSR to diversify and expand the bilateral structure of trade which includes identification of new and additional items, both machinery as well as commodities for export and import.

According to provisional data bilateral trade turnover between India and USSR has increased by more than 10% in the last financial year.

(d) Trade between India and USSR is conducted on the basis of the Annual Trade Plans draan for calender years which list out items of exports to and imports from USSR. The total trade turnover target set for 1988 is Rs. 5000 crores.

#### Import Duty on Machinery for Woollen Industry

1631. SHRI BALASAHEB VIKHE PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether there are any anomalies in the existing duty structure on imports of

machinery required for modernisation of woollen industry not fabricated indigenously;

(b) if so, whether Government are reviwing the import duty structure in this regard; and

(c) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). Twenty-nine machineries requirsd for the woollen industry are already on OGL. The duty on these machineries have been reduced to 35% recently. One more machinery, namely. Projectile type of shuttleness loom (Sulzer type) width ranging from 180 cms. to 220 cms. has been added to the OGL, the duty on which is 85%.

#### Investment by Foreign Bank in Priority Sector

1632. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has initiated discussions with the foreign banks in India to invest capital in the country's priority sector like agriculture, rural development etc. and

(b) the progress made in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India (RBI) has advised the foreign banks operating in India to increase their involvement in financing small scale industry, retail trade, self-employed persons, etc. According to RBI, the total outstanding credit in priority sector of 17 out of 21 foreign banks operating in India as at the end of June, 1987 aggregated to Rs. 150 crores which formed 5.9% of their total outstanding credit.

[Translation]

#### Profit in S.T.C.

1633. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) the amount of profit earned by the State Trading Corporation (STC) during 1986-87; and

(b) the details of the schemes of the Corporation to earn more profit ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) State Trading Corporation earned a profit (before tax) of Rs. 55.45 crores during 1986-87.

(b) STC earned the profit mainly by handling imports of canalised items like edible oils, sugar, newsprint, chemicals ect.

[*English*]

#### Performance of MMTC

1634. SHRI E. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) the performance in figures by the Minerals and Metals Trading Corporation (MMTC) for the year 1985-86, 1986-87 and 1987-88 in export and also in import;

(b) whether there has been a decline in the import trade by the MMTC;

(c) whether the MMTC has been successful in expending or finding additional new markets for export; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) MMTC's performance both in export and import, for the years 1985-86, 1986-87 and 1987-88 is as follows :

#### Performance

(Val : Rs. Million)

Year	Export	Import
1985-86	6226	23671
1986-87	7117	20374
1987-88 (Prov.)	6901	21479

(b) The decline in import turnover during 1986-87 and 1987-88 was due to reduced import of ures and other finished fertilizers.

(c) Yes, Sir.

(d) New markets for non-traditional items of export ware developed in Jordan, Zimbabwe, USA; Canada, Malaysia, etc.

#### Reports of Law Commission

1635. SHRI E. AYYAPU REDDY :  
SHRI H.B PATIL :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the number of reports submitted by the law Commission from 1 January, 1985 till to-day; and

(b) the action taken on the basis of these reports so far ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) 20.

(b) The Reports have been sent to Ministries/Departments concerned with the subject matter for necessary action.

#### Appointment of Judges of Supreme Court

1636. SHRI E. AYYAPU REDDY : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there are proposals to fill up the vacancies of the Judges in the Supreme Court by appointing the senior most Judges of all the High Courts of the country; and

(b) the reasons for not adopting the principle of appointing the senior most Judges to the Bench of the Supreme Court ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) and (b). The judges in the Supreme Court are appointed in accordance with the provisions contained in Article 124 (2) of the Constitution of India.



**Target for Export of Iron Ore**

1637. SHRI E. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) the total increase in the export of iron ore in 1987;

(b) the ports from where the increase in the export has been registered;

(c) whether any target has been fixed for export of iron for 1988 and 1989; and

(d) whether any indepth research has been undertaken for the purpose of conserving iron ore for India's future needs ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) There was no increase in export of iron ore during 1986-87.

(b) Exports from New Mangalore and Madras Ports have registered in increase.

(c) Yes, Sir.

(d) Existing reserves of iron ore are likely to last over 300 years.

**Trade Protocol with Yugoslavia**

1638. SHRIMATI BASAVA-RAJESWARI : Will the Minister of COMMERCE be pleased to state :

(a) whether India and Yugoslavia have signed a protocol to raise bilateral trade;

(b) if so, the main features thereof;

(c) to what extent Yugoslavia will help in improving the trade; and

(d) the items to be imported from Yugoslavia under this agreement ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). A protocol of talks held during the 17th Session of

the Indo-Yugoslav Joint Committee for Economic Cooperation in New Delhi from June 17-21, 1988 was signed on 21st June, 1988.

The main features of the Protocol are further growth in bilateral trade, extension of link deal arrangements, long term contracts for items of mutual interest and strengthening of industrial and technical cooperation.

(c) and (d). It has been mutually agreed to promote bilateral trade on a balanced basis. Some of the items in which Yugoslav organisations have shown interest in export include components and equipment for railways, power plants, agriculture machinery, food processing and storage, etc.

**Committee to Decide Reduction or Hike in Import Duties**

1639. SHRIMATI BASAVA-RAJESWARI : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have set up a high level committee to meet every month and decide on reduction, or hike in import duties keeping in view the international prices;

(b) if so, the functions and powers of the Committee; and

(c) to what extent it will help in improving the trade and industry ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). In recent months, there have been wide and frequent fluctuations in the international prices of several key industrial inputs. Such changes in international prices of commodities, with consequential impact on the incidence of customs duties, would adversely affect indigenous industries. Appropriate adjustment of customs duty rates, having regard to the variations in international prices of commodities and other factors, is an on-going process. An official level committee has been constituted in the Ministry of Finance to look into these matters

and recommend suitable duty adjustments to the Government in respect of key industrial inputs.

#### Electoral Reform

1640. SHRI VAKKOM PURUSHOTHAMAN :  
SHRI SANAT KUMAR MANDAL :

Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Election Commission has sent some proposals for electoral reforms to Government;

(b) if so, when and the present stage of these proposals;

(c) whether Government purpose to introduce any reforms in the present electoral system in the country; and

(d) if so, when and the time by which legislation on the subject is likely to be introduced in Parliament ?

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

(b) The Election Commission had sent the proposals for electoral reforms in two parts and both were sent in 1986. A decision is yet to be taken on the proposals.

(c) and (d). These will depend on the decision to be taken on the proposals.

#### Turnover Levy on Jobbers in Stock Exchanges

1641. SHRIMATI KISHORI SINHA :  
DR. B.L. SHAILESH :

Will the Minister of FINANCE be pleased to state :

(a) whether a decision was taken to impose a turn over levy on jobbers in stock exchanges to finance cost of exchange board;

(b) if so, whether there was opposition to it from the affected persons;

(c) whether the decision was deferred in response to this opposition; and

(d) if so, Government's views thereon ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Government had recently asked the stock Exchanges to collect fees based on value of transactions from their members and jobbers towards the financing of the Securities and Exchange Board of India (SEBI).

(b) to (d). Taking into account the views received from the Stock Exchanges, the decision to impose fees on the value of transactions of members of the Stock Exchanges and jobbers has been deferred. Stock Exchanges have submitted an alternative proposal for financing of the Securities and Exchange Board of India. A decision in this regard is yet to be taken.

#### Interest Rates of Foreign Currency Account of NRIs

1642. SHRIMATI KISHORI SINHA :  
DR. (MRS) T. KALPANA DEVI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently further raised the interest rates on foreign currency accounts of Non-Resident Indians kept in Indian banks;

(b) if so, the details thereof;

(c) whether these interest rates compare very favourably with prevailing lending rates in the European money market;

(d) whether Government propose to increase rates of interest on local currency account scheme;

(e) if so, the details thereof; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The Foreign Currency (Non-Resident) Account Scheme which was limited to the US dollar and the Pound Sterling until the end of

July, 1988 has been extended to Deutsch Mark and Japanese Yen with effect from August 1, 1988 to provide a wider choice to non-resident Indians for investments in India. The interest rates, which are different for each currency, are as on of 1st August, 1988 as under :

Period	(Per cent per annum)			
	Sterling	US Dollar	DM	Yen
1. 6 months and above but less than 1 year	11.25	9.00	5.75	5.25
2. 1 year and above but less than 2 years	11.50	9.50	6.00	5.50
3. 2 years and above but less than 3 years	11.75	9.75	6.25	5.75
4. 3 year only	11.75	10.00	6.50	5.75

Interest rates on these deposits are determined after taking in to the prevailing rates in international money markets.

(d) to (f). Presently there is no proposal to change rates of interest on deposits under the Non-Resident (External) Rupee Account of Scheme as the rates currently offered are quite attractive, considering prevailing international and domestic interest rates and costs to the banking system.

#### Gold Supply from Kolar Gold Mines

1643. SMT. KISHORI SINHA :  
SHRI UTTAMRAO PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the country's lone gold supply from Kolar mines will be exhausted soon;

(b) if so, whether it would affect our financial system;

(c) whether alternative supply sources for gold are being exploited;

(d) whether Government expect greater pressure on gold market from

buyers due to the closure of gold supply; and

(e) if so, the steps being taken to ensure that gold prices do not shoot up and to stop smuggling of gold into the country ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Kolar Gold Field being very old and heavily worked mine its ore content has come down sharply.

(b) to (e). Steps are being taken by Bharat Gold Mines Limited to increase gold production by speeding up exploration and exploitation of promising shallow gold mines at Yeppamana and Chigargunta in Andhra Pradesh apart from taking up exploration of gold deposits in Karnataka and Andhra Pradesh.

Since gold is not an essential commodity. Government do not consider it necessary to regulate its prices. To combat smuggling of gold, the anti-smuggling drive has been intensified and the anti-smuggling machinery throughout the country has been geared up. Close co-ordination is being maintained with all the agencies concerned

with the detection and prevention of smuggling. Sophisticated equipment like X-ray machines and metal detectors are being increasingly used

#### British Assistance for Indian Projects

1644. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news item appearing in the Hindustan Times dated 13 July, 1988 to the effect that the UK Government had found that there were not enough Indian projects to fund even though money was available ;

(b) if so, the details thereof; and

(c) the total financial assistance for various projects presented to UK at World Bank organised Aid India Consortium meeting and the UK's response thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) :

(a) Yes, Sir.

(b) British assistance to India is available on government to government basis for financing the import of goods and services of UK origin for developmental projects, the local costs of import associated and poverty alleviation projects and the cost of training and consultancy. There is a paucity of industrial and infrastructural projects for coverage under tied grant and the Aid and Trade Provisions (ATP) window. Various reasons for this are indigenous capability in a specific sector, uncompetitiveness of the British bids shift in British policy from 100% financing of the off-shore cost to financing of the part of the off-shore cost only (30%) under ATP grant and the balance under ECGD supported credit).

(c) During the Aid India Consortium meeting held in June 1988 UK Government have indicated a total aid commitment amounting to £276 million for 1988-89, on the basis of expected expenditure on the projects in pipeline and project possibilities during the year. No Projects are presented at the Consortium meeting.

#### Smuggling of Narcotic Drugs and other Contraband

1645. DR. A.K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether smuggling of narcotic drugs and other contraband is taking place on a large scale; if so, the facts thereof; and

(b) the value of the contraband and narcotic drugs smuggled in the country during each of the last three years and the current year so far; specially *via* Kutch and the remaining border of Gujarat separately ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Smuggling, being a clandestine activity, factual information in respect of its proportion, whether it is on a large scale or otherwise, is not available. However it is a fact that India, in view of its geographical location, is increasingly facing the problem of transit traffic in drugs. The various enforcement agencies remain alert to check smuggling of drugs and other contraband.

The quantities of different drugs seized during the last three years and in the current year (upto 30.6.1988) are given below. Information available in respect of the drugs seized in Gujarat from 1986 onwards is indicated within brackets :

Name of drug	Quantity seized (in kgs.)			
	1985	1986	1987	1988 (upto June)
1	2	3	4	5
Opium	6,840	8,789 (235)	2,929 (22)	1,372 (7)

1	2	3	4	5
Morphine	125	207 (1)	115 (—)	4 (—)
Heroin	761	2,621 (2)	2,747 (16)	1,708 (25)
Ganja	66,314	60,619 (—)	53,920 (351)	15,469 (267)
Hashish	10,212	18,909 (243)	14,796 (28)	12,258 (125)

(Figures for 1988 are provisional and all figures rounded off to the nearest kilogram)

No precise value of the seized drugs can be indicated as this is dependent upon various factors like purity of the drugs, place of seizure/origin, local demand and supply position, etc.

However, the value of other contraband seized during each of the last 3 years and in the current year (upto 31.7.1988) is given below :

Year	Value (in crores) Rs.
1985	172.27
1986	165.10
1987	198.81
1988 (upto 31.7.88)	165.41

#### Balance of Trade

1646. DR. A.K. PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the latest figures of country's trade balance;

(b) whether balance of trade is favourable; and

(c) if not, the reasons therefor and steps being taken to improve the situation ?

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI) : (a) According to the provisional trade statistics, India's balance of trade showed a deficit of Rs. 1335 crores during the first two months of the current financial Year *i.e.* April-May, 1988.

(b) add (c). The reason for the trade deficit is the high level of imports to meet the urgent requirements of essential commodities for domestic consumption and capital goods and components for export production and technological upgradation. The Government have taken a series of initiatives to boost exports and to effect efficient import substitution particularly in respect of bulk imports.

#### Cash Compensatory Support Scheme

1647. SHRIMATI D.K. BHANDARI : Will the Minister of COMMERCE be pleased to state :

(a) the criteria for grant of Compensatory Support;

(b) whether any of the items Covered under Cash compensatory Support Scheme are exported from Sikkim; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P.R.  
DAS MUNSI) : (a) Cash Compensatory Support is provided to compensate the Indian exporters for various disadvantages which are inherent in our present stage of economic development and to make the Indian exports competitive in the world market.

(b) State-wise statistics of exports of individual items covered under the Cash Compensatory Support Scheme are not maintained.

(c) Does not arise.

**Export Oriented Units in Sikkim**

1648. SHRIMATI D.K. BHANDARI : Will the Minister of COMMERCE be pleased to state :

(a) whether certain Export Oriented Units have been set up in the country;

(b) if so, their locations, State-wise;

(c) whether Government propose to set up each units in Sikkim; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R DAS MUNSI) : (a) and (b). Yes, Sir. A statement is given below.

(c) and (d). There is no proposal to establish a 100% Export Oriented Units by the Central Government in Sikkim. The scheme of 100% EOUs offer various incentives and facilities including duty free import of capital goods, raw materials and consumables and a five year tax holiday to entrepreneurs who come forward to establish such units.

**Statement**

*State-wise break-up of valid approvals for 100% Export Oriented Units and units in operation*

State	No. of valid approvals	No of units in operation
1	2	3
1. Andhra Pradesh	179	8
2. Assam	1	1
3. Bihar	14	5
4. Gujarat	46	9
5. Haryana	15	3
6. Himachal Pradesh	3	0
7. Jammu and Kashmir	2	0
8. Karnataka	74	24
9. Kerala	8	1
10. Madhya Pradesh	14	0
11. Maharashtra	90	19
12. Meghalaya	1	0
13. Orissa	11	4

1	2	3
14. Punjab	12	3
15. Rajasthan	9	1
16. Sikkim	1	0
17. Tamil Nadu	92	21
18. Uttar Pradesh	33	7
19. West Bengal	23	7
20. Chandigarh	3	3
21. Delhi	36	2
22. Goa Daman and Diu	13	5
23. Pondicherry	13	1
Total :	693	124

#### Translation of Acts

1649. SHRIMATI D.K. BHANDARI : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government propose to form a Committee for translation and publication of State and Central Acts;

(b) if so, the terms of reference of the said Committee;

(c) what has purported the move of translation and publication of State and Central Acts;

(d) the amount and time schedule expected to be borne for this work;

(e) whether Government also propose to have translation of Central Acts by the experts of State Law Departments; and

(f) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) No, Sir.

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

(e) and (f). At present, the Central Government is getting the Central Acts translated into languages (other than Hindi) specified in the Eighth Schedule to the Constitution by the concerned state Governments for the purpose of their publication under the Authoritative Texts (Central Laws) Act, 1973. The cost of translation and printing is borne by the Central Government. Government does not propose to make any change in this practice.

#### Export of Yarn, Fabrics etc. to Malaysia

1650. SHRIMATI D.K. BHANDARI : Will the Minister of TEXTILES be pleased to state :

(a) whether there is a great export potential of yarn fabrics *viz*; cotton and cotton blended etc. in Malaysia? and

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

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). As Malaysia has a well developed textile industry of its own and is itself an exporter of yarn and fabrics, there is only limited scope of increasing India's exports to that country.

[*Translation*]

**Members of Stock Exchanges**

1651. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government has taken a decision to make commercial banks, financial institutions and insurance companies of the country as members of the Stock Exchanges;

(b) if so, the number of such institutions approved by Government and the criteria laid down in regard to the role to be played by these institutions in the Stock Exchanges;

(c) whether Government have obtained the consent of office bearers and brokers of the Stock Exchanges of the country in this regard;

(d) whether it will have adverse effect on small investors and capital market of the country; and

(e) if so, the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Government have amended in July, 1987 the Securities Contracts (Regulation) Rules, 1957 to make a company eligible to be elected as a member of a Stock Exchange subject to certain conditions. The amended Rules also provide for the admission of the IFCI, IDBI, LIC, GIC, UTI, ICICI, the subsidiaries of these institutions, and any subsidiary of the SBI or any nationalised bank set up for providing merchant banking services, buying and selling securities and other similar activities, subject to the recommendation of the Government to the Governing Body of a Stock Exchange.

(b) Government have recommended admission of one subsidiary each of four banks as members of Stock Exchanges. No formal criteria have been laid down with regard to the role to be played by these subsidiaries as members of the Stock Exchanges.

(c) Government have amended the Securities Contracts (Regulation) Rules, 1957 as above after taking into account objections and suggestions from the public.

(d) None of the subsidiaries of banks referred to at (b) above have been admitted so far by the Stock Exchanges as their members.

(e) Does not arise in view of answer to (d) above.

[*English*]

**Amount Recovered from Export Duty on Pepper**

1652. SHRI K.P. UNNIKRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the international prices of pepper have shown a declining trend since 1987 and if so, the reasons therefor;

(b) whether an export duty of Rs. 5 per Kg. is being levied on pepper since 1986;

(c) the total amount recovered from this duty for the year 1986-87 and 1987-88; and

(d) what percentage the export duty component would work out to the average export prices of pepper in 1986-87 and 1987-88 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) There has been a decline in the international prices of pepper since March, 1988. Reasons for the decline in prices *inter alia* could be better supply position in the producing countries during 1988 as compared to 1987.

(b) Yes, Sir.

(c) Based on figures for export of pepper during 1986-87 and 1987-88, the duty collected during the 2 years has been estimated at Rs. 18.43 crores and Rs. 19.63 crores respectively.

(d) A statement is given below.



## Statement

*F.O.B. Price of Black Pepper (whole) Exported from India and the percentage of duty Component on the Average Export Price*

Month	1986-87		1987-88	
April	48.72	(6.16)	62.94	(7.94)
May	49.21	(6.10)	61.30	(8.16)
June	49.43	(6.07)	61.08	(8.19)
July	45.86	(6.54)	60.72	(8.23)
August	53.13	(5.65)	64.06	(7.81)
September	55.77	(5.38)	61.92	(8.07)
October	55.41	(5.41)	61.79	(8.09)
November	56.09	(5.35)	63.83	(7.83)
December	54.47	(9.18)	58.70	(8.52)
January	62.06	(8.06)	57.38	(8.17)
February	61.40	(8.14)	56.22	(8.89)
March	64.14	(7.80)	51.42	(9.72)

Figures given in brackets indicate the impact of export duty on FOB in terms of percentage for April 86 to Nov. 86, duty at the rate of Rs. 3 per kg. and December 1986 onwards Rs. 5 per kg. has been taken into consideration for the Calculation.

**IDBI Assistance for Modernisation of NTC Mills**

1653. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal for restructuring and modernisation of the N.T.C. mills;

(b) if so, the details thereof;

(c) whether the Corporation has sought the assistance of the Industrial Development Bank of India (IDBI) for modernisation of some of its mills; and

(d) if so, funds already sanctioned by the IDBI for the purpose ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). A proposal for restructuring/amalgamation and modernisation of various unviable mills of NTC is still in its preliminary stage of discussions at various levels.

(c) Yes, Sir.

(d) The funds already sanctioned by IDBI for modernisation of NTC Mills are Rs. 18 crores (Approx.)

**Subsidy on Controlled Cloth**

1654. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of controlled cloth produced by the National Textile Corporation during 1987-88 and 1988-89;

(b) whether the offtake of controlled cloth by the State federation is very little;

(c) if so, the reasons therefor;

(d) the amount of subsidy presently allowed on this item; and

(e) whether Union Government propose to raise the subsidy on controlled cloth ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The total quantity of controlled cloth produced by NTC during the years 1987-88 and 1988-89 (April-June, 1988) is given below :

Year	In million sq. mtrs.
1987-88	107.5
1988-89	40.7
(April-June, '88	

(b) and (c). The major factor accounting for decline in the off-take of controlled cloth during 1987-88 is the lack of financial resources of the State Marketing Federations, which by the controlled cloth from NCCF/NTC.

(d) The present rates of subsidy on controlled cloth are as under :

*Cotton controlled cloth*

Dhoti and Saree	Rs. 2.00 per sq. mtr.
Long cloth	Rs. 1.50 -do-
Controlled P.C. Shirting	Rs. 2.50 per mtr. (ad hoc)

(e) There is, at present no decision to increase the rate of subsidy on controlled cloth.

[*Translation*]

*Efforts to Melt Himalayan Glacier*

1655. SHRI VILAS MUTTEMWAR :  
SHRI SARFARAZ AHMAD :  
SHRIMATI KISHORI SINHA :

Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Indian scientists are making efforts to melt the Himalayan glacier to make up the low water level of the rivers;

(b) if so, whether it has been ensured before doing this that the water obtained from this procedure will be fit for use and it will not create any environmental or other problem; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Efforts are being made to undertake R and D activities in the field of seasonal snow melt so as to judge its operational ability and evolve packages of contingency plans of action in case of acute shortage of water in regions depending on snow melt. The studies will be limited to accelerating the rate of melting of Seasonal snow; which, in any case, is to melt by the end of June/July, and are not for melting Himalayan glaciers.

(b) and (c). The studies have not proceeded beyond conceptualisation and the assessment of environmental impacts forms part of the studies.

[*English*]

*Income Declared Under the Amnesty Scheme 1985-87*

1656. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the incomes declared under the Amnesty Scheme of 1985-87 such as non-genuine loans, purchases, commission payment etc., could be easily spotted by routine checks in a normal assessment or noticed by routine cross verification, and only part of the evaded income generated by the summary assessment scheme has been offered under this Amnesty Scheme; and

(b) if so, whether any other alternative has been devised and if not, the reasons for continuing with the Amnesty Scheme, 1985-87 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The very purpose of the amnesty scheme, 1985-87 was to afford an opportunity to assesseees who had concealed income through various modes and for a variety of reasons to come forward and declare such concealed income without penal consequences, during the period covered by it. The scheme ended on 1.4.1987 and is not, therefore, in operation at present.

**Maintenance of Statutory Liquidity Ratio by Nationalised Banks**

1657. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) the names of nationalised banks, if any, which were unable to maintain the statutory liquidity ratio prescribed by the Reserve Bank of India for the last three years;

(b) whether these banks are required to pay heavy fine to the Reserve bank of India for failure to maintain the statutory liquidity ratio;

(c) if so, the amounts paid on this account by each of the nationalised banks during the last three years, year-wise; and

(d) the steps being taken to ensure the compliance of RBI's guidelines by these banks ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). According to the information available from Reserve Bank of India, out of 20 nationalised banks, the number of banks which defaulted in maintaining the required percentage of Statutory Liquidity Ratio (SLR) during the year 1985, 1986 and 1987 was 19, 17 and 5 respectively. With effect from March 29, 1985, penalty was prescribed for shortfalls in the maintenance of Statutory Liquidity Ratio by banks. The penal interest in the amount of daily shortfall is 3 per cent and 5 per cent above bank rate depending upon the duration of default. The banks were granted waiver of penalty

on their SLR shortfalls upto 13th September, 1985. From 14th September, 1985 to 31st December, 1987 the defaulting banks were required to pay penal interest to the extent of Rs. 29.18 crores.

Banks have been advised to give overriding priority for maintenance of reserve requirements. Reserve Bank of India has further indicated that it would not be desirable to disclose the names of banks, which failed to maintain the S.L.R., and the penalty imposed on them.

**FERA Violations by Tata Group of Industries**

1658. SHRI K.P. UNNIKRISHNAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Enforcement Directorate had investigated and completed investigations of some industries with predominant interests of Tata Group of Industries set up abroad, with a view to circumvent the provisions of Foreign Exchange Regulation Act (FERA);

(b) whether results of the investigation revealed FERA violations to the tune of Rupees one hundred crore or more;

(c) whether it was decided to proceed against certain executives including Directors of these companies;

(d) whether subsequently these steps have been withdrawn and compromise was reached; and

(e) details of the compromise worked out ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (e). The investigations have been completed. The facts disclosed that a company called 'M/s. Asian Resort and Restaurant Associates Ltd. (ARRA)' was incorporated in Hongkong on 5.7.1974. ARRA was in the business of rendering management consultancy and technical services to various companies that own hotels and restaurants. M/s. Indian Hotel Company Ltd. (IHCL) had rendered management and consultancy

services to ARRA. On 19.12.1986, IHCL approached the Government of India seeking approval, in principle, to a proposal to acquire either by themselves or through their 100% subsidiary the whole of ARRA's total paid-up capital. On 20.12.86, the Directorate of Enforcement recommended that Government may consider favourably the request of M/s. IHCL on the consideration that this would result in transfer of effective control of ARRA to IHCL and ensure continuous flow of foreign exchange through dividends, etc. Based on this recommendation and examination on various alternatives to ensure adequate control and repatriation of profits, Government have since approved a proposal of M/s. Indian Hotel Company Ltd. (IHCL) for acquisition of majority shares of ARRA through Tata subsidiaries and for IHCL's revised agreement with ARRA for rendering consultancy and technical services. The arrangements visualise continuous monitoring in respect of inward remittances of foreign exchange receivables of the concerned entities.

**Scheme of Draws in Post Office Savings Bank Accounts**

1659. SHRI SWAMI PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the scheme of draws held half yearly on savings in Post Office Savings Bank accounts has been withdrawn;

(b) if so, the reasons therefor;

(c) whether Government propose to launch such other schemes through post offices to attract small investors;

(d) if so, the details thereof; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The scheme of draws held half yearly on savings in Post Office Savings Accounts has been discontinued as it was not cost effective.

(c) to (e). Small Savings Schemes are kept under constant review for making im-

provements in existing schemes and to introduce new schemes to attract small investors. Post Office Monthly Income Account Scheme was introduced on 15.8.87 and Kisan Vikas Patra on 1.4.1988.

**Diesel for Captive Power Generation for Export-Oriented Units**

1660. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the problem faced by export-oriented units (EOU) in procurement of diesel for captive power generation;

(b) if so, the steps taken or proposed to be taken to help the export-oriented units to overcome this problem; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Realising the problems faced by export oriented production units in securing assured availability of electricity, a scheme has recently been notified providing for supply of diesel oil at special prices comparable to international prices to eligible production units exporting 25% or more of their production and which are utilising captive power generating sets. The production of exports is to be assessed on the basis of FOB value of exports divided by the ex-factory value of total production as defined in para 185 (2) of the Import and Export Policy of April 1988/March 1991. The eligible units are required to register themselves with concerned JCCI and E office who will authorise the concerned oil company to directly re-imburse the exporter to the extent of difference between the market price actually paid and such concessional price as notified by Ministry of Petroleum and Natural Gas for the relevant financial year.

12.00 hrs.

[English]

(Interruptions)

MR. SPEAKER : One by one. Please do not shout.

(Interruptions)

MR. SPEAKER : Please listen. What are you doing ?

*(Interruptions)*

MR. SPEAKER : I have called upon Mamtaji. I have asked her to speak. Please listen.

KUMARI MAMTA BANERJEE (Jadavpur) : Two youth Congress (I) boys were killed yesterday by police firing in Bengal.

*(Interruptions)*

MR. SPEAKER : It is a State subject. No discussion here.

*(Interruptions)*

MR. SPEAKER : State Assembly is the forum, not here.

*(Interruptions)*

SHRI SURESH KURUP (Kottayam) : Sir, the Central Government has reduced the quota of rice allotted to Kerala for distribution to...

MR. SPEAKER : You give it to me. He has already assured...

*(Interruptions)*

SHRI SURESH KURUP : The Onam festival is approaching. It has been the practice to increase the allotment during this season, not to reduce it. They have not given any specific assurance.

MR. SPEAKER : I will ask them. I will see.

DR. DATTA SAMANT (Bombay South Central) : The Metropolitan magistrate of Delhi has held...

MR. SPEAKER : Not allowed.

*(Interruptions)\*\**

MR. SPEAKER : Not allowed. Judiciary is independent. I cannot do anything.

*(Interruptions)\*\**

MR. SPEAKER : Not allowed. Mr. Datta Samant, you know, it is up to the Magistrate.

*(Interruptions)*

MR. SPEAKER : Do you want to give a contempt notice against the Magistrate ?

*(Interruptions)*

MR. SPEAKER : Order, order, Nothing doing.

*(Interruptions)\*\**

[*Translation*]

SHRI C.P. THAKUR (Patna) : Mr. Speaker, Sir, the people in thousands have died of Kala-azar in Bihar and no medicine is available there... *(Interruptions)*.

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Speaker, Sir, the people in thousands have died of Kala-azar in Bihar and no Medicine is available there.

[*English*]

MR. SPEAKER : I will do it.

*(Interruptions)*

MR. SPEAKER : Why are you shouting ? I have not allowed this gentleman.

*(Interruptions)\*\**

MR. SPEAKER : Why are you shouting young man ? Order, order.

*(Interruptions)*

MR. SPEAKER : The question is, law is for all, even if he is a Minister or anybody else. Law must take its own course. I cannot do it.

*(Interruptions)*

MR. SPEAKER : Nothing goes on record. I have not allowed anybody.

(Interruptions)\*\*

SHRI SAIFUDDIN CHOWDHARY :  
Will you listen to me, Sir ?

MR. SPEAKER : I have listened and I have told you. .

SHRI SAIFUDDIN CHOWDHARY  
(Katwa) : You have not listened to me.

MR. SPEAKER : I have listened and I have said that law is for all. Nobody is immune.

SHRI SAIFUDDIN CHOWDHARY :  
This is the allegation made by Congress (I) leaders in Bengal.

MR. SPEAKER : Nobody is immune.

SHRI SAIFUDDIN CHOWDHARY :  
It has come out in the newspaper.  
(Interruptions)

Why can't you call these two people. . .

(Interruptions)

MR. SPEAKER : Please take your seats.

SHRI HANNAN MOLLAH (Ulubelia) :  
Central Ministers are going to creat choas there.

SHRI SAIFUDDIN CHOWDHARY :  
Are you going to allow this ?

SHRI HANNAN MOLLAH : It is a very serious situation. (Interruptions)

SHRI BASUDEB ACHARIA (Bankura) :  
What is your observation Sir ?

MR. SPEAKER : My observation is this. Even if he is a Minister or anybody else, law is for all. Nobody can escape. Law will take its own course.

(Interruptions)

PROF. MADHU DANDAVATE  
(Rajapur) : Sir, you have called me. I have given a notice under Rule 357 for personal explanation.

MR. SPEAKER : Yes, I have called you for your personal explanation. I have allowed you.

(Interruptions)

[Translation]

SHRI C. P. THAKUR : Kala-azar has has broken out in Bihar.

MR. SPEAKER : I have already said that I will do it.

[English]

SHRI T. BASHEER (Chirayinkil) :  
What about the discussion on the railway accident ? (Interruptions)

[Translation]

MR. SPEAKER : What is the use of making a noise ?

[English]

I have already admitted that. I do not know why you people shout all the time when we have got everything in order, We have admitted the motjon.

SHRI T. BASHEER : Two weeks have already passed.

MR. SPEAKER : I have already admitted the motion and it is going to be decided by the Business Advisory Committee on Monday morning.

SHRI T. BASHEER : Then it will come only in the next week.

MR. SPEAKER : I cannot say anything I have admitted it and my job is done.

SHRI T. BASHEER : Sir, this is a very important matter.

MR. SPEAKER : That is why, I have admitted it.

SHRI MULLAPPALLY RAMA-  
CHANDRAN (Cannanore) : The members of the Committee are not concerned about that tragedy.

[Translation]

SHRI ABDUL HANNAN ANSARI  
(Madhubani) : Kala-azar has broken out in Bihar.

MR. SPEAKER : For how many times you will repeat it.

[English]

I have already said. You could have come to me. There is no fun in raising it here again and again.

[Translation]

SHRI RAM BHAGAT PASWAN  
(Rosera) : Kindly allow it under rule 193.

12.07 hrs.

PERSONAL EXPLANATION BY  
MEMBER

[English]

PROF. MADHU DANDAVATE  
(Rajapur) : I am thankful to you for allowing me under Rule 357 to give a personal explanation.

Sir, the day before yesterday, the Prime Minister while replying to some question that was posed by an hon. member said, "Unfortunately, some of the members of the Opposition have written a letter to me asking and seeking to support even those who are involved in secessionist activities." I demanded that the letter should not be quoted merely, but it should be laid on the Table of the House. I am thankful to the Minister for Parliamentary Affairs for placing our letter and also the reply given by the Prime Minister on the Table of the House. Since this is an issue in which our patriotism is questioned, I would like to clarify the issue by way of a personal explanation not only on my behalf but on behalf of those also who sided with me.

I may clarify that *Ajit* is a journal known for its anti-secessionist and anti-Khalistan attitude. As far as this journal is concerned, it is run by 'Ajit Trust'.

These people are nationalists. Sardar Dilbaksh Singh, Ex-MLA and Vice president of the Punjab Pradesh Congress (I) is the Chairman of this Trust. The issue is only this. I also want to tell you something which has not appeared here. Some terrorists entered the office of the Journal and told them that the 'Bhog Ceremony' advertisement had to be published. That commercial advertisement was published. After that, a sedition case has been filed against the editor of this Journal. All parties, including the Left Parties in the Punjab and we here actually demanded that though we did not agree with the contents of that advertisement published by a Journal which is nationalist, published by a Trust which is headed by a Congressman, action should not be taken against that Journal. Again, a member of the Rajya Sabha who is also a Congress (I) member also demanded that such stern action should not be taken. The Punjab Government has registered a sedition case against the editor whose nationalist bona fides are acceptable. Dr. Dhillon is a member of this House. You can find out from him whether the nationalist bona fides of this editor are in doubt at all. Because we wrote this letter, we have been told that we have no sense of responsibility.

Sir, it is thoroughly wrong. I want to place . . . (Interruptions)

THE MINISTER OF HOME AFFAIRS  
(S. BUTA SINGH) : He is discussing the issue. Is this a personal explanation ?

PROF. MADHU DANDAVATE : I am doing it with the permission of the Speaker.

S. BUTA SINGH : I am also addressing the Speaker. I am asking the Chair.

MR. SPEAKER : No debate is allowed.

S. BUTA SINGH : He is discussing the merits of the case.

MR. SPEAKER : He is right. The objection is upheld.

(Interruptions)

**PROF. MADHU DANDAVATE :** So my personal assurance to this House is that we stand against terrorism, we stand against Khalistan, we stand for unity of India and our letter should not be misinterpreted in the manner in which the Prime Minister has done. It is most irresponsible.

**S. BUTA SINGH :** Kindly give me a chance. In the name of personal explanation Shri Madhu Dandavateji has discussed the merits. Nobody doubts their patriotism. *(Interruptions)*

**MR. SPEAKER :** No debate.

*(Interruptions)*

**S. BUTA SINGH :** Nobody doubts the patriotism either of the Leaders of the Opposition of the Managing Editor of the paper. But Sir, he must say something about the contents of the advertisement. Why does not he say that? *(Interruptions)*

**SHRI SURESH KURUP (Kottayam) :** What about the discussion on Railway accident?

**MR. SPEAKER :** It is coming up before the Business Advisory Committee on Monday morning.

12.12 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

#### PAPERS LAID ON THE TABLE

[*English*]

#### Spices Cess Rules, 1988

**THE MINISTER OF COMMERCE (SHRI DINESH SINGH) :** I beg to lay on the Table : A copy of the Spices Cess Rules, 1988 (Hindi and English Versions) published in Notification No. G.S.R. 696 (E) in Gazette of India dated the 10th June, 1988 Under sub-section (3) of section 5 of the Spices Cess Act, 1986. [Placed in Library. See No. LT-635/88]

#### Notification under Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987

**THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) :** I beg to lay on the Table :

- (1) A copy of Notification No. S.O. 630 (E) (Hindi and English versions) published in Gazette of India dated the 30th June, 1988 containing Order directing that commodities specified in the Schedule shall be packed in jute packaging material, for supply or distribution, in such minimum percentage as specified in the said schedule, under sub-section (2) of section 3 of the Jute Packaging Materials (Compulsory Use in the Packing Commodities) Act, 1987.
- (2) A copy of Notification No. S.O. 631 (E) (Hindi and English versions) published in Gazette of India dated the 30th June, 1988 containing Order that from 1st July, 1988 the tiny and mini cement plants having installed capacity upto 100 Metric Tonnes per day shall be exempted from the operation of the order and the cement plant located beyond 1200 Kilometers from Calcutta shall pack 65 per cent of their production of cement in jute packaging material instead of 70 per cent as envisaged in the order under Sub-section (2) of section 16 of the Jute Packaging Materials (Compulsory use in packing Commodities) Act, 1987.

[Placed in Library. See No. LT-6351/88]

#### Notifications under Gold (Control) Act, 1968 Income Tax Act, 1961 and Customs Act, 1962 etc.

**THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) :** I beg to lay on the Table :

- (1) A copy of the Notification No. S.O. 550 (E) (Hindi and English versions) published in Gazette of India dated the 8th



June, 1988 together with an explanatory memorandum authorising Bharat Gold Mines Limited, to sell, deliver, transfer or otherwise dispose of, any primary gold in the form of standard gold bars to the licensed dealers through the branches of the State Bank of India at Delhi, Bombay, Calcutta and Madras, under sub-section (1) of section 115 of the Gold (Control) Act, 1968.

[Placed in Library. See No. LT-6352/88]

- (2) A copy of Income-tax (Second Amendment) Rules, 1988 (Hindi and English versions) published in Notification No. S.O. 534 (E) in Gazette of India dated the 31st May, 1988 under section 296 of the Income-tax Act, 1961.

[Placed in Library. See No. LT-6353/88]

- (3) A copy of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

(i) G.S.R. 662 (E) published in Gazette of India dated the 31st May, 1988 together with an explanatory memorandum notifying 39 items of the provisions of sub-section 1 (A) of Section 75 of the Customs Act, 1962, so that these items when used for export production can be taken as wholly imported for determining the Duty Drawback Rates effective from 1st June, 1988.

(ii) G.S.R. 671 (E) published in Gazette of India dated the 1st June, 1988 together with an explanatory memorandum prescribing a concessional rate of basic customs duty of five per cent ad valorem on carpet grade raw wool of average fibre diameter 36 microns and above.

(iii) G.S.R. 672 (E) published in Gazette of India dated the

1st June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 159/88-Customs dated the 13th May, 1988 so as to exempt carpet grade raw wool from the levy of auxiliary duty.

(iv) G.S.R. 704 (E) published in Gazette of India dated the 16th June, 1988 together with an explanatory memorandum extending the validity of the Notification No. 2-Customs dated the 1st January, 1979. No. 255/86-Customs dated the 17th April, 1986 No. 480/46-Customs to 482/86-Customs dated the 4th December, 1986 upto 31st March, 1989.

(v) G.S.R. 705 (E) published in Gazette of India dated the 16th June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 151/77-Customs dated the 15th July, 1977 so as to delete steel powders from its scope.

(vi) G.S.R. 706 (E) published in Gazette of India dated the 16th June, 1988 together with an explanatory memorandum extending the validity of the Notification No. 474/86-Customs, dated the 28th November, 1986 upto 30th June, 1989.

(vii) G.S.R. 707 (E) published in Gazette of India dated the 16th June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 88/87-Customs, dated the 1st March, 1987 so as to increase the basic customs duty on Polytetrafluorethylene (P.T.F.E.) from 100 per cent ad valorem to 125 per cent ad valorem.

- (viii) G.S.R. 719 (E) published in Gazette of India dated the 21st June, 1988 together with an explanatory memorandum extending the validity of Notification No. 277/87-Customs dated the 13th July, 1987 upto the 31st December 1988.
- (ix) G.S.R. 738 (E) published in Gazette of India dated the 27th June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 208/Customs, dated the 1st October, 1977 so as to relax the condition of opening of an irrevocable letter of credit before considering the Drawback facility for export to Nepal, where the goods are supplied to projects financed by any United Nations Agency or the International Development Association or the Asian Development Association or the Asian Development Bank or any other multilateral agency of the like nature.
- (x) G.S.R. 740 (E) published in Gazette of India dated the 28th June, 1988 together with an explanatory memorandum extending the validity of Notification No. 111/84-Customs, dated the 21st April, 1984 upto 30th September, 1988.
- (xi) G.S.R. 741 (E) published in Gazette of India dated the 28th June, 1988 together with an explanatory memorandum extending the validity of the Notification No. 234/86-Customs, dated the 3rd April, 1986 upto 31st December, 1988.
- (xii) G.S.R. 757 (E) published in Gazette of India dated the 30th June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 45/79-Customs, dated the 1st March, 1979 so as to exempt basic customs duty on bulk drug Amikacin Sulphate when imported for manufacture of life serving drugs and medicines and also to delete two redundant entries from the said Notification.
- (xiii) G.S.R. 758 (E) published in Gazette of India dated the 30th June, 1988 together with an explanatory memorandum seeking to exempt basic customs duty on two specified bulk drugs namely carbenicillin disodium and lincomycin hydrochloride when imported for manufacture of life saving drugs namely carbenicillin injection and lincomycin hydrochloride capsules and injection.
- (xiv) G.S.R. 759 (E) published in Gazette of India dated the 30th June, 1988 together with an explanatory memorandum exempting auxiliary duty on the two bulk drugs covered by Notification 213/88-Customs dated the 30th June, 1988.
- [Placed in Library. See No. LT-6354/88]
- (4) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excises and Salt Act, 1988 :
- (i) G.S.R. 633 (E) published in Gazette of India dated the 20th May, 1988 together with an explanatory memorandum superseding Notification No. 90/86-Central Excises dated 1st March, 1988 so as to exempt certain specified products of iron and Steel, manufactured out of

duty paid bars and rods from whole of the duty of excise leviable thereon.

- (ii) G.S.R. 634 (E) published in Gazette of India dated the 20th May, 1988 together with an explanatory memorandum making certain amendments to Notification No. 150/86-Central Excises, dated the 1st March, 1986 so as to increase the Excise duty on wire-rods of aluminium whether or not in coils from 13 per cent to 18 per cent ad valorem.
- (iii) G.S.R. 635 (E) published in Gazette of India dated the 20th May, 1988 together with an explanatory memorandum prescribing effective rates of excise duty leviable on various types of aluminium products such as wire-rods wires, profiles, circles, plates, sheet, strips, scrap and flakes.
- (iv) The Central Excise (Second Amendment) Rules, 1988 published in Notification No. G.S.R. 645 (E) in Gazette of India dated the 24th May, 1988.
- (v) G.S.R. 669 (E) published in Gazette of India dated the 1st June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 197/87-Central Excises, dated the 28th August, 1987 so as to provide exemption from excise duty for specified goods manufactured in Central Government factories and intended for use by the Central Government.
- (vi) G.S.R. 670 (E) published in Gazette of India dated the 1st June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 84/87-Central Excises, dated the 1st March, 1987 so as to notify synthetic staple fibres and two, including tops thereof and artificial staple fibres and two under rule 56A of the Central Excises Rules with a view to facilitating availment of credit of duty paid on the raw materials used in their manufacture.
- (vii) G.S.R. 673 (E) published in Gazette of India dated the 1st June, 1988 together with an explanatory memorandum exempting metallised aluminium paper falling with in Chapter 48 of the Central Excise Tariff from so much of the duty of excise leviable thereon as in excess of the amount calculated at the rate of 15 per cent ad valorem.
- (viii) G.S.R. 674 (E) published in Gazette of India dated the 1st June, 1988 together with an explanatory memorandum seeking to prescribe excise duty of 10 per cent on the specified hand tools falling within Chapter 82 of the Central Excise Tariff.
- (ix) G.S.R. 718 (E) published in Gazette of India dated the 21st June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 202/88-Central Excises, dated the 20th May, 1988 so as to exempt painted, lacquered or varnished sheets falling under sub-heading 7210.30 or 7212.30 made out of duty paid sheets, including tinned sheets from payment of excise duty.
- (x) G.S.R. 721 (E) published in Gazette of India dated the 22nd June, 1988 together

with an explanatory memorandum making certain amendments to Notification No. 119/86 Central Excises, dated the 1st March, 1986 so as to provide excise duty exemption in respect of phosphoric acid used in the manufacture of fertiliser where such use is elsewhere than in the factory of production of phosphoric acid.

- (xi) G.S.R. 722 (E) published in Gazette of India dated the 22nd June, 1988 together with an explanatory memorandum amending Notification No. 81/75-Central Excises, dated the 22nd March, 1975 so as to provide exemption to sulphuric acid used in the manufacture of any goods defined as fertiliser in the Fertiliser (Control) Order, 1985, irrespective of the fact whether such goods are classified as fertiliser or not in the Central Excise Tariff.
- (xii) G.S.R. 723 (E) published in Gazette of India dated the 22nd June, 1988 together with an explanatory memorandum seeking to exempt Amonium Chloride and Manganese Sulphate of fertiliser grade from the whole duty of Excise.
- (xiii) G.S.R. 739 (E) published in Gazette of India dated the 28th June, 1988 together with an explanatory memorandum making certain amendments to Notification No. 133/86-Central Excises, dated the 1st March 1986 so as to extend for a further period of six months, the concessional rate of excise duty in respect of certain specified resins and plastics.
- (xiv) The Central Excise (Third Amendment) Rules, 1988 (English and Hindi versions)

published in Notification No. G.S.R. 768 (E) in Gazette of India dated the 1st July, 1988.

[Placed in Library. See No. LT-6355/88]

Notifications under Government Savings Bank Act, 1973 and Banking Regulation Act, 1949 and Statement indicating the results of market loan floated in May and July, 1985

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : I beg to lay on the Table :

- (1) A copy of the Post Office (Monthly Income Account) (Amendment) Rules, 1988 (Hindi and English versions) published in Notification No. G.S.R. 805 (E) in Gazette of India dated the 21st July, 1988, under sub-section (3) of section 15 of the Government Savings Bank Act, 1873.

[Placed in Library. See No. LT-6356/88]

- (2) A copy of Notification No. S.O. 480 (E) (Hindi and English versions) published in Gazette of India dated the 12th May, 1988 specifying the date of amalgamation of the Traders Bank Limited, New Delhi with Bank of Baroda, together with scheme of amalgamation published in Notification No. S.O. 381 (E) in Gazette of India dated the 12th May, 1988 under sub-section (11) of section 45 of the Banking Regulation Act, 1949.

[Placed in Library. See No. LT-6357/88]

- (3) A statement (Hindi and English versions) indicating the results of market loan floated in May and July, 1988.

[Placed in Library. See No. LL-6358/88]

Statements showing action taken by Government on various assurances, promises and undertakings given by Ministers during various sessions of Lok Sabha

THE DEPUTY MINISTER IN THE MINISTRY OF SURFACE TRANSPORT AND DEPUTY MINISTER IN THE MINISTRY OF PARLIAMENTARY

AFFAIRS (SHRI P. NAMGYAL) : On behalf of Shrimati Sheila Dikshit, I beg to lay on the Table the following statements (Hindi and English versions) showing action taken by the Government on various assurances, promises and undertakings given by the Ministers during the various sessions of Lok Sabha :

- |   |   |                   |
|---|---|-------------------|
| (i) Statement No. XXI—Fourteenth Session 1984<br>[Placed in Library. See No. LT-6359/88]          | } | Seventh Lok Sabha |
| (ii) Statement No. XVIII—Fourth Session, 1985<br>[Placed in Library. See No. LT-6360/88]          |   |                   |
| (iii) Statement No. VI—Fifth Session, 1986<br>[Placed in Library. See No. LT-6361/88]             |   |                   |
| (iv) Statement No. XIII—Sixth Session, 1986<br>[Placed in Library. See No. LT-6362/88]            |   |                   |
| (v) Statement No. XI—Seventh Session, 1986<br>[Placed in Library. See No. LT-6363/88]             | } | Eighth Lok Sabha  |
| (vi) Statement No. X—Eighth Session, 1987<br>[Placed in Library. See No. LT-6364/88]              |   |                   |
| (vii) Statement No. VI-II part of Eighth Session, 1987<br>[Placed in Library. See No. LT-6365/88] |   |                   |
| (viii) Statement No. V—Ninth Session, 1987<br>[Placed in Library. See No. LT-6366/88]             |   |                   |
| (ix) Statement No. III—Tenth Session, 1988<br>[Placed in Library. See No. LT-6367/88]             |   |                   |

12.14 hrs.

#### MESSAGE FROM RAJYA SABHA

[English]

SECRETARY GENERAL : Sir, I have to report the following message received from the Secretary General of Rajya Sabha :

'I am directed to inform the Lok Sabha that the Rajya Sabha, at its

sitting held on the 3rd August, 1988 adopted the following motion in regard to the Indian Medical Council (Amendment) Bill, 1987 :

“That this House recommends to the Lok Sabha do appoint a Member of the Lok Sabha to the Joint Committee of the Houses on the Indian Medical Council (Amendment) Bill, 1987, in the vacancy caused by the resignation of

Shri P.V. Narasimha Rao from the membership of the Joint Committee and communicate to this House the name of the member so appointed by the Lok Sabha to the said Joint Committee."

I am to request that the concurrence of the Lok Sabha in the said motion and also the name of the member of the Lok Sabha appointed to the Joint Committee may be communicated to this House.

12.15 hrs.

### BUSINESS OF THE HOUSE

[English]

THE DEPUTY MINISTER IN THE MINISTRY OF SURFACE TRANSPORT AND DEPUTY MINISTER IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. NAMGYAL) : With your permission, Sir, on behalf of Shri H.K.L. Bhagat I rise to announce that Government Business in this House during the week commencing Monday, the 8th August, 1988, will consist of :

- (1) The Minister of Agriculture to reply on the discussion under Rule 193 regarding devastating floods in various parts of the country resulting in immense loss of life and property and the relief measures taken by the Government.
- (2) Consideration of any item of Government Business carried over from today's Order Paper.
- (3) Discussion and voting on :
  - (a) Demands for Grants (Punjab) for 1988-89.
  - (b) Demands for Grants (Tamil Nadu) for 1988-89.
- (4) Consideration and passing of :
  - (a) The Water (Prevention and Control of Pollution) Amendment Bill, 1988..

(b) The Motor Vehicles Bill, 1988.

- (5) Further discussion under Rule 193 on the atrocities on Harijans and Adivasis in different parts of the country.

SHRI BALWANT SINGH RAMOO-WALIA (Sangrur) : I request that the following may be included in the next week's agenda :

People of Punjab, Haryana, Himachal and Chandigarh, particularly those from Ludhiana and Jalandhar have to visit Bombay off and on. A direct air service from Chandigarh to Bombay, and Ludhiana to Bombay be immediately started. It will help boost the development of Punjab and other States.

SHRI RAJ KUMAR RAI (Ghosi) : The Development of Chemicals reflected the intentions to recover the amount overcharged by the drug companies from the consumer in the Drug Policy announced in December 1986, but so far nothing has been done. The estimated amount recoverable from drug companies under various provisions of the Drugs (Prices Control) Order, 1979 is around Rs. 800 crores. What to talk of recovery, the Department has not even collected the information and details for working out the amount due. The Department issued notices to 200 drug companies about four years back, asking them to provide the details in respect to the bulk drug utilized and the overcharging from the poor consumer; but after that, nothing has been done. Of course, some amount has been deposited by the companies as directed by various courts, but under other provisions, the files have not been touched. In the case of two or three drugs, the Department worked out the amount due, which is around Rs. 25 crores; but since last three years, nothing has been collected. As the matter is very serious and public money is involved, I urge the Government to appoint an investigating committee of M.Ps to look into the matter.

[Translation]

SHRI VIRDHI CHANDER JAIN (Barmer) : Not only in Delhi but also in

Ajmer, Barmer, Jaisalmer and in other districts of Rajasthan and in States like Gujarat, Andhra Pradesh, Karnataka, etc. many people are becoming victims of Cholera and Gastroentestine and are also being hospitalised. There is a great shortage of Cholera vaccine and other medicines in States. Therefore, there is an immediate need of sending Cholera vaccine and medicines for gastroentestine to above States by the Central Government. There is also a need to have a discussion on this subject in the Lok Sabha.

[English]

SHRI G.M. BANATWALLA (Ponnani) : There is an unfortunate deterioration in the communal situation, with the outbreak of violence recently in several places in the country. The Central 15-Point Programme for Welfare of Minorities is being ignored. No financial assistance, as contemplated in the said 15-Point Programme for rehabilitation of victims has been extended to victims in Pune, Aurangabad, Bidkin, Paithon and other places. In district Murshidabad, West Bengal, neither have ex-gratia grants been given, nor rehabilitation undertaken. Similarly, points 14 and 15 of the said 15-Point Programme direct that disputes about religious places should be expeditiously resolved; but there is prolonged delay regarding dispute about Babri Masjid at Faizabad, Ayodhya in Uttar Pradesh, leading to increasing unrest. There is need to discuss the communal situation in the country.

[Translation]

DR. PRABHAT KUMAR MISHRA (Janjgir) : Through you, I want to draw the attention of the Government towards the amount of compensation being paid to the land owners for the land being acquired by the public and private industries and also the difficulty being experienced in getting the compensation.

I would urge the Government that displaced persons should be resettled after giving them some land and some money so that cutting down of the forests is reduced and the displaced villagers remain attached to the land and lead an Indian traditional life by remaining engaged in agriculture.

The people of that area should be given training and employed in cottage industries based on agriculture and should be encouraged in that field so that they are able to lead their lives by setting there on permanent basis instead of migrating to the cities.

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Government should formulate a scheme to encourage the farmers to set up cooperative agro-based industries in rural areas and identify regions and industries which will automatically consume farm produce as raw material.

It will increase employment potential for the rural areas directly and indirectly. It requires a very coordinated effort by the various Ministries concerned.

Government should encourage technical education as per the potential and requirement of the State, or the revenue division, so that unemployment problem can be minimized and infrastructure facilities created for strengthening rural industries.

SHRIMATI JAYANTI PATNAIK (Cuttack) : I request that the following may be included in the next week agenda :

A phosphate fertiliser plant has been set up at Paradeep in Orissa with joint collaboration of India and Neuru, with its Registered Office at Bhubaneswar and Head Office at new Delhi. The absence of the Head Office as well as the absence of high ranking officials in the State of Orissa is adversely affecting the day to day work of the plant. Steps should be immediately taken for shifting the Head Office from New Delhi to Bhubaneswar or Cuttack, in the interest of the day-to-day work of the plant.

SHRI C. JANGA REDDY (Hanamkonda) : I request that the following may be included in the next week agenda :

Fine quality coal useful in thermal generation is produced at Bhupal Palli coal mines in Warangal District and suitable site for super-thermal power station at Bhupal

Palli is available. River Godavari is flowing nearly to meet water requirements. Government should select this site for a super thermal power station. Government have one more station of NTPC at Bhupal Palli.

The 6-point formula for rendering justice in matters of services, education and development of Telengana region of Andhra Pradesh State has been promulgated. It does not cover the Public Undertakings of the State. I request the Government to discuss the issue to expand the 6-point formula to State Government undertakings also, otherwise GNLFF type of agitation will come up in Telengana.

**SHRI INDRAJIT GUPTA (Basirhat) :** I request that the following may be included in the next week's agenda :

Today, August 5, 1988, marks the completion of 26 years that Mr. Nelson Mandela has been kept in prison by the racist regime of South Africa. He has become the symbol of his people's heroic and determined struggle for the cause of freedom, human rights, racial equality and the abolition of apartheid—acause which our country has always supported. I request the Government to include in the next week's business "the moving of a resolution on behalf of the House demanding Mr. Mandela's immediate and unconditional release."

**THE DEPUTY MINISTER IN THE MINISTRY OF SURFACE TRANSPORT AND DEPUTY MINISTER IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. NAMGYAL) :** I am grateful to the hon. members for raising points concerned with various issues. As you know, these will be discussed and decided by the Business Advisory Committee, which is meeting shortly. So, I will place all the views expressed by the hon. members before the BAC.

[English]

**MR. DEPUTY SPEAKER:** Item no. 9-Calling Attention.

**SHRI HANNAN MOLLAH (Dhuberia) :** This is a State subject. Wide implications are there. A detailed discussion should be there. *(Interruptions)*

**SHRI BASUDEB ACHARIA (Bankura) :** Only members from the ruling party are there You convert it into 193.

**MR. DEPUTY SPEAKER :** That we cannot do it now. Alrcady it has been admitted. Then what is the importance of a Calling Attention ?

*(Interruptions)*

**SHRI BASUDEB ACHARIA :** It is a State Subject. How can we discuss it here ?

**MR. DEPUTY SPEAKER :** We cannot take all the things under 193. Then the importance of the Calling Attention has to be changed. Then, the rule also has to be changed. If you want to discuss everything under 193, how is it possible ? You should have discussed about it in the BAC. You should have decided in the BAC that this subject should be taken up under 193.

*(Interruptions)*

**SHRI BASUDEB ACHARIA :** Only ruling party members are there.

**MR. DEPUTY SPEAKER :** Even under 193 all the members cannot participate.

*(Interruptions)*

**KUMARI MAMATA BANERJEE (Jadavpur) :** You allow it. *(Interruptions)*

**SHRI SAIFUDDIN CHOWDHARY (Katwa) :** It is totally one-sided. How has it happened like this ? *(Interruptions)*

**SHRI SOMNATH CHATTERJEE (Bolpur) :** It is a State subject. *(Interruptions)*

**KUMARI MAMATA BANERJEE (Jadavpur) :** Why do you not listen to us ? *(Interruptions)* We should take up the discussion just now. *(Interruptions)*



MR. DEPUTY SPEAKER : The consensus of the House has to be taken.

*(Interruptions)*

SHRI SOMNATH CHATTERJEE : More than 230 people died due to cholera in Delhi. Not a single person has died in Calcutta.

*(Interruption)*

PROF. MADHU DANDAVATE : I suggest a way out. If it is discussion under Rule 193 the debate will go on for a longer time. The House can give permission to allow one or two Members to speak. *(Interruptions)*

KUMARI MAMATA BANERJEE : No, no. This is a Calling Attention.

SHRI ASUTOSH LAW (Dum Dum) : That is nothing. There should be a discussion. *(Interruptions)*

KUMARI MAMATA BANERJEE : This is a Call Attention. It is admitted by the Speaker. *(Interruptions)*

MR. DEPUTY SPEAKER : There is no consensus idea. I cannot do anything. If the whole House accepts, we can do it.

*(Interruptions)*

SHRI ANANDA GOPAL MUKHOPADHYAY (Asansol) : Why are they shouting here ? Why should the House not know what happened in West Bengal.

SHRI ASUTOSH LAW : Why did you give any notice ? Your policy is a total failure. We will discuss your failure.

SHRI SOMNATH CHATTERJEE : Whose failure ? Whose failure are you going to discuss here ? How can you discuss this matter here ?

SHRI ASUTOSH LAW : This is due to the failure in West Bengal. Even today, it has come in the papers. *(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura) :

Daily people are dying of cholera in Delhi. *(Interruptions)*

SHRI ASUTOSH LAW : How can you prevent us from discussing it ? *(Interruptions)*

SHRI NARAYAN CHOUBEY (Midnapore) : We have no rapeseed oil, in West Bengal. *(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record. Now we take up Call Attention.

*(Interruptions)\**

MR. DEPUTY SPEAKER : We will take up the Calling Attention. If you do not agree, what can I do ?

*(Interruptions)\**

MR. DEPUTY SPEAKER : If all of you agree, then I can do something. Please take your seats. *(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : This is a Calling Attention. According to the rules, only those Members whose names are given here, they can only speak. But because so many Members are insisting,—listen to me—only one person I will allow to put a question.

*(Interruptions)*

MR. DEPUTY SPEAKER : Only one person I will allow to put a question.

SHRI ASUTOSH LAW : We will not allow.

MR. DEPUTY SPEAKER : Only one question they can put; that is all.

*(Interruptions)*

MR. DEPUTY SPEAKER : I have given my observation. Nobody can do anything, except according to the rules.

*(Interruptions)*

SHRI BASUDEB ACHARIA (Bankura):  
Convert the Calling Attention in to 193.

MR. DEPUTY SPEAKER : I cannot  
do it. . . . (Interruptions)

SHRI SOMNATH RATH (Aska) : I  
am on a point of order.

MR. DEPUTY SPEAKER : What is  
your point of order ?

SHRI SOMNATH RATH : My point  
of order is this. Where the rule is not  
specific, then only the presiding officer can  
exercise his residuary power. When the  
rule is specific, can the presiding officer  
exercise his residuary power and change  
the rules ? The rule on the calling  
Attention is very specific and those names  
given will be called on to speak. Can  
anybody other than the names given be  
allowed to speak ? If it is allowed, then it  
will be a bad precedent. I want a ruling  
on this. (Interruptions)

SHRI HARISH RAWAT (Almora) :  
Sir, more than five members will not be  
allowed to participate in the Calling  
Attention. How can you make an exception ?  
(Interruptions)

SHRI SOMNATH RATH : I want your  
ruling on my point of order.

MR. DEPUTY SPEAKER : Wait, I  
will give you my ruling. Other Members  
are also raising the same point . . .  
(Interruptions)

SHRI AJAY MUSHRAN (Jabalpur) :  
Before you give the ruling, I want to  
express one precedent. If the Members,  
whose names are listed in the Calling  
Attention notice agree, then only you can  
do it. Otherwise, the rules are silent. . . .  
(Interruptions)

SHRI SATYAGOPAL MISRA  
(Tamluk) : It is a bad precedent.  
(Interruptions)

SHRI AJAY MUSHRAN : Whether  
it is bad or wrong, I am only narrating  
it. . . . (Interruptions)

If they do not agree, then it cannot be  
converted into 193.

MR. DEPUTY SPEAKER : This point  
is clear.

(Interruptions)

SHRI INDRAJIT GUPTA (Bashirhat) :  
The subject matter primarily concerns the  
State Government. How has it come here ?  
That means, it concerns the Central Govern-  
ment. (Interruptions)

KUMARI MAMATA BANERJEE  
(Jadavpur) : No Sir. The subject matter  
pertains to both the State Government  
and the Central Government. . . .  
(Interruptions)

SHRI INDRAJIT GUPTA : The fact  
that it is admitted means the matter con-  
cerns the Central Government. Otherwise,  
it cannot come here. . . . (Interruptions)

MR. DEPUTY SPEAKER : That is  
why, we are discussing it. Because it  
concerns the Ministry of Food and Civil  
Supplies. . . . (Interruptions)

SHRI C. MADHAV REDDI.  
(Adilabad) : We will not allow any refe-  
rence to State Government to go on record.  
(Interruptions)

MR. DEPUTY SPEAKER : If it is  
our purview, then only we will discuss it.  
Beyond our purview, we cannot go.

(Interruptions)

THE MINISTER OF STATE OF THE  
MINISTRY OF FOOD AND CIVIL  
SUPPLIES (SHRI SUKH RAM) : May  
I make one submission Sir ? The rapeseed  
oil is imported by the Government of  
india and supplied to the State Government  
That is why, this Calling Attention has  
come here. . . . (Interruptions)

MR. DEPUTY SPEAKER: Now we are  
proceeding with Calling Attention.

Shri Chintamani Jena.

12.34 hrs.

**CALLING ATTENTION TO MATTER  
OF URGENT PUBLIC IMPORTANCE**

[English]

**Reported Supply of Adulterated Rapeseed  
Oil through Fair Price Shops in Calcutta  
Causing Paralysis to a Large Number  
of People.**

**SHRI CHINTAMANI JENA**  
(Balasore): I call the attention of the  
Minister of State of the Ministry of Food  
and Civil Supplies to the following matter  
of urgent public importance and request  
that he may make a statement thereon :

“The reported supply of adultera-  
ted rapeseed oil through fair price  
shops in Calcutta, causing paralysis to  
a large number of people and steps  
taken by the Government in the  
matter.”

**THE MINISTER OF STATE OF THE  
MINISTRY OF FOOD AND CIVIL  
SUPPLIES (SHRI SUKH RAM)** : Govern-  
ment shares the concern of the House  
about the tragedy caused by consumption  
of adulterated rapeseed oil in Calcutta.

Government imports edible oils through  
the State Trading Corporation of India  
Ltd. for supply under Public Distribution  
System and services it through the STC  
and the Hindustan Vegetable Oils  
Corporation.

The West Bengal Government is allotted  
only rapeseed oil which is refined by the  
private refiners engaged by the West Bengal  
Essential Commodities Supply Corporation  
and STC; by WBECSC itself and by the  
Hindustan Vegetable Oils Corporation.

There are reports from Calcutta that  
some people have fallen ill and have been  
hospitalised. . .

**SHRI SAIFUDDIN CHOWDHARY**  
(Katwa) : I am on a point of order. We  
have got two different copies of the state-  
ment here. In the original statement it is  
said : “The oils, after refining, is cleared  
by Public Health authorities.” But in the  
revised statement this line has been omitted.  
Why ? (Interruptions)

**MR. DEPUTY-SPEAKER** : Only the  
revised statement is the final thing.

**SHRI BASUDEB ACHARIA** (Bankura) :  
Why has it been revised ? Who pressurised  
you to change it ? (Interruptions)

**MR. DEPUTY SPAEKER** : There is  
no point of order.

**SHRI SUKH RAM** : Government  
shares the concern of the House about the  
tragedy caused by consumption of adultera-  
ted rapeseed oil in Calcutta.

Government imports edible oils through  
the State Trading Corporation of India  
Limited (STC) for supply under Public  
Distribution System (PDS) and services it  
through the STC and the Hindustan  
Vegetable Oils Corporation (HVOC).

The West Bengal Government is  
allotted only rapeseed oil which  
is refined by (a) the private refiners  
engaged by the West Bengal Essen-  
tial Commodities Supply Corporation  
(WBECSC) and STC; (b) by WBECSC  
itself; and (c) by the Hindustan Vegetable  
Oils Corporation.

There are reports from Calcutta that  
some people have fallen ill and have been  
hospitalised after consuming food prepared  
with edible oils purchased from one or  
more outlets in Behala and Tollygunge. The  
Enforcement Branch of West Bengal  
Government sealed the ration shop from  
which the adulterated edible oil was  
apparently sold and an order suspending  
the licence was issued. The ration cards  
under this shops have been tagged to three  
other neighbouring shops. Three persons  
found to be operating the shop have been  
arrested. Later on six persons in the same  
locality were also arrested. The number  
of people admitted in different hospitals is  
reported to be over 300.

The consumption of the said adulterated  
edible oil had a debilitating effect on the  
extremities (hand and feet) on the victims.  
The effect of the adulteration appears to  
be delayed one.

On chemical analysis of the samples of  
adulterated rapeseed oil, a substance  
identified as Triorthocresyl Phosphate (TCP)

[Shri Sukh Ram]

was found as an adulterant. TCP is widely used as plasticiser in the plastic industry. It is an oily liquid freely soluble in all vegetable oils.

TCP can cause irreparable damage to the Central nervous system, leading to complete disarray of the neuro-muscular controls of the body and eventually death.

Investigations carried out by the State Government have revealed that the ration shop from which adulterated rapeseed oil was sold at Behala, received a consignment of 9.75 quintals of refined rapeseed oil from RASOI REFINERY, an authorised refinery of the West Bengal Essential Commodities Supply Corporation (WBECSC). The transport contractor who took delivery of the refined rapeseed oil on behalf of the rationshop in question also supplied rapeseed oils from the same stock to 7 other shops of Behala and Thakurpukur in the same sub-area. Till now there has been no complaint from any ration card holders of these 7 other shops. This establishes that the rapeseed oil received by the offending ration shops was adulterate after it was received by the ration shop owner. Enquiries have also revealed that the offending ration shop sold adulterated oil to ration card holders. This oil was also sold from a Grocer's shop owned by the employees of this shop at some distance from the ration shop under the description of mustard oil at a higher price.

The State's Food and Supplies Minister has clarified that he would like to place on record that until now there have been no incidents where the supplies received from the Government of India have been suspect or in any way found unsuitable for human consumption.

The Sub-inspector of Food and Supplies in-charge of the shop in question has been suspended for dereliction of duty and Area Inspector and Retioning Officer in-charge of the said area have been transferred. Directions have been issued to all concerned officers in the State to eliminate 'Benami' transactions, verify stocks and investiagate the likely diversion of rapeseed oil from the ration shops. During the surprise raids made, edible oil worth over

Rs. 1 lakh was seized by the State Government for contravention of the stock limits and other offences. The State Government is investigating the matter further. The Health Deptt. of the State Government has also swung into action.

In the connection Union Minister for Health and Family Welfare alongwith Additional Director General (Medical) visited Calcutta on 30th July, 1988 and visited a number of hospitals in the city to see the condition of persons affected. Medicines worth about 1 lakh rupees were made available to the State Government by the Union Government. In the matter of providing treatment to the affected persons, the Union Health Minister discussed the matter with the State authorities and requested that the Centre be intimated if any essential physiotherapy equipments was required to rehabilitate the affected persons. The request in this regard from the West Bengal Government is still awaited. Samples of Rapeseed oil from the affected locality has been collected and tested by the Central Food Laboratory, Calcutta.

Even though the internal distribution of imported edible oils under Public Distribution System (PDS) and administration of the prevention of Food Adulteration Act, 1954 is the primary responsibility of the State Government, the Department of Civil Supplies is exhorting the State Governments from time to time to ensure that the imported edible oils given to them for PDS is distributed to the consumers in the right quantity and quality. To minimise the diversion of imported edible oils to unauthorised channels and also to prevent its adulteration, Government has decided to progressively increase the supply of it in small packs.

SHRI CHINTAMANI JENA : Mr. Deputy Speaker, Sir, I am grateful to the hon. Speaker and also to you for admitting this very serious matter as a Calling Attention Motion. In this connection, I must congratulate our local M.P., Kumari Mamata Banerjee who has very courageously taken up this issue and has been voicing her concern in the public. May I know from the hon. Minister whether these fact was brought to light on 24th of June this year ? If so, why did the State Government

not take steps to remove such rapeseed oil from that area? So that those may not be sent to the open market because, Sir, what the hon. Minister has already told is that the first rate oil is added for making it adulterated which will look just like mustard oil. as the price of mustard oil is also much higher than the rapeseed oil, this rapeseed oil is supplied through P.D.S. being diverted to black market. But this adulterated oil is sold in the open market. Why did not the State Government take any step for the last one and half months? Only a few days back, after Kumari Mamata Banerjee and other Union Ministers have brought this matter to light. *(Interruptions)*

**SHRI SOMNATH CHATTERJEE** (Bolpur): This is totally incorrect. What are you talking? *(Interruptions)*

**SHRI CHINTAMANI JENA**: The State Government is giving Rs. 500 for each patient for treatment. The patients who are paralysed have become invalid for the entire life. This amount of Rs. 500 is nothing. Sir, I myself visited the Vidyasagar hospitals on 25th July. The horrible scene which I have noticed is so pathetic that nobody can check tears falling from his eyes after seeing those patients. It is very serious. In this connection, I would like to bring to the notice of the Union Government, as well as the Union Minister and the Health Ministry that many small children and grown up ladies are victims to this type of paralysis and other diseases. Some have complained before me that they are also having some defects in eye sight. So, Sir, this amount of Rs. 500 to each patient for the treatment is nothing but it is just a joke, so to say.

**SHRI SOMNATH CHATTERJEE**: Under which provision of the Constitution, this House can discuss the question of hospital, the question of dispensary, public health and sanitation in the State. It is entirely, exclusively within the State administration. It does not mean that by discussing rapeseed oil, this House can discuss hospitals and other things concerning the State subjects. I am on a point of order. He is making incorrect statement. *(Interruptions)*

**MR. DEPUTY SPEAKER**: I would request the hon. Member to confine his

speech only about rapeseed oil. Please avoid bringing in State subjects in his speech.

*(Interruptions)*

**MR. DEPUTY SPEAKER**: I would request the hon. Member to restrict speech to rapeseed oil.

**SHRI CHINTAMANI JENA**: Sir, for your kind information, I would like to submit that I am not saying anything out of the statement made by the hon. Minister. I am just putting some questions for clarification which are arising out of the statement given by the hon. Minister. I must congratulate our Health Minister who has visited on the advice of the Prime Minister to the hospital in Calcutta. Sir, it was mentioned in the press that though the hon. Chief Minister of West Bengal had assured that the State Health Minister would be present when the Union Health Minister would visit the hospital, he was not seen. The reason is best known to them. I am just bringing this to the notice of the House. The Health Minister, after visiting the area and due to such horrible condition of the patients, made known that for future purposes the Union Government contributed Rs. 1.0 lakh worth of medicines. And also the Health Minister from his side has offered to supply some equipments and instruments for physiotherapy. But no formal request from the State Government has been received yet. This is very serious matter.

Similarly, I have gone through the news items published in the national newspapers that about 50 per cent to 60 per cent of the patients who were admitted in the free hospitals have been forced to leave the hospitals without any treatment to show the figures less. This is a very serious matter too. Besides, I had also gone through a news item that in Behela area some workers of a political party have started a camp to dissuade the peasants from going to the hospital for admission to minimise the seriousness of the issue. If this is done, this is a very serious thing.

**SHRI SAIFUDDIN CHOWDHARY**: Who is that political person? Be clear, have courage to say something of what you want to say. *(Interruptions)*

**SHRI CHINTAMANI JENA :** Sir, the news item which was published stated that the edible oil businessmen are of the opinion that 5 per cent of the total imported oil going to open market by way of siipage which has been shown in the accounts to be as transit loss. So, this 5 per cent might be adulterated. I want to bring this to the notice of the hon. Minister who may kindly go through this aspect also. All such matters need be probed through the CBI.

The hon. Minister has stated that the analysis established the presence of TC phosphate which has been adulterated and he has also confessed that this adulteration of TC phosphate can cause irreperable damage to the central nervous system and may lead to death. (*Interruptions*). So, it is very serious. The West Bengal hon. Minister for Food and Civil Supplies is shifting the responsibility to the Health Ministry, the States Health Ministry is also blaming the Food and Civil Supplies Minister. These are the things. Besides, the Calcutta police are also blaming the Health Department because you may be knowing that in 1972 more than 400 people fell sick in Dum Dum area by consuming adulterated mustard oil. At that time the then Government had amended some of the sections of the Prevention of Food Adulteration Act in 1974 by amending certain clauses of awarding the most stringent punishment of life imprisonment to the offenders. But I am very sorry to say that in 1974 this Act was passed, but till today, for the last 14 years, not a single person could be convicted or arrested under this Act. This is a very serious matter. What the hon. Minister has told in the Statement is that 9 persons were arrested. May I know whether these 9 persons were arrested under the Prevention of Food Adulteration Act, 1974. In the normal way they have been arrested. The Food and Civil Supplies Department of the State Government is blaming the police that whenever they go to collect the samples, police help is not given. In that case, how can they function? I must say that this is a very serious issue. In his statement, the Minister has mentioned the ways to check the diversion of imported edible oils through unauthorised channels and also to prevent the adulteration and

also to increase the supply of small packs of imported oil. May I know from the Hon. Minister what is the progress in this regard? When small packs of imported oil can be made available to the people?

Besides, this, the Hon. Minister has stated that the sample of rapeseed oil which was collected from the affected area is being given for test and analysis to the Central Food Laboratory in Calcutta. What is the result of that? I must urge upon the Government that this is nothing but cold blooded murder through slow poison. With the result, ladies are affected by paralysis. In that event, what will happen to the future generation? What would be the fate of those children who will be born from those ladies who are affected by this serious disease. I would request our Health Minister to give due thought to this issue. These are the facts on which I would request the Union Government not to take it so lightly by shifting the responsibility on the State Government by saying that the distribution was entrusted to the State Government. On the 25th, some people of Calcutta told me that your Government has supplied this rapeseed oil. They do not know that this rapeseed oil is imported and supplied to the State Government for the use by the public after being processed in the state owned refineries. But the general impression is that since the Union Government has supplied rapeseed oil, the entire blame is coming on the Centre. In this connection, I would request that not a single drop of imported oil be made available in the open market for sale. May I know what is the reaction of the Government on this issue so that in future neither in West Bengal nor in any part of the country these types of imported oil be adulterated. With these words, I conclude.

**MR. DEPUTY SPEAKER :** We adjourn for lunch to re-assemble at 2.00 P.M.

12.59 hrs.

*The Lok Sabha adjourned for Lunch till  
Fourteen of the clock*

*The Lok Sabha re-assembled after  
Lunch at five minutes past Fourteen  
of the Clock*

[MR. DEPUTY SPEAKER *in the Chair*]

CALLING ATTENTION TO MATTER  
OF URGENT PUBLIC IMPORTANCE

[*English*]

Reported Supply of Adulterated Rapeseed Oil through Fair Price Shops in Calcutta causing Paralysis to a Large Number of People —*Contd.*

MR. DEPUTY SPEAKER : We are now continuing with the Calling Attention.

KUMARI MAMATA BANERJEE (Jadavpur) : Sir, at the very outset, I would like to appeal to all the Members from this side or that side, to listen to me carefully because it is a very sensitive and serious matter. The Lok Sabha is the highest forum of our democracy. I think, it is our *mandir, masjid, church and gurudwara* in our democracy. That's why, as a Member of the Parliament, I would like to raise this issue for the sake of human beings.

I am grateful to you, Sir, for having this discussion. In my State, more than 1,000 people have been affected by adulteration of rapeseed oil. Previously, it was in Calcutta, particularly in Behala area. Three hundred people are paralytic now. They have been admitted into the hospital. Now, more and more people are getting affected. It has covered many other areas, like Tolleygunge, Yadavpore, Vishnupur, Mograghat, Bhawanipur. That's why it is our duty to raise this issue in this August House.

Sir, I have personally met the affected people in these areas and in the hospital. I have myself seen tears in their eyes. People ranging from a five-month child to 85-year old men are affected by the adulterated rapeseed oil. When I met them, they just asked me with tears rolling down from their eyes : Whether we will survive or not ? A 65-year old mother asked me : Whether I will be able to cook food for my children ? A boy, aged 22 years, said : Mamataji, can you tell me whether I can survive or not ?

Who is to be blamed for all this ? The State Government is there. The Central Government is there. Who will take the

responsibility of these ? Four hundred people have been admitted into the hospital. Their upper limbs, their lower limbs, are totally paralytic.

I am grateful to our Prime Minister. He is very much concerned about this. Our hon. Health Minister has already visited the hospital for necessary action. He has directed that necessary assistance should be given to the State Government, if that Government is willing.

I want to raise this issue because now it has affected Calcutta. Tomorrow, it may affect other parts of the country. After the Bhopal gas tragedy, you cannot imagine this type of incident which took place in our country. That's why, I think, all the Members of this House—either from this side or from that side—will condemn the culprits who are indulging in adulteration. Poor people are going to be victimised. This House should condemn this.

SHRI NARAYAN CHOUBEY (Midnapore) : We do condemn.

KUMARI MAMATA BANERJEE : I want to tell the Health Minister who is here that after he visited the hospital, another 200 people have been admitted. What was given in the State Government's report ? One report has come in the paper. One medical team from the Indian Medical Association, experts of the medical team have stated that wrong treatment was given and going on for the victims. They are giving steroids and decaden to the victims. Experts said that it is wrong treatment. That is why I just raise the matter for your kind information. 400 people are paralysed. They are not getting proper treatment. Wrong treatment is going on. I want to ask you as to what is your moral responsibility to save these people, to protect these people. What steps are you taking to protect these people and to protect the interests of these people ? The State's Food and Supplies Minister has clarified that he would like to place on record that until now there have been no incidents where the supplies received from the Government of India have been suspect or in any way found unsuitable for human consumption. If Government is not guilty for that, then who is guilty ? This is a very serious question. I do not want

[Kumari Mamata Banerjee]

to criticise my State Government here because I cannot criticise. But I can praise my State Government which is my right. I think that everybody will admit this. Because of the excellent work done by my State Government, 400 people have been admitted in the hospital. That is why I suggest that the Chief Minister should get the award of Padma Bhushan from the Central Government. I want to tell you that this is because the entire Government is paralysed now. Who will protect the people? If the State Government is not willing to protect the people, then it is your responsibility to protect the people. We want to know what you are doing in this regard.

AN HON. MEMBER : Mr. Acharia, you tell Jyoti Basu.

SHRI SAIFUDDIN CHOWDHARY : We ignore her.

KUMARI MAMATA BANERJEE : I am happy that my colleague, Mr. Saifuddin Chowdhary has ignored me. It is good. They ignore the people. Who am I? I am people's representative. They can suppress me but they cannot suppress people's words. That is my question. 25 days are over. How many persons have been arrested who were indulged in this adulteration? Only six or seven persons have been arrested but I know that this is only an eye-wash. That is why I am requesting you to bring the amendments of the Prevention of Food Adulteration Act, 1954. You bring new amendments for stringent action against the culprits and against the adulterators who are indulging in all these kinds of things. They should be hanged. After the Second World War, we have seen from the newspaper that the Japan Government shot two adulterators and after that no such incident took place. But in our country, our first Prime Minister, Pt. Jawaharlal Nehru said that we should take strong action against the adulterators. Sir, even in China, they are taking stringent action against the adulterators. Sir, I think the Members will say, nobody died in this incident but I would like to say that it is worst than death, rather I would say it is just like murder. It is a very big crime that the people are indulging in these sort

of things. Therefore, I would request you to take strong action against these adulterators and also bring an amendment to the Prevention of Food Adulteration Act, 1954. In your statement you have said that the State Government has the power to take action against the culprit. But you have to give more powers to the State Governments so that they could take stern action against these adulterators.

The West Bengal State Government is giving Rs. 500 each to the affected families. I have seen with my own eyes that the whole of the family, parents as well as children are admitted in the hospital. Sir, it is a matter of shame. Despite the fact that they have their legs and hands, still they cannot move, they cannot take their food and they cannot walk. I would request the Government to take some steps to rehabilitate these victims. Both the State Government as well as the Central Government should find some way out of it. It is not a partisan matter. I do not want to make it a political issue. It involves the lives of the human beings and, therefore, some step must be taken in this direction.

Who is the main culprit? Sir, I would like to inform you that the main culprit is the Ration Shop called the 'Garib Bhandar' where the adulterated rapeseed oil was distributed. Sir, this shopkeeper was arrested only day before yesterday. I would like to know why you have taken so much time to arrest him. Our State Minister is not here that is why I am asking you as to why so much time was taken to arrest him. I would request you to give some special benefits to the victims there.

Our Health Minister is sitting here. I would like to request him to send one expert medical team to our State because the patients there are very much in need of good medical facility. They require some physiotherapy treatment which is not being given to them because of lack of doctors and other things. Therefore, I would once again request our Health Minister to send an expert medical team there. Our Health Minister has assured the West Bengal Government that they are willing to give every possible assistance to them but I am sorry to say that the reply is that they



are not interested. Since this incident took place in my constituency, I would request you to please send an expert medical team so that they can find out as to what is the actual disease. Nobody knows about the actual disease. If you will not send a medical team there, then you will not be able to save these people. Therefore, I earnestly request the Central Government to set up a medical board which should go there and find out the cause of the disease.

Lastly, Sir, I would like to say that the Central Government should assure the House that such type of incident will not occur again. The Central Government will show no mercy to the people who are indulging in such crimes. The Health Minister has visited my State. Shri Ajit Panja also visited that place. So, I would request, if there is time, our Prime Minister should also go there and meet the people. Our Head of the State did not visit the suffering people because he was also not well. It appears he was ill because of the use of adulterated rapeseed oil. That is why, I am requesting that you must take this matter very seriously and do something for the victims.

**SHRI SAIFUDDIN CHOWDHARY :** Just one clarification.

**MR. DEPUTY SPEAKER :** Not now. I will allow one hon. Member for seeking a clarification after the Minister has answered.

Now, the Minister.

**SHRI SAIFUDDIN CHOWDHARY :** He is not there. In the meantime, I will... *(Interruptions)*.

**SHRI ASUTOSH LAW :** If he is allowed to speak in the calling attention, it will be taken as a precedent in future.... *(Interruptions)*.

**THE MINISTER OF HEALTH AND FAMILY WELFARE (SHRI MOTI LAL VORA) :** Sir, I want to give certain information because I have been there... *(Interruptions)*.

**SHRI AMAR ROYPRADHAN (Cooch Behar) :** On a point of order...

**SHRI MOTI LAL VORA :** I am not at all replying; I am just giving some information.

**MR. DEPUTY SPEAKER :** Mr. Sukh Ram will reply now. I am not allowing anybody else.

**SHRI SUKH RAM :** Mr. Deputy Speaker, Sir, One point was raised by some friends from the opposition side that one or two lines were deleted from the text of my statement. I may make it clear that I received this notice only yesterday, and keeping in view the seriousness and importance of this issue, I agreed to reply to it today and the officers in my Ministry sat up to 2 O'clock in the night and they received various informations from the West Bengal Government.

I received this draft reply only at 9.30 in the morning and then I finally approved it at about 10.30 in the morning. It was then finally typed and circulated. The original draft reply was, I think, sent to the dealing Assistant in the Lok Sabha and the hon. friends must have procured it from there. According to the rules also, when I give my reply here, that only is considered to be the final reply.

Secondly, there was some objection by some friends that it should not be taken up as a calling attention, it should be considered as a discussion under Rule 193 or something like that. I wonder, how this issue should have been raised at all. In fact, the Members should congratulate the movers of this calling attention. This is a very serious matter. This is not a partisan issue because it concerns human suffering. More than 300 people are suffering. Who is the real culprit? My entire reply is based on the facts supplied by the Government of West Bengal. These people are suffering and now the question before us is as to how it happened. Of course, an investigation is going on. The Government of West Bengal is conducting an investigation. But one fact is established by the preliminary investigations. Adulteration of the oil has taken place at one fair price shop and the owner of that fair price shop is absconding. Three persons who were working under him have been arrested. A

[Shri Sukh Ram]

case of violating the law was registered in the year 1984 against this absconding person. That case is still going on. I fail to understand as to why for the last four years action could not be taken against him.

I am repeat that I am saying all this on the basis of the facts supplied by the Government of West Bengal. Now, the initiative taken by the Congress(I) members on this side should have been appreciated by the Members on the Opposition Benches. As a matter of fact, they themselves could have raised this issue and asked for a calling attention motion. Perhaps, they did not think it fit to bring it before the House because they happen to be from the ruling party in that State and Congress is the opposition party over there.

SHRI BASUDEB ACHARIA : You yourself have stated that this is not a partisan issue and now you are taking a partisan line.

SHRI SUKH RAM : In the morning you did object to raise this issue.

SHRI SAIFUDDIN CHOWDHARY : We wanted to participate in this debate.

SHRI SUKH RAM : There was an objection by my friends from the Opposition Benches. They stated that this could not be discussed here because it was a state subject.

I may clarify the position. This issue relates to the public distribution system. We are supplying certain essential commodities to the States and rapeseed oil is one of them. The adulteration of an essential commodity supplied by the Central Government to the State Government does concern the Central Government. In that capacity also, this issue can be considered by this House. I do not know why you have taken an objection.

SHRI SAIFUDDIN CHOWDHARY : Who objected ?

SHRI SOMNATH CHATTERJEE : Let us put the record straight Sir. We objected only to discuss a State issue here.

We never objected to discuss the supply of rapeseed oil and its adulteration. Please do not put words into our mouth. We did not object to it.

SHRI SUKH RAM : This is not a State issue. This is one of the items supplied by the Public Distribution System. This issue relates to the Centre and that is why this has rightly been raised here.

As far as the facts of the case are concerned, I have stated in my reply that the first consignment was issued to this Fair price Shop on 22nd June. It was worth 9.75 metric tonnes. The second consignment was issued on 5th July, 1988. This matter came to the notice of the State Government probably on the story which was carried by a local press over there on the 18th July, *i.e.* this fact came to the notice of the State Government after a lapse of about 27 days. Thereafter the Minister of Food and Civil Supplies of the State Government visited the site. Then the State Government started investigating this matter. I do not know how this raid had taken place. As far as the duty of the Central Government is concerned, I want to simply state that whosoever is responsible or whosoever is at fault—whether it is the agency of the State Government or the agency of the Central Government, it must be identified and severally punished so that such things do not take place in future and the guilty is punished. There is no question of suppressing the facts by us nor I think by the State Government also. The only thing is that, when this investigation is going on we are prepared to assist the State Government wherever it is possible. But two things have been established. First is that, when the State Government conducted certain raids on account of this case, rapeseed oil worth one lakh was seized and this was on account of violation of laws by the depot holders. The State Government has always been requesting the Central Government to allocate more edible oils to the State, I made it clear that 100 per cent demand of the State Government may not be possible for the Central Government to meet but we are trying to meet the minimum demand of each and every State Government. But at the sametime I have been requesting in writing to the State Governments that they

have to ensure that this essential commodity reaches the poor because the price of it is about Rs. 14 Rs. 15 per kg. against the price of other indigenous edible oil which ranges between Rs. 25 to Rs. 30. The State Governments have to come with heavy hands against the person who violates the law. In this case it is established that a lot of edible oil which is being supplied to the West Bengal is being misused.

**SHRI SOMNATH CHATTERJEE :**  
Only in one shop, it has been found . . .

**SHRI SUKH RAM :** Only when this case came to their notice, edible oil worth one lakh was seized in that very locality. They have not conducted the State-wide raids; otherwise I am very sure this oil must have been misused by some people. I don't say that it is not misused elsewhere. In other States also it may be misused. But what we have been requesting is that the State Government should ensure that this goes to the people. This fact is established. Sometimes you also say and rightly so that as you are the representative of the people, you must raise the voice of the people here in this forum. This is the right forum for you. You say that West Bengal is not treated well by the Central Government, that the Central Government has reduced the allocations of foodgrains to the West Bengal. As I stated the other day, whatever allocation we have given this year, even that is not being lifted by the West Bengal Government. My request to you is that you take up this matter with your Government and find out the truth as to why this is not being lifted, instead of blaming the Central Government.

**SHRI SOMNATH CHATTERJEE :**  
This is the object of this Calling Attention.

**SHRI SUKH RAM :** This is what I say. This has been adulterated at a certain level, and the shop-owner has been absconding. It is very strange, as I stated, that there is one case against him the Essential Commodities Act, and for the last four years this case could not be decided by the State Government. (*Interruptions*) This might encourage him to indulge further in this nefarious activity. (*Interruptions*)

The West Bengal Government has admitted in its reply that there may be a

large number of *benami* shops, and this is also a *benami* shop.

**SHRI CHINTAMANI JENA :** Why don't you institute a CBI inquiry on this issue ?

**SHRI SUKH RAM :** I may make another submission : A very progressive law has been passed by Parliament, known as Consumers Protection Act in 1986, and we have been requesting all the State Governments to constitute consumer councils at the State level. Bihar is the only State which has constituted this council. Had this Council been constituted in West Bengal, in addition to the remedy available under the Prevention of Food Adulteration Act, the consumers who suffer on account of negligence, omission or commission by the State or Central agencies, could have some remedy and seek some compensation — which goes up to Rs. 10 lakhs at the State level. Had they constituted it, the sufferers could get this benefit. Now I do not want to prejudice the inquiry by making any statement. Whatever I have said is on the basis of the facts supplied by the State Government. I wish that the State Government conducts this inquiry very quickly and identifies the culprits, and that the culprit is punished, because as far as the Central Government is concerned, we are supplying the essential commodities to the State Government; and thereafter, it is the duty of the State Government to supply them further to the people through fair price shops.

As far as this import of edible oil is concerned, I am given to understand that the quality control is ensured by the State Trading Corporation at the time of unloading of this oil; and the facts on record have proved it beyond doubt that this adulteration has not taken place at the level of STC's issuing certificate to the State Government and at the level of the refineries, because this oil was not issued only to this shop; but it was issued to a number of other shops also. The complaint has not come from cardholders of any other shop. It is only specifically the cardholders who have purchased this oil from this shop who have suffered.

[Shri Sukh Ram]

The Health Minister rushed to the spot and made enquiries about it. He assured all assistance to the State Government. Medicine worth Rs. 1 lakh has already been given to them. If they want physiotherapy equipment for rehabilitating those patients, the Health Minister has assured them that it would be made available. Their reply is awaited. Now the West Bengal Government has to come forward in case they want any help.

With these words, I simply want to submit that this should not be made a political issue; this is a human problem and whosoever is found guilty must be punished so that such occurrences do not take place anywhere and in future in West Bengal also.

MR. DEPUTY SPEAKER : I have already informed the House that I would allow only Mr. Chowdhary to seek clarifications.

(Interruptions)

SHRIMATI GEETA MUKHERJEE (Panskura) : I want to read from the *Statesman*.

MR. DEPUTY SPEAKER : No. Nothing will go on record.

(Interruptions)\*\*

AN HON. MEMBER : You cannot allow him. This is not correct. (Interruptions)\*\*

MR. DEPUTY SPEAKER : Only one clarification you seek.

SHRI HARISH RAWAT (Almora) : If I also seek a clarification, will you allow me? (Interruptions)\*\*

AN HON. MEMBER : He is creating a new precedent. (Interruptions)\*\*

MR. DEPUTY SPEAKER : I had already informed the House. Now I cannot go back. I have already told you that as a

very very special case, I will allow only one member to seek clarifications. I have already allowed Mr. Chowdhary. Now I cannot go back.

(Interruptions)\*\*

MR. DEPUTY SPEAKER : You write to him. Please take your seat. Don't obstruct the proceedings.

SHRI HARISH RAWAT : You are showing a special favour to them. (Interruptions)

SHRI SAIFUDDIN CHOWDHARY : It is a heinous crime and severe punishment has to be given to those who are responsible for this. We should rise above party level to give them punishment that they deserve. But I am pained to say that there is an attempt to politicise this.

I was very happy when I read in the newspaper that an MP from that area Kumari Mamata Banerjee raised an agitation there, I liked it. (Interruptions)

MR. DEPUTY SPEAKER : What do you want to say?

SHRI SAIFUDDIN CHOWDHARY : I praised her for what she did. But when it crossed the limit, when a Chief Minister from other State goes there without intimating the State Government, people become suspicious. (Interruptions) I am asking the Minister. (Interruptions)

I am asking the Minister whether the State Government . . . (Interruptions)

MR. DEPUTY SPEAKER : Please take your seats

SHRI SAIFUDDIN CHOWDHARY : During our talks in the Central Hall I told Kumari Mamata Banerjee : "What you are doing is very good, but do not cross the limits."

MR. DEPUTY SPEAKER : Whatever you have discussed outside, why are you bringing here? You see the Minister's state-

ment and ask a question. What you have discussed outside, why are you bringing here ?

(Interruptions)

SHRI SAIFUDDIN CHOWDHARY : I also want to congratulate the Minister for the statement that he has made that the State Government has taken action, that the investigations are going on and some of the culprits have been arrested and no stone will be left unturned to book the culprits. I want to ask him, if he can tell us whether during last year a bulk amount of rapeseed oil was sold by the Central Government in the open market and

MR. DEPUTY SPEAKER : That is all. Only one question. Now the Minister will reply to it.

(Interruptions)

MR. DEPUTY SPEAKER : Minister will reply now. I have asked him to put one question.

SHRI SAIFUDDIN CHOWDHARY : Last question. There is a news item in *Jugantar*.

(Interruptions)

MR. DEPUTY SPEAKER : Only one question I have allowed. Nothing more. That will not go no record. No.

(Interruptions)\*

SHRI HARISH RAWAT : I am on a point of order. You are discriminating.

MR. DEPUTY SPEAKER : Only one question, I have allowed. Only the Minister will reply. I allowed only one question as a clarification. That is all.

SHRI HARISH RAWAT : You have allowed him. Let us also put a question.

MR. DEPUTY SPEAKER : I have allowed only one question.

(Interruptions)\*

MR. DEPUTY SPEAKER : Please take your seats. I will take care of this.

MR. DEPUTY SPEAKER : I told you, I will take care of this.

(Interruptions)\*

Mr. DEPUTY SPEAKER : I gave permission only to raise only one supplementary. He has already raised it. That will go on record. Nothing else will go on record.

(Interruptions)\*

MR. DEPUTY SPEAKER : Order, order.

SHRI SUKH RAM : The whole House must congratulate Miss Mamata Banerjee for raising this issue. We are not bringing politics in it. This is a question of human life. She has raised this issue, and all the sections of this House must appreciate this.

MR. DEPUTY SPEAKER : Please be calm. No further discussion.

(Interruptions)

SHRI SUKH RAM : Sir, there seems to be criminal neglect, omission commission on the part of certain State agency. It has to be identified. Investigation will reveal it. But there is definitely criminal neglect, omission or commission on the part of certain state agency. It should be identified by the State Government and severally punished. . . (Interruptions) We have supplied essential commodities to the State Government and it is the responsibility of the State Government to further make supply to the people through fair price shops. Adulteration has taken place at lower level, i.e. fair price shop . . . (Interruptions) My only request is that instead of bringing politics in this issue, we have to consider it dispassionately.

14.51 hrs.

## ELECTION TO COMMITTEE

[*English*]

## Rubber Board

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): On behalf of Shri Priya Ranjan Das Munsi, I beg to move :

“That in pursuance of sub-section (3) (e) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of the Rubber Rules, 1955, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Rubber Board, subject to the other provision of the said Act and the Rules made there under.”

MR. DEPUTY SPEAKER : The question is :

“That in pursuance of Sub-section (3) (c) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of the Rubber Rules, 1955, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Rubber Board, subject to the other provision of the said Act and the Rules made there-under.”

The motion was adopted

14.52 hrs.

## AIRCRAFT (AMENDMENT) BILL-Contd.

[*English*]

MR. DEPUTY SPEAKER : Now, let us take up further consideration of the motion moved by Shri Shivraj Patil on the 4th August, 1988.

[*Translation*]

SHRI YOGESHWAR PRASAD YOGESH (Chatra): Mr. Deputy Speaker,

Sir, I had said while speaking on the Aircraft (Amendment) Bill yesterday that the Bill is purposeful and in the national interest. Therefore, there is no need for any special discussion on it. But some of our colleagues have made it debatable unnecessarily.

Without going into details, I want to say only this much that there should at least be some provision of punishment for those who obstruct work. But the punishment being provided in this Bill is very light.

Our friends from opposite benches had expressed doubts that the poor people would be harassed and some people would try to take undue advantage of the Act. In this connection, I want to say that when ever any work is done in the national interest, some or the other disadvantage is always. I insist that this Act should be implemented promptly.

Aircraft are not in sufficient number in our country. Therefore, we do not get proper air service. It is clear that any harm to aeroplanes affects the air services adversely and even the air service running smoothly is disturbed. I want to apprise the hon. Minister that one of the aeroplanes operating between Delhi and Bihar remained off the air for two days and the other plane the operation of which is very useful for going to Ranchi via Lucknow and Patna has lost its utility due to its delayed flights. It creates difficulty for the air passengers from Ranchi and a lot of their time is wasted.

SHRI HARISH RAWAT (Almora) : In this connection, I want to tell the hon. Minister that Indian Airlines have neglected the Patna Sector.

SHRI YOGESHWAR PRASAD YOGESH : On the other side, the aeroplane operating from Calcutta omits Ranchi on the pretext of bad weather. It happens on 3-4 days in a month. You can understand the extent of difficulty being faced by the passengers in utilising this air service.

Another thing is that the Vayudoot service started in Bihar recently is irregular and is not systematic. It is a matter of

great pleasure that the Vayudoot service has been started between the industrial area like Dhanbad in Bihar which is famous for its cooking coal in the whole country and only where cooking coal is available and Bokaro where there are many centres of scientific research. People fly from there to other places but this service is not regular, it should be made regular.

Secondly, the Gaya airport is an airport where there is no bus service and the passengers have to face a lot of inconvenience due to the long distance from the city. The followers of Buddhism have a keen interest in Gaya and it is also a big centre for the people of other faiths. But they cannot utilise the Vayudoot service. Keeping this fact in view why bus service is not being started there? It is requested that the hon. Minister may kindly start Vayudoot service linking Palamau, Daltenganj, where there is a national park, Bhagalpur and other important places in Bihar.

**SHRI SURESH KURUP (Kottayam) :** In the statement of this Bill, the Minister says that bird strikes to aeroplanes near aerodromes have been quite frequent. Everybody knows that in the vicinity of almost all the major airports there are slums and jhuggis. Garbage dumping areas of the major cities are nearby these airports. That creates a serious problem. I do not know the Government can prevent slums, dumping grounds nearby the airport by bringing a legislation only. What is needed is Proper coordination between the airport authorities and local civic bodies. This was a common hapening in Trivandrum airport because nearby the airport, city corporation's major garbage dumping ground was there. So till two years back this bird hitting was quite regular. With the result, the flights were delayed and the time schedule of the aircrafts was also got upset. So, instead of bringing this sort of a legislation, what is needed is proper coordination between the municipal corporation and the local civil bodies.

I want to get one clarification or one point which is mentioned here *i.e.* polluted and obnoxious matters. What does he mean by obnoxious matters? As it is, this is a general statement. It has to be defined properly. Another point is about "within

a radius of ten kilometres". I think, that also is going to create problems because an airport like Cochin which is very much inside the city, if you specifically say that nothing can be dumped or nothing can be done within a space of 10 kilometres, it will cause immense difficulty. So, that has to be reconsidered and in this connection I would like to mention about some aspects of the airports in Kerala. Sir, even though it is not connected with this Bill, I would like to mention a few points because we get a very rare chance to mention such things. Sir, it has been the constant demand of the people of Kerala that Trivandrum airport should be made an international airport. Whenever this question was raised in this House, flimsy excuses were given. Moreover, there is a complaint from the people of Kerala regarding the enormous charges collected by Air India from the passengers from Kerala. I think the ruling party members from Kerala would also agree with me.

15.00 hrs.

**MR. DEPUTY SPEAKER :** You are discussing about the Air India charges which is not the subject matter of the Bill.

**SHRI SURESH KURUP :** Because I got this opportunity I am mentioning this point. Sir, this question has been raised repeatedly in this House. Whenever this question is raised the Minister gives a standing reply that this fare is fixed by the IATA and nothing can be done. Our request is that the Ministry or the Air India Authorities should take up this matter with IATA and must reduce the charges to Gulf passengers because Gulf-Trivandrum sector is monopolised by the Air India and they are charging more. If you allow some international airlines to operate—many International airlines have given application for operating flights from Trivandrum—they are prepared consider this point. But the Air India is not willing to allow any international airlines. Therefore, I would request that other international airlines should be allowed to operate flights from Trivandrum or else you should reduce the charge in the Gulf-Trivandrum sector.

Sir, the passengers who are coming to Calicut airport face a lot of difficulties.

[Shri Suresh Kurup]

Most of the people who have gone to Gulf countries are mostly from Malabar and these passengers prefer to come to Calicut airport from Bombay. Almost all the times, the airlines authorities do now allow the passengers to carry their baggage along with them. So this baggage comes after three or four days. Sometimes, these passengers have to go back to Bombay and again bring their baggage to Calicut. I am bringing this difficulty faced by the passengers to the notice of the hon. Minister so that he will take action suitably.

SHRI KAMAL CHAUDHRY (Hoshiarpur) : Hon. Deputy Speaker, Sir, I welcome the Aircraft (Amendment) Bill, 1988, which is to amend the Aircraft Act, 1934. I support whole-heartedly this Bill and I am thankful to you for having giving me this opportunity to speak on a subject on which I will be speaking as a professional. I am also thankful to the Minister who is going to put into practice what I had suggested more than 15 years ago. When I was in a fighter cockpit I had carried out survey as Unit Flight Safety Officers, Station Flight Safety Officer and as a Flight Commander and I have covered upto 150 to 200 Kms. around the air-field by air and upto 50 Kms. around the air-field on ground. I would like to clarify a few points which have been raised by the hon. Members here. One is regarding 10 Kms. limit. This is the zone where the speed of the aircraft is very low, the manouevability is very less and the aircraft is most vulnerable. The height is very low and safety margining is very less. The pilot cannot take evasive action. Of course, I would like to increase this limit to thousands of Kilometres where we can have cleaner India, where we do not want to see what we saw in New Delhi after the recent rains. A point was raised regarding rubbish garbage and obnoxious materials, what is meant by this is the left-over food-stuff which are thrown by the 'rebrivalas' 'hawkers', etc.

Secondly, the slaughter houses and the open areas where the animals are skinned and flesh is removed and finally the carcasses are left in the open which attract vultures who eat the flesh. These vultures are the ones which create damage to the aircraft.

Some points are raised about the punishment to the birds and human beings. This point was raised by the Indian Air Force to use flam shooters to kill vultures. Dr. Salim Ali who was a famous world ecologist, had recommended that this should not be done because this will upset the ecological balance in the country. Next point was about the bird-free areas. There are bird free areas like the deserts and less populated areas. But I am sure we will not like to shift our air fields to the deserts. The Air Force had tried to solve this problem by flying above two kilometres height and flying during dawn and dusk at low level. I am sure you would realise that this cannot be done in the case of civil aircraft.

Next point was on the VVIP flying. The world has changed from Dakota to Supersonic Concorde and from a single engine to twin engine to 4 engines, also from piston engine to turbo prop to jets. Therefore, we would like to give the best possible aircraft to the Prime Minister both from the security angle and also from the angle of prestige of the country. Those of us who are either in the Defence Committee or who have visited any of the Defence establishments would have noticed how good treatment is given to a VIP. So, if there is one car for a VIP, another car is kept standby. In the same way, the Prime Minister must get the best aircraft available both from the security angle and from the question of prestige of the country, also a standby aircraft must be kept available.

I would love to have this 10 kilometres limit increased to thousands of kilometres to have a cleaner India so that we can avoid what happened last month in Delhi due to garbage and rubbish.

I have a few suggestions to make :

- (1) To remove rooster trees within 10 kilometres of the airfield. These are also called ghost trees.
- (2) Some time should be given on Doordarshan firstly, for slogans against bird menace, secondly for pilots to speak on bird menace and thirdly, films could be shown on bird hazard to flying.



(3) The third suggestion is involvement of the Station Flight Safety Officers with the District administration so that they can inform the District Administration, Municipal Corporation etc. about such areas where immediate action must be taken.

(4) Punishment should be increased from 3 months to 3 years and not one year of imprisonment and a fine from Rs. 1000 to Rs. 10,000 and not Rs. 2000. This is what was suggested to the Ministry of Home and Ministry of Law earlier.

MR. DEPUTY SPEAKER : Now, the hon. Minister.

MR. DATTA SAMANT. (Bombay South Central) : Sir, I am waiting to speak. This is an issue on which I would very much like to speak. I have given my name.

MR. DEPUTY SPEAKER : No, today is the day of Private Members Bills. There is no time, I am very sorry.

DR. DATTA SAMANT : This is an issue pertaining to Bombay. Ten kilometres..

MR. DEPUTY SPEAKER : The Minister will take care of it, don't worry.

*(Interruptions)*

DR. DATTA SAMANT : The Minister cannot afford to take 20 minutes. Sir, I have given my name.

MR. DEPUTY SPEAKER : You have given and everybody has given. You are Independent Member. I cannot allow the time for you. Already one Member spoke.

DR. DATTA SAMANT : I can finish in five minutes.

MR. DEPUTY SPEAKER : No, no.

DR. DATTA SAMANT : Sir, you know that you are getting down in Bombay, in the airport five lakh serpents are there touching the aerodrome and you are not

giving them any amenities, you are rushing through such bills.

MR. DEPUTY SPEAKER : He will take care of it. Nothing will go on record.

*(Interruptions)\*\**

MR. DEPUTY SPEAKER : I will not allow you. Nothing will go on record.

*(Interruptions)*

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION AND TOURISM (SHRI SHIVRAJ V. PATIL) : Sir, I would like to thank all the hon. Members who have participated in this debate.

PROF. SAIFUDDIN SOZ (Baramulla) : Including Datta Samant.

SHRI SHIVRAJ V. PATIL : Of course, I include the hon. Member from Bombay, Dr. Datta Samant also, my good friend.

Some Members have really appreciated the work done by the Indian Airlines and other airlines and we are thankful to those Members. The good words they have uttered about the airlines will certainly encourage those who are working in the airlines. Some Members have criticised also and given some suggestions too. We have noted the suggestions and we have noted the criticism also and we will try to act upon the suggestion and try to make use of the advice given by the hon. Members in order to see that the efficiency and the service given by the Airlines is better and better every day.

There are two sets of points made by the hon. Members. One set of points relates directly to this Amending Bill and the other set relates to the aviation activity as such. First of all, I will deal with the points which have a direct bearing on the amending Bill.

One of the Members wanted to know as to how a bird can be a menace or hazard to the aircraft. It is the speed with

[Shri Shivraj V. Patil]

which the aircraft flies and bird flies which is important and when an object with great speed hits any other object, the impact is very powerful very forceful and it causes damage. I can give you the facts and figures on bird strikes.

In 1982, about 147 bird strikes took place. In 1983, the number was 291; in 1984—183; in 1985—184; in 1986—189; and in 1987—171. These are the figures. The bird strikes have damaged the aircrafts and also sometimes it has become very difficult also to fly them safely. One Member wanted to know what other steps have been taken. This is a matter which is causing great concern to the Civil Aviation Ministry as well as the Defence Ministry and from both these Ministries, steps have been taken. Studies were done in this matter. Reports have been submitted and on some of the reports, actions have been taken in both the Ministries. The local self-government, the local authorities and the State Governments also have been approached and they have been requested to see what steps are taken to remove the garbage and waste materials on cities which attract the birds. Scientists also have been asked to find out some method, some means, some chemicals which can help us in these matters. Now, there are so many other steps which have been taken.

DR. DATTA SAMANT : It is a hypothetical discussion. 5 lakh people are living surrounding Bombay airport. You cannot do anything here. This is a hypothetical discussion. There are about 90 buffaloe stables touching aerodrome. (*Interruptions*).

SHRI SHIVRAJ V. PATIL : These are some of the steps which have been taken. One of the Members wanted to know as to what we are doing about the slums which are around the aerodrome. And the hon. Member is also very agitated and he wants to know as to what has been done by the airlines in India to see that the slum is not there. For your information, I would like to say that we have taken steps to see that people living in the slums are also helped in this regard. We have contributed Rs. one crore to see that they are removed to other places and rehabilitated.

DR. DATTA SAMANT (Bombay South Central) : You are not giving them permission for constructing latrines for the last 10 years. Government of Maharashtra has written in this regard. It is an important matter.

SHRI SHIVRAJ V. PATIL : That is something different. We will discuss this matter. Please don't interrupt me. (*Interruptions*). If you have any problems, I can discuss with you.

About 10 KM radius, hon. Member Shri Kamal Chaudhry has given the explanation. There were two hon. Members who wanted to know what is the definition of obnoxious material and obnoxious substance. I would like to read a rule which is very pertinent in this respect. A part of the rule says : 'Obnoxious matter is that which attracts or is likely to attract vultures or other birds and animals within the radius of 10 kms.' That means, a substance which is obnoxious to the olfactory glands and which attracts the birds will be treated as obnoxious substance and for the definition of the word "obnoxious", for this law, this kind of interpretation would be helpful. Of course, in order to find out what is exactly the meaning of 'obnoxious', the law itself will be useful and other parts of the law will also help in this respect. This is a very very simple Bill. It was not necessary for this august House to discuss this Bill for such a long time.

There are two things which are expected to be done. One is to make the offence cognizable. When the offence was non-cognizable, the police could not take action against the offenders. We have made this offence cognizable and now it is possible for the police or any other authority to take action without obtaining the warrant from the Courts against the offenders. This is one important aspect of this Bill. The second important aspect of this Bill is that the punishment is enhanced from three months to one year now the fine from Rs. 1000 is increased to Rs. 2000. The punishment is made a little more stringent and we expect that those who throw the garbage, those who throw obnoxious substances in the open, on the road and which attracts the birds and which

causes danger and hazard to the aircraft flying over that area will be reduced. This is the intention. We are hoping to provide the punitive method to stop this kind of hazard as well as we are taking promotive steps also. Some assistance is also provided by the State Governments to the Municipal authorities and some other methods are also adopted to see that this does not happen.

I come to the other points. Some Members wanted to know whether we are going to have any increase in the capacity to the extent of 12 per cent or not—*i.e.* from 8 per cent to 12 per cent. This is a matter on which discussion is going on and it would be possible for the Planning Commission and our Ministry also to discuss this matter and take a decision. The Seventh Five Year Plan is about to come to an end. Within the short period, whatever can be done will be done. In the Eighth Five Year Plan proper decisions may be taken in this respect. Then, so many hon. Members have spoken about the delay and I would like to say. . .

**SHRI VAKKOM PURUSHOTHAMAN** (Allepey) : May I seek one clarification ? In how many cases, how many persons were convicted so far under the provisions of the law ?

**SHRI SHIVRAJ V. PATIL** : This is the statistics which has to be collected from the State Police; this has to be collected from the Municipal authorities and this has to be collected from other bodies also. About the delays, I would like to say. . . (*Interruptions*) Hon. Members will appreciate that the Vayudoot is having only 19 aircraft with them and the Indian Airlines is having only 50 aircraft with them. With 50 aircraft, they have to take passengers from one corner of the country to the other corner and the number of passengers they are transporting is one crore. If there is a delay at one place, then, it gets accumulated and it becomes very difficult. So, I would request that in this background, I would request the hon. Members should appreciate how stupendous and difficult is the task. It does not mean that we are insensitive to the feelings of the Members on the floor of the House. On the contrary, we would like to do all our best, we

would like to stretch ourselves machinewise and man-powerwise and in any other respect in order to see that the delays do not occur.

One of the important points is to increase the capacity of the airlines in order to see that the cushioning time is available so that delays are reduced. We are taking steps. We are trying to procure and acquire and get on lease also aircraft, if possible, to add to the capacity which is available with the airlines and to reduce the delays.

I would like to say that we are sorry for the delay. It is not possible for us to defend very boldly standing on the Floor of the House that delays are not occurring. That is not our stand. We are quite sensitive to this aspect. But at the same time in a very humble manner I would like the Hon. Members to appreciate the difficulty that we have 50 aircrafts and we are transporting one crore of people. Vayudoot is having only 19 aircrafts and they are touching about 90 points.

**SHRI HARISH RAWAT** (Almora) : We appreciate your difficulty. What we request is that you may please purchase some more aircrafts.

**SHRI SHIVRAJ V. PATIL** : That is what exactly I have said. Probably you were thinking about your own questions.

Some Members have spoken about starting new routes and having more flights. We would certainly be very happy to meet the demands made by the Hon. Members. I would like to make it very specific and clear that this does not mean any assurance given on the floor of the House. That is our wish, that is our desire to meet their demands and we are taking steps also. As Mr. Rawat said why don't we acquire aircrafts, we are in the process of acquiring the aircrafts. Already we have contracted to acquire a few aircrafts and a few more aircrafts also we propose to acquire. Not only that, on lease also we want to take them at least on trial first and we want to increase the capacity and we want to provide them. Those points are under consideration and we would like to do that.

MR. DEPUTY SPEAKER : Why can't you recruit some maintenance staff? In the night at least they can work and keep them ready.

SHRI SHIVRAJ V. PATIL : I would like to say that machines are stretched to 95%

SHRI S.B. SIDNAL (Belgaum) : There are some flights to our side. But they never come to Belgaum and we have to halt every alternate day. Out of three sometimes two are grounded.

SHRI SHIVRAJ V. PATIL : The only one point on which I would like to say a few words is about the VVIP flights. I would like to bring to the notice of this august House that when the Prime Minister visited last time the foreign countries, the flights which were operative in that period are 428 flight pairs and out of 428 flight pairs only 19 were cancelled. When these 19 were cancelled, alternative arrangements were made for those whose flights were cancelled.

SHRI SURESH KURUP : Can you give the statistics about how many flights were cancelled when the former Prime Minister visited foreign countries?

SHRI SHIVRAJ V. PATIL : Some people mentioned that about Rs. 7 crores were spent and all those things. It is not a fact.

SHRI SURESH KURUP : There were other Prime Minister also. When they visited foreign countries, how many flights were cancelled? (*Interruptions*)

SHRI SHIVRAJ V. PATIL : I would like to say that last time when the Hon. Prime Minister went abroad... (*Interruptions*)...

MR. DEPUTY SPEAKER : When the Minister is on his legs why all of you are speaking? I never called upon all of you to speak. Order, please.

(*Interruptions*)

SHRI SHIVRAJ V. PATIL : he went in an aircraft having two engines only. It

was not a Jumbo aircraft. It was not 747 aircraft as is reported in some newspapers. We had not kept any spare Jumbo aircraft-747 aircraft. He had travelled only by the 737 aircraft having two engines which is not allowed for VIPs. Now, we don't want to take the risk with respect to the security other VVIPs. When long distances are covered, this is not allowed. At the instance of our Prime Minister himself, this was done. (*Interruptions*) When Mrs. Indira Gandhi was travelling, she was also travelling in a four-engine aircraft. (*Interruptions*)

MR. DEPUTY SPEAKER : Please order. Listen to the Minister's speech. (*Interruptions*)

MR. DEPUTY SPEAKER : It shows that you are not interested in listening to him.

SHRI SHIVRAJ V. PATIL : The 707 aircraft is four-engine aircraft. Mrs. Indira Gandhi used to travel in four-engine aircraft-707 aircraft. This is phased out. And now 747 aircraft is four-engine aircraft. Other aircraft, that is 737 aircraft, is two-engine aircraft. Other Prime Ministers and VVIPs from India have been using Chartered flights when they go abroad. (*Interruptions*)

For the benefit of the hon. Members, ultimately I would like to say, Sir, it is the prestige and the dignity of the post. It is prestige of the country. Now, when the Prime Minister or the President visit other countries, they talk about so many things which help both the countries for years and years to come. This has to be taken into account. (*Interruptions*)

I would request the hon. Members not to talk about these things for a country like ours. (*Interruptions*) This is not in keeping with the dignity... (*Interruptions*)

MR. DEPUTY SPEAKER : The question is :

"That the Bill further to amend the Aircraft Act, 1934, be taken into consideration."

The motion was adopted

MR. DEPUTY SPEAKER : The House will now take up clause by clause consideration of the Bill. The question is :

"That clause 2 stand part of the Bill"

The motion was adopted

Clause 2 was added to the Bill

MR. DEPUTY SPEAKER : The question is :

"That Clause 1, The Enacting Formula and the Long Title Stand part of the Bill."

The motion was adspcted

Clause 1, the Enacting Formula and the Title were added to the Bill

SHRI SHIVRAJ PATIL : I beg to move :

"That the Bill be Passed.

MR. DEPUTY SPEAKER : The question is :

"That the Bill be passed"

The motion was adopted

15.27 hr.

STATUTORY RESOLUTION RE :  
DISAPPROVAL OF ARMS (AMEND-  
MENT) ORDINANCE, 1988

AND

ARMS (AMENDMENT) BILL

[English]

MR. DEPUTY SPEAKER : The House will now take up items 12 and 13 together. Now, Shrimati Geeta Mukherjee.

SHRIMATI GEETA MUKHERJEE (Panskura) : I beg to move the following Resolution :

"That this House disapproves of the Arms (Amendment) Ordinance, 1988 (Ordinance No. 5 of 1988)

promulgated by the President on the 27th May 1988."

Sir, actually this Government has passed 36 ordinances in its lifetime, six in the last session. The interesting thing is that the last budget session ended on the 13th of May and this ordinance was issued on the 27th of May. Why was this ordinance passed? It was reported that the terrorists and anti-national elements, particularly in Punjab, have, in the recent past, acquired automatic fire-arms, rockets and rocket-launchers and other sophisticated weapons and ammunition. Is it between the 16th and 27th they understood that the ammunition, automatic weapons, etc., have been collected? If not, why wasn't this thing brought forward in the budget session itself? Why was there an ordinance?

Sir, everybody know in Punjab that automatic weapons were being used by the terrorists for a very very long time. Therefore, it is the habit with the Government to go on with ordinances. This could have been easily by a normal Bill. I may come on Monday but probably, I will not be there. Therefore, Mr. Indrajit Gupta will continue on my behalf because his name is also there. Regarding the ordinance, I challenge and I say that there is no necessity for this Ordinance. This could have been a law much before and could have been given much better opportunity to use this law, if they want to use, against the terrorist activities about which I want to say many more things. It is already 3.30 P.M. I would finish with these words now.

MR. DEPUTY SPEAKER : You may continue on Monday. Now we will pass on to the next item.

15.31 hrs.

COMMITTEE ON PRIVATE MEM-  
BERS BILLS AND RESOLUTIONS

[Translation]

Fifty-Fourth Report

SHRI CHANDRA KISHORE PATHAK (Saharsa) : Mr. Deputy Speaker, Sir, I big to move :

"That this House do agree with the Fifty-fourth Report of the Committee on Private Member; Bills and Resolutions presented to the House on the 3rd August, 1988".

[English]

MR. DEPUTY SPEAKER : The question is :

"That this House do agree with the Fifty-fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 3rd August, 1988."

The motion was adopted

15.32 hrs.

RESOLUTION RE : CENTRE-STATE  
RELATIONS—*Condt.*

[English]

MR. DEPUTY SPEAKER : Now we will take up further discussion on the following Resolution moved by Shri H.M. Patel on the 18th March, 1988 :

"This House express its deep concern over the present Centre-State relations and demands their early restructuring so that federalism underlying our Constitution is made more meaningful."

We have only 26 minutes more.

DR. G.S. RAJHANS (Jhanjhapur) : There should not be any extension because in any case we are going to discuss Sarkaria Commission's Report. Let us finish it within 26 minutes.

MR. DEPUTY SPEAKER : So many Members have given their names to participate. The Minister's intervention is there and the Mover's has to reply. I do not think that it will be over within 26 minutes.

SHRI C. MADHAV REDDI (Adilabad): Kindly extend the time. We have no objection over it.

MR. DEPUTY SPEAKER : Then, is it the pleasure of the House that we extend the time for this Resolution by one hour ?

MANY HON. MEMBERS : Yes.

MR. DEPUTY SPEAKER : All right. Mr. Amar Roypradhan.

SHRI AMAR ROYPRADHAN (Cooch Behar) : Sir, before I deal with that of Governor's role with, particular reference to Nagaland wherein rape on Constitution is going on, I would like to start with the three language formula where I had to be stopped in the last session. It is the idea of the three language formula that both southern and eastern Indian States will learn Hindi as one of the three languages compulsorily and on the other hand, the North Indian States will read one of the Southern languages, either Tamil or Telugu or Malayalam or Kannadam. But I am sorry to say that there is only State, *i.e.*, Haryana which started Telugu as the third language.

They started with Telugu as the third language, but after one or two years, they stopped it. There are so many States in the North India where Hindi is the first language, second language as also the third language. I would not like to mention the names of those States.

The main concept of the three-language formula is to create an atmosphere by which as required under Article 351 of the Constitution, we are able to develop Hindi, that is, Hindustani in the entire country for our national interest and national integration. What does the Sarkaria Commission report say at page 526 :

"The Expression Hindusthani has not been defined in the Constitution or in General Clauses Act. But in popular sense it means the language spoken by a very majority of the people. Interestingly, this simple and popular language also advocated by Mahatma Gandhi and experimented in Azad Hind Government by Netaji Subhash Chander Bose, is quite rich in its vocabulary because it has assimilated words from other Indian languages like English, French, Portuguese, Persian and Arabic after making necessary adoptions".

The three-language formula must be of compulsion for all the States and secondly, as I referred earlier, when the Constitution came into force, education was in the State List and then later, it came to the Concurrent List. I would like that the education should again come back to the State List.

Now, I come to Nagaland. The Sema Ministry of Nagaland has now been reduced to minority. Thirteen members of the ruling party, Congress (I), have formed a new party, Regional Congress of Nagaland, which according to the Anti-Defection law is not illegal. Three parties have formed Naga Peoples Council. Their strength is 35 in the House of 60 members. They have been pressing that one member from them should be invited to from the Government, but what is going on. Governor is sometimes away to Manipur and sometimes to Delhi. He has completely abdicated his constitutional duties by staying away from the State. Some says that the Governor of Nagaland has been kidnapped Whatever it may; I do not want to say anything against the Governor, because that is not permissible.

In this connection, I would like to draw attention to the Sarkaria Commission's Report, page 118 regarding criticism of the role of the Governor. It says :

"But the manner in which he has performed his dual role has attracted much criticism. The burden of the complaints against the behaviour of Governors in general is that they are unable to shed their political inclinations, predilections and prejudices while dealing with different political parties within the State. As a result, the decisions they take in their discretion appear as partisan and intend to serve the interest of the ruling party in the Union Government".

The Sarkaria Commission has also made observations on page 119 regarding testing majority :

"Governors have employed various wave to determine which party or group is likely to command a majority in the Legislative Assembly . . . . . Further,

when the leader of the Congress Party did not from the Government, the leader of the opposition group was not called upon to do so, instead President's rule was imposed."

This is very much there today in Nagaland. Is it democracy ?

The Sarkaria Commission also recommended that the Governor should be a person who is eminent in some walk of life, he should be a person outside the State he should not be intimately connected with the local politics of the State.

(d) He should be a person who has not taken too great part in politics generally and particularly in recent past.

Obviously, before the Governor's appointment the Chief Minister of the concerned State must be consulted.

I cannot agree with the Sarkaria Commission's recommendation that the Governor should be connected with the politics. I cannot agree with the recommendation (c) and (d) of the Sarkaria Commission because I think the best judge can be the politician. Their interest for the nation's unity and integrity and development of the country would be much more than anybody else. So, I think the Governor must be some politician.

One thing I would like to mention that the political element should not be a partisan element. For thaa, however, the term of the Governor under any circumstances should not be more than one term of full five years. It should not be extended beyond the period of five years. After that he must have to take retirement with pension and other benefits. He should not be allowed to join any political party. He would not be allowed to accept any post of Chairman or Member or any managerial post of any commission or committee. In that case he would be able to give his best judgement.

Article 356 of the Constitution was applied by the Governor so many times in the past. Sir, if Article 356 is there in the Constitution only for misuse, then it is all

[Shri Amar Roypradhan]

right. Otherwise, it is high time to delete it, to withdraw it, to strike it off from the Constitution.

Sir, if you go through the pages from 177 to 179 of the Sarkaria Commission's Report, you will find that within the period 1950-68, *i.e.* in 38 years, 76 times Article 356 was applied. It is in the Report itself that out of 76 times only 26 times it can somehow be justified and rest of the 50 times it was misused.

So, some may doubt that there may be a vacuum in the Constitution. If in the Centre the failure of Government create crisis, why then in the State.

The decision as to who would be the Chief Minister must be decided on the floor of the House and not anywhere else. It should be decided only in the House of the State concerned.

We should not forget the federal nature of our Constitution. If we make Centre strong, it will be no good. Let the State be stronger and only then a strong India can be built up.

[*Translation*]

SHRI VIRDHI GHANDER JAIN (Barmer) : Mr. Deputy Speaker, Sir, Shri H.M. Patel has brought forward a Motion regarding Centre-State relations and I want to express my views thereon. Shri Patel has said it in clear terms that we should have a strong Centre but at the same time, our states should also be strong. He has further stated that the Sarkaria Commission has also mentioned specifically that it is essential to have a strong centre, but it is equally essential to have strong states as well. Now the question that arises is as to how to establish such relations which would ensure a strong centre and equally strong states and a harmonious relationship between the two.

15.46 hrs.

[SHRI SHARAD DIGHE *in the chair*]

It is clear that we have adopted the

Federal structure in our Constitution as well as the Unitary system. The Federal structure of our Constitution has been a complete success. Many obstructions and difficulties have been there but we were able to overcome them. We have also been able to make the federal structure and democratic set up of our constitution successful. When the Janata party was in power for a short period, the elected Governments in the states were dismissed at one stroke.

AN HON. MEMBER : You also did the same in 1980.

SHRI VIRDHI CHANDER JAIN : At that time our democratic framework and federal structure received a blow, but the people ousted that Government through the ballot box. At present the democratic set up is functioning smoothly. Now let us take the question of the strong centre. Had the centre been not strong enough, the natural calamities of floods and drought faced last year, the like of which has not been witnessed during the last 100 years, could not have been tackled so effectively. Had the Central Government been not strong—I can say particularly about Rajasthan—thousands of people in Barmer and Jaisalmer areas would have died of hunger. The Rajasthan Government would not have been able to combat this situation as it was not capable in anyway to do so. What I mean to say is that whenever this kind of natural calamity befalls, a state Government howsoever strong it may be is not capable of facing the situation created by such calamities, namely drought, floods or storm, of such magnitude. Similar situation is created in case of external aggression. For example, if Pakistan attacks us and our country is not united or our Centre is not strong, then in the present situation, we will not be able to counter them. Pakistan is stock piling weapons and the United States is extending aid in this matter, but we are also strengthening our Defence positions by enhancing our Defence allocation in our annual budgets every year. In case Pakistan or any country threatens us, we are prepared to meet the challenge. So strong we are. What I mean to say is that it is essential to have a strong Centre. If the Centre is



not strong enough, the unity and integrity of our country can be threatened.

The Finance Commission was set up under the Federal structure. We have adopted the revised Gadgil Formula which has an important role to play in the Centre-State relations. I am of the firm opinion that there is a need to change this formula. Only the National Development Council or the Finance Commission has the power to change it. 60 per cent of the population has been given more importance. Rajasthan has a vast area but its population is comparatively less. In Madhya Pradesh the population is all right, but the area is vast. What I want to say is that the desert areas, the border areas or the backward areas are not getting any actual benefit from the Gadgil Formula. The position is that we are not able to take up any large scheme. The Rajasthan Canal project was taken up in 1958 but it has not been completed so far. Had the position of our state been stronger and has more funds been allocated to us, we would have been benefited much more. It is also called the Indira Gandhi Canal and it would have been completed in 10 years, had the situation been more conducive. Crores of rupees which were spent in Barmer, Jaisalmer and other drought affected areas could have been saved, and double expenditure could also have been avoided. Not only this, it would also have led to the reclamation of our desert areas and we would have become self-reliant and would have been in a position to supply foodgrains to other areas as well. The border areas which are backward and cover vast areas of land are also important from the point of view of the country. Therefore, under the circumstance it is essential to amend the Gadgil Formula. The Finance Commission has submitted its interim report. When it submits its final report, this matter should be considered. I want to request the hon. Minister that the views which I am presenting should be presented before the Finance Commission also. If the Finance Commission takes my suggestions into consideration, the backward areas will be benefited and they will be able to come at par with others areas. When the chairman of the Finance Commission toured our area, I also accompanied him. He was satisfied with my assessment of the situation. I mean

to say that the Gadgil Formula should be changed in accordance with the situation of the backward areas. Drought and flood have become twin curses for us but sometimes floods become blessing in disguise also. Looni river in our area is prone to floods. When flood comes, extensive damage is caused but later this curse proves to be a blessing. Because floods help in increasing the fertility, therefore, when flood waters recede, the production of rabi crop is very good. It is true that floods cause heavy damage but this turns into a blessing subsequently. The drought relief given to the states is inadequate. The margin money fixed is low. After fixing the margin money the additional assistance provided by the Centre is extended in the shape of special loans, whereas 75 per cent of the non-plan expenditure for flood affected areas is borne by the Central Government. Whosoever took such a decision, whether they were the Ministers, the officials or the bureaucrats, were not conversant with the drought situation. They belonged to the flood areas. They did not consider the problem of drought prone areas in its proper perspective. Had they hailed from the drought hit areas, they would have seen that drought also makes people suffer equally; people are stricken by diseases and their lives are wasted or in other words, they are living corpses. But the norms have been fixed and who is to change them. Therefore, it is essential to change the norms. The situation of floods and drought should be treated at par. Under our federal framework, the states are getting substantial grants-in-aid from the Centre. Substantial assistance is also provided under various schemes like the N.R.E.P., R.L.E.G.P., I.R.D.P., Desert Development Programme, Hilly Areas Development programme etc. Even under the National Education policy, the Central Government has enhanced the allocations from Rs. 350 crores to Rs. 800 crores. Through various schemes, the Centre is assisting the States and is making efforts to improve the situation in the States. This has led to our development and progress. We want that the various schemes like the R.L.E.G.P., N.R.E.P., I.R.D.P., the 20 Point Programme and other poverty alleviation programmes should be promoted and arrangements for more allocations made

[Shri Virdhi Chander Jain]

for them. This will also help in providing a solution to the unemployment problem. If the Centre wants to improve the position of the States and if it cannot provide direct assistance, then indirect assistance should be given. Centre provides 50 per cent of the funds under NREP in the shape of grants. Under RLEGP, 100 per cent assistance is provided by the Centre. The question is that 50 per cent of the funds under NREP are provided by the Centre and the rest of the 50 per cent is to be mobilised by the States. But in some states, the economic position is very weak. In their case, the Centre should take a decision to provide 75 per cent of the requirements and rest of the 25 per cent should be mobilised by the concerned States. The States should fully utilize the funds allocated under N.R.E.P. Otherwise they cannot get benefits out of it. Therefore it is essential that the backward areas be given certain concessions. Some norms should be fixed for such areas, so that they could get some special benefits. I have been requesting for it continuously for the last three years. The Central Government had also accepted it and prepared the Desert Development Programme, but I regret to say that very small amount of funds has been allocated for this purpose. You can see that Desert Development Programme is a very big programme and its allocations should be enhanced. If Rs. 237 crores have been earmarked today, it should be enhanced to at least Rs. 2000 crores. It will enable us to accomplish several tasks like afforestation and transformation of the deserts into green areas. The tubewell scheme has been successful there and, therefore, we can make arrangements for water supply in these areas as well. The Indira Gandhi Canal can also be utilised for the some purpose and means of irrigation can be made available. Water is required for afforestation purposes also and all this will result in development of this region.

16.00 hrs.

What I mean to say is that by enhancing the allocations of the Desert Development Programme, the desert areas can be afforested very fast which will also contri-

bute in strengthening the position of the States.

Another problem which we have to face is that of the misuse of funds or wilful expenditure. If a certain amount is allocated to a State to be spent for a particular scheme, it is either misused or spent wilfully. This leads to a situation of friction between the Centre and the State. You should make such arrangements which would ensure that the Central funds are spent only for the purpose for which they have been granted and not elsewhere. Only then, this friction can be avoided.

The Opposition Parties have raised a question that no politician should be appointed to the post of the Governor. I want to ask whether all the politicians including ourselves from the Congress Party as well as the Opposition Members are dishonest and corrupt? Why should they not be appointed as Governors? Do you want that only bureaucrats be made Governors? Why do we forget the principles of democracy merely for the sake of opposing? What is the harm if a Member of the Congress Party is appointed as a Governor. Yes, we can certainly say that some code of conduct or guidelines should be evolved for them. No one will disapprove it. Shri Mohan Lal Sukhadia held the post of the Governor in Maharashtra, Andhra Pradesh, etc. He took into confidence the public directly and sought advice from the public representatives including the Opposition Members and was therefore appreciated by all saying that no one can become an able and successful Governor like Shri Mohan Lal Sukhadia . . . (Interruptions)

This was an example that I was giving. If the Sarkaria Commission gives any such recommendation today then that can also not be acceptable. Therefore, instead of opposing the appointment of a politician to the post of the Governor, you should rather say that some code of conduct and guidelines should be evolved for the post of the Governor, and that he should bear a good character. No one can have any objection to that. At the time of Presidential rule, the Governor has to shoulder a big responsibility . . . (Interruptions) Of course, we can say so. Therefore the thinking of our

Opposition Members is very narrow. We should think about everything with a wide perspective, only then will we be able to take a right decision.

Ours is a very vast country where different languages are spoken. My submission is that we should implement the three-language formula in the true sense in order to keep our nation united. Unless we do so and give one language the status of a national language, it will not do. We should determine one language which we can adopt as our national language and try to get it recognised at the international forum. Though we have recognised Hindi as our national language but it has not really got that status as yet. Today if we visit China or Russia, we make English as our medium of communication, but what is the need to speak in English? Does any one from China or Russia speak in English on his visit to India? Then why should we not talk in Hindi during our visits to other countries. This will strengthen our country. But today English speaking people are given recognition. No matter what the post is, an English knowing person is appointed to it.

What is this way? We should take out this complex from our mind. If the three-language formula is adopted today, then you will have to work in the national language Hindi. If the people in the South learn Hindi, then we will also learn regional languages and their complaint that we do not learn their regional languages will also be removed.

Another important point that I want to make is regarding the regional parties. The way the regional parties are coming up today is becoming an extremely dangerous thing for our country. Today politicians should understand that if regional parties are formed in every State then the whole country will disintegrate. Then who will be able to save it? Therefore the need of the hour is that if the regional parties want to come into the mainstream of the nation, then the first step which should be taken is that regional parties should be dissolved. If the people belonging to these regional parties want to join the opposition, they may do so and become members of the

SJD. What I mean to say is, that the regional parties should be dissolved. In our country there should be an equally strong opposition to match the Congress party as is the case in America and Britain. There may be two or three parties in the Opposition but their number should not be more than three. If there are more than three parties then the democracy of our country cannot be successful. Irrespective of the fact that whether there is the Leftist Party or the Rightist Party in the opposition, it should, however, not consist of more than three parties. No matter how much effort is made by the regional parties, their perspective will remain very narrow, they cannot in any way think of working in the interest of the nation and if that is the case then the question of our country's progress does not arise. Our country cannot progress and prosper in this way.

While we take pride in the fact that there is unity in diversity in our country, then if the growth of regional parties is allowed, we will have to abandon the slogan of unity in diversity which was given by our great leaders Mahatma Gandhi, Pandit Jawahar Lal Nehru and Dr. Rajendra Prasad. If the unity in diversity is to be truly maintained, then we should dissolve these regional parties immediately. At present I want to say only this much. When the report of the Sarkaria Commission is presented, I will express my views on it.

Mr. Chairman, Sir, now I want to say something about Punjab. The present situation of Punjab, warrants that all the parties jointly should solve this problem by calling a meeting and holding talks to this effect. Unless a democratic Government is there, the terrorism cannot be rooted out no matter whatever the efforts we make in this direction. Therefore it is very essential today that the hon. Prime Minister should call a meeting of all the Opposition parties to formulate a scheme under which a democratic Government may be formed there. Attempts should also be made to root out the terrorists with full strength. The Government has also rooted out the terrorists and now even the Janta (Public) is lending support in liquidating the terrorists.

**PROF. MADHU DANDAVATE**  
(Rajapur) : Is it the public or the Janata Party which has done so ?

**SHRI VIRDHI CHANDER JAIN :**  
I am not talking about the Janata Party but about the public which has liquidated the terrorists there. The Janata Party is responsible for doing in Punjab by playing a worst role there. Shri Fernandes and Shri Subramaniam who went there, did worst things there and did not play a commendable role. These people have harmed the country the most. The Janata Party adopted the most objectionable and obstructive attitude there. The Communist Party played a good role, but Prof. Dandavate, your party's role has not been commendable. Therefore, I requested you to change your heart and work for the progress and unity of the country. By changing heart, you can work for the unity and for making the country strong.

Mr. Chairman, Sir, I agree to some of the views expressed by Shri H. M. Patel while presenting the resolution regarding centre-state relations. But to some other views I do not agree at all. With these words I conclude.

[*English*]

**SHRI NARAYAN CHOUBEY** (Midnapore) : Sir, while taking part in this debate, I beg to submit a few points.

India is a multi lingual, multi cultural vast country with so many languages, so many types of cultures, food habits, and also so many types of economy. We have got very advanced capitalist economy in some parts of the country. We have got capitalism and feudalism mixed in some other parts of the country. We have got preponderance of feudal system in a large part of the country. There are certain areas, say north eastern areas, where even we have not reached the stage of feudalism.

Naturally Sir, the very objective inherent in the whole system is that there shall be some differences coming up here and there between the States, between the regions, which need resolution and which can be resolved.

Sir, India is a big country having so many big rivers, which pass through several States. Say, the river Ganges. It passes through three big States. A large amount of water is drawn by U.P. and we in Calcutta do not get water. Take Narmada or Cauvery. These problems require resolutions and they can be resolved. For, that, to the Centre State relations should be set up in a model manner, it can resolve all these problems.

Sir, the quarrels between various States, sometimes with one State and the Centre has been there in previous times also. At present, it has become more active. We are seeing in front of our eyes, in Southern States, there is a quarrel regarding water. There is a quarrel between Maharashtra and Karnataka over Belgaum. They are continuing for months and years. Previously, India was ruled by one party. One party ruled both at the Centre and in the States. At that time also, the differences were there. It was a good luck that the country was ruled by one party. Congress Party ruled the Centre and the States. There had been lively debates in ICC meetings, and ICC was represented by many people. Elected Bodies were there. Memberships were there. Diverse views were debated there and they used to come to certain consensus. The differences were resolved mainly in ICC meetings.

Shri Virdhi Chander Jain said that regional parties are coming up. Whether you like or dislike, regional parties are very much objective. Nobody expected Telugu Desam party would come in Andhra. Nobody expected National Conference party in Kashmir. Regional Parties are coming up because of certain obvious reasons and mainly due to the failure of the Congress Party to do justice to the situation. Had the situation in Andhra been tackled properly in early 80s, Telugu Desam party would have come. Who are in Telugu Desam today ? A large number of Telugu Desam people are veteran Congressmen, who have served the State and the nation for a long number of years. And such was the shabby treatment meted to the Telugu people as a whole through the Governor at that time that the national sentiments of the Telugus took the shape of Telugu Desam.

I must say that they are not secessionists. They are for India; they are for Indian unity. Naturally it is the failure of the national parties which has given birth to regional parties. And they are very much objective. So a new age has come, a new stage of development has come when no single party shall be able to rule all the States and the Centre simultaneously. The Central Government and all other politicians should take note of this objectivity that bygone are those days when one single party, say, the Congress Party or the Janata Party would be ruling the Centre as well as all the States simultaneously. Naturally, a new stage has entered into the body politics of India that India will be ruled in future not by one party both at the Centre and in all the States simultaneously. This should be taken cognisance. This system came up as early as 1957 when the first non-Congress Ministry *i. e.* Communist Party of India Ministry, came into being in Kerala. The Government of India, particularly the Congress Party with its arrogance could not tolerate that Government and they brought that Government down by force, led by late Smt. Indira Gandhi, who was the President of the Congress Party. It was for the first time in the history of independent India that we had given a shake hand with the Muslim League combined with Hindu chauvinist forces, Muslim chauvinist forces and Christian chauvinist forces, under the banner of Congress Party at that time.

Another new situation has developed. India has got many small groups who were down-trodden in the past, say various types of tribals, Harijans and Girijans. They are not down-trodden now. After 40 years of independence, they have got enlightenment. They have gone to schools. They have come to Parliament. They have gone to Assemblies. They have gone to foreign countries. They are coming in touch with modern literature and modern science. They have started understanding their own demands. It is a new feature. Now, sometimes, they are demanding their own State, their own council. And this thing too shall grow in number. An Adivasi tribal has now passed MSc in Science. His grandfather was a tiller. He understands the politics and he wants his share. The people

who have not been given any share in the past, a movement is going to come up. In Uttrakand area, people of northern division of UP, demand a state. Don't say it is chauvinism, don't say, it is divisive. They say, they want to develop their own areas.

AN HON. MEMBER : As it is the case of Darjeeling.

SHRI NARAYAN CHOUBEY : May be, I don't want to bring differences in politics. Newer and newer demands are going to come up-from newer and newer areas. Whatever the Government, be it a State Government or be it the Central Government, in the State it should be ready to face these things. There are many things to come and many things have been mentioned.

Now, the Sarkaria Commission's report is before us and we are going to consider it. Discussions are already there in the Consultative Committee attached to the Home Ministry and they are discussing it clause by clause. I hope that we shall bring those things in this august body and we shall discuss it. But one thing should be given a serious thought of and that is about the role of the Governor and the Article 356 of the Constitution. Some Governors had played many good roles many times and some Governors played very bad roles sometimes and not that the Governors have played those roles but they have been made to play those roles. Who was this poor Shri Ram Lal ? What was he without "instigation" from the Centre ? He could have faced the entire Telugu people of 7 crores. But he could not face them. Ultimately he had to go.

Now, Sir, in Nagaland, what is happening ? We are in majority. Still you don't allow them to form the Government. I am referring to the new party forum in Nagaland which has come out from the Congress-I party and joined them forming a new party against whom you cannot apply the anti-defection law. It is for the Central Government to think how far they are going corrupt the body politics of India by including crores and tonnes and tonnes of rupees just like we go to the market to buy cattle from going pillar to post to buy MLAs and MPs,

[Shri Narayan Choubey]

(*Interruptions*) What is the price of MLA in Nagaland? Will you please explain?

SHRI PIYUS TIRAKY (Alipurduars) : Only Rs. 3 crores have been taken.

SHRI NARAYAN CHOUBEY : Naturally this money power being used by the Central Government who vouches for democracy must end and here the question comes. I am in agreement with my Congress friends that it may not be that we are bringing a bar that we don't allow politicians to be Governors. That is not my intention. I don't intend that all the bureaucrats should be the Governors. There are many good bureaucrats and many good politicians and there are bad bureaucrats and also bad politicians. The ruling party should not try to make use of the office of the Governor for perpetrating their own domination. What is flowing naturally in the State should be accepted by the Centre. The natural corollary of Nagaland politicians say that the Congress should go. You accept it with good grace. Why do you manipulate? Why do you send Mr. Rajesh Pilot? Why do you send Mr. Buta Singh? Why should the Union Minister go there? Why Mr. Sangma should be flown from Shillong to Kohima and made to sit there with tonnes and tonnes of money, sitting there and confabulating, etc.? Why? This is my question. So, making use of the Governors should be stopped immediately. Sometimes back our party demanded to abolish the posts of Governors. There is no need for them. The Governor is used in such a manner as if he is the agent of the Central Government in the State to serve the Central Government and not to serve the poor people, the common people there. This idea must vanish from the people's mind. It is very honest course, it is a very noble course and our Haran Mukherjee was there, Padmaja Naidu was there, they were all Congressmen, they were not Communists and we never quarreled with them. Even now, with the present Governor we have no quarrel. But then you sent A.P. Sharma, we quarreled with him. We don't quarrel with all the Congressmen. So, the post of Governor should be so used that people do not think that the post of Governor is being used to serve the

agency of the Central Government to pervert democracy or do some other thing as it is happening today in Nagaland. I hope our Minister will give some answer regarding Nagaland today.

Many things have been to regarding Article 356.

SHRI HARISH RAWAT (Almora) : Out of 13, seven have come back.

SHRI NARAYAN CHOUBEY : Sir, he is giving me a good news that out of 13, seven have come back. I would be happier if he can give me the news as to what is the amount he has spent from the coffers. What is the amount they spent to bring these seven men back to Congress fold? What was the cost what was the price?

[*Translation*]

SHRI D.P. YADAVA (Monghyr) : Whatever has been said by Shri Choubey, has happened.

SHRI NARAYAN CHOUBEY . I did not say so. He whispered into my ear and I said it loudly. Shri Yadava, you are also aware that your father was in Kharagpur. We both know each other very well.

[*English*]

Sir, I beg to submit that the post of Governor has been used. Even in Kashmir it was used, now today you are having a honeymoon with the National Conference, you are in honeymoon with them, but what they faced in Kashmir with the Governor in his post—I think I will repeat the story. At that time you are 'chillaing' along with us.

AN HON. MEMBER : Honeymoon is going to be over.

SHRI NARAYAN CHOUBEY : Honeymoon is being to be over? Sir, he says that the honeymoon with the National Conference is going to be over. It is in full now.

MR. CHAIRMAN : Don't have private talk with him and you now conclude.

**SHRI NARAYAN CHOUBEY :** It is three-language formula, Sir. It was a noble formula, it was meant for the best interests of United India, but really speaking—yes, our party and we agree that Hindi should be a language which can be a common language for the whole of the country, there is no doubt about it. 40 per cent of our people speak in Hindi and understand Hindi, there is no animosity against Hindi in the eastern part of India, but Hindi should have been allowed to grow in a most natural course. (*Interruptions*). But some persons, protagonists of Hindi, mad man, wanted to thrust Hindi on the Southern people with applying three-language formula in their region.

[*Translation*]

There is still time, you should kindly adopt the three-language formula, start teaching South Indian languages in upper India, Bihar, U P., Madhya Pradesh, Rajasthan and Haryana and publicise in the South that we people are learning Tamil, Telugu and Kannada. You have experienced that you cannot impose anything forcibly.

[*English*]

It is very important and very pertinent that three-language formula should be applied for the whole of the country.

[*Translation*]

**SHRI RAM PYARE PANIKA** (Robertsganj) : You should tell it to your Government which does not let us learn Hindi.

**SHRI NARAYAN CHOUBEY :** It is wrong to say that. Our Government is not anti-Hindi. What are you saying is not correct. There is Hindi in Bihar, U.P. Madhya Pradesh, Rajasthan and Haryana. We know this but if we try to impose our language, it will not be desirable.

**SHRI RAM PYARE PANIKA :** What Shri Choubey is speaking is strange. He is speaking against his basic principles.

**SHRI NARAYAN CHOUBEY :** Let me speak. It is the C.P.M. Member who speaks so. I belong to C.P.I.

[*English*]

The last point is this. This issue should taken up very seriously. In the future days, we shall be facing more and more problems. It is not static and this problem is very much objective in the situation. It is not a problem made by some bad men here and there. These problems were not there these problems have come. Some of them will be solved; new problems will come because India is a developing country. Many regions will develop. The backward region will come up. A tribal man will get education. The Scheduled Caste people will get education. They will know their rights. Naturally more and more demands are to come and they will come mostly from the States because the country is divided into States. In such a situation, the Centre State relations should be properly looked at, in a scientific manner so that there is no final end to it. It should develop so that we can keep harmony and we can keep our performance such that India's unity and integrity can be kept. It is now really in danger, endangered from outside, from countries like Pakistan, from countries like U.S.A. and also from internal dissensions. Naturally, I hope that the Government will take steps to see that our India remains united, in a harmonious manner.

[*Translation*]

**SHRI D. P. YADAVA** (Monghyr) : Mr. Chairman, Sir, there is no doubt that the topic of today's discussion is quite important. Shri Patel has raised this issue. It is a good topic for discussion. It should not be discussed only in the Parliament but also I want that the Government should get the report of the Sarkaria Commission presented in this session and floated throughout the country. It should be discussed in all schools and colleges as a public issue so that the people can realise that in the new context the Central Government has to be essentially strong. When the report comes before the people, the people will read it and we will come to about their opinion. There is a need for the feeling of nationalism, the nation as a whole puts fourth a demand for the same. The people of this country are not illiterate. They are quite wise. They are not going to

[Shri D.P. Yadava]

forget the extent of powers which should be enjoyed by States *vis-a-vis* the Centre.

So far as I know the Sarkaria Commission has prepared a comprehensive report on the basic issues after holding discussions with various political parties and leaders. Though I have not been able to get the report, but I have come to know about of its portions.

Mr. Chairman, Sir, in that Report, three or four points of national importance have been made : One point is "to protect and preserve the independence." It is a national issue. The second is 'integrity and unity of the country'. The third point is 'uniform integrated policy on basic issues of national concern'.

We will have to determine the State-Centre relations keeping these points in view and only then national unity and integrity can be maintained. In order to see that our unity and integrity is maintained, there is no aggression from outside and our borders are safe, we will have to look at all the national issues which are before us right from agriculture to space science technology in the new perspective. So far as formulation of policy and its implementation is concerned, we will have to work keeping in view the new perspective.

I think that everybody would agree with me on this point. If we are united and strong, if we are not weak from the scientific point of view and if we are equipped with the latest technology, nobody can obstruct our progress. All the developing countries of the world have adopted science. If we look at the extent of science application in 40 years back, we find that there was not a single IIT, But today we have the capacity to produce 30-40 thousand engineering graduates and 1,50,000 Doctors every year. There are more than 150 universities. 13-14 crores of children have been covered under the school system. Nobody can deny the fact that a change has been brought about. Keeping this change in view, we will have to form a new society where a strong Centre is necessary because the Centre has to tackle various problems

arising sometime in Nagaland, sometime in Punjab and sometime in Temil Nadu. There will be all confusion if every State is allowed to act in its own way. Do you think, we will be able to maintain the integrity of the country if the uniting force is not strong ? So a strong Centre and capable leader is essential for the integrity of the country. We are glad that our leader is not only capable but also quite clear in his heart and mind that he will take all those steps which are necessary to maintain unity and integrity of the country. His personal interest comes next to the public interest. He is least worried about his own life, It is definitely a matter of pride for us that keeping in view our glorious history, Shri Rajiv Gandhi has boosted the image of India during his visits to various foreign countries and given useful directions about the science policy. So far as the unity and integrity of the country and a uniform policy on basic issues are concerned, I want to say one thing that in regard to the question of defence of the country, our Hon. Prime Minister has clearly declared in a meeting of our party that our country is quite capable to fight on all fronts simultaneously if a need arises. We do not depend on others for importing armaments. The country which is self-sufficient in the matter of armaments, need not worry or feel humiliated. Though the matter under discussion does not relate to the Defence Ministry, yet I find that whether it is a matter of rockets, pilotless, planes, ammunition or guns, everything is produced within the country. Our *Radars*, Sonars etc. are based on the latest technology. Our submarines are equipped with such appliances which reveal how much our country has made progress in this field. We possess certain equipments which even our neighbouring countries do not have And these equipments have been developed within the country itself and not imported from abroad, All the appliances produced in our defence laboratories are assembled and fitted in submarines. Thereby we have achieved better results and this has caused tension in the neighbouring countries, There are some political parties in our country which think unwisely that our country is not fully prepared. The facts about war and love are not revealed always to all. We will, however, give a



befitting reply if anybody dares to attack us. This should be made clear to all. There is no need to humiliate our defence officials by raising the bogey of Bofors, Bofors. The Sarkaria Commission has given such an indication. It has warned against presenting wrong figures and press reports to demoralise the nation. When we are capable, we must reveal it. I have already talked about integrity. We do not say that the party of N. T. Ramarao should not remain there. But it should work within the limits recommended by the Sarkaria Commission. Their Government should distribute the rice which the Central Government supplies at the rate of Re. 1.60 per kg. from the Central godown. They should distribute the rice supplied by the Central Government at subsidised rates, otherwise distribute it free. The entire credit goes to the policy evolved by the Centre. Every citizen of India gets adequate food and cloth. Today there is no hue and cry food and cloth. It has no importance if the food is cheap or dear or N.T.R. supplies a pair of chappals or a dhoti. The number of dhoties being produced in NTC is such at present, that even if the mill is closed for sometime the free supply can continue for a year. How is it? We have not imported any cloth from abroad. Today we are self-sufficient in case polystor, synthetic fibre or any type of cloth, petrol or coal. Whenever the issue of steel is discussed, people raise objection to price-rise. They forget that iron is nowhere selling in black market, There is no shortage of iron for agricultural or industrial use. The most point is whether we should update our technology or do further research in respect of the technology advanced by other countries? No State Government is in a position to update the technology in respect of iron and steel. The Centre can transfer the technology on its own terms and conditions if it is required for updating the steel plants. Our Hon. Prime Minister discussed every aspect concerning steel as well as science and technology during his recent foreign tours. During the negotiations with France, Germany, America, Russia and Japan, the matter of transfer of technology was discussed and the terms and conditions which have been determined are positively in our favour. It is really a matter of great regard that instead of giving credit to the leader who has enabled the

country to become self-sufficient in coal, iron fertilizer, petrol, diesel, etc. he is humiliated by raising small issues relating to payment of Rs. 3 to 4 crores to somebody. We are simply playing with the fate of our country. A law should be formulated to deal with such people who try to mislead the masses by presenting wrong figures. When a discussion takes place on the Report of the Sarkaria Commission, I would demand a separate law to deal with such people.

SHRI RANA VIR SINGH (Kesarganj) :  
Now come to the issue of floods in Bihar.

SHRI D. P. YADAVA : Shri Ranavir is quite worried about floods. He does not utilize the surplus water and we have to bear the consequences. What is our national concern? I want to give an example about agriculture : today we are self-sufficient in agriculture. But super efficiency has not yet been achieved. What is its potentiality? It is because we cannot attain that potentiality so long as the State Government does not want. There are two reasons for it. I have observed in my own State as well as in the neighbouring States like Gujarat and Punjab that the people have not taken agriculture in a scientific perspective, which is quite essential. I was reviewing the situation of my constituency. When I enquired about the number of graduates, post graduates and Doctrate degree holders among the people residing in 20 blocks of the district, I found 140 of them were gazetted officers. What is their impact? When I asked them about their work and potentiality, they were confused.

I had conducted a survey to find out the exact number of Government employees working there in that district and the nature of their job. While doing the survey I also covered Gujarat, Karnataka, Bihar and our district. As regards my own district, Monghyr, there are 16102 persons in the technical and administrative services, in class I to class IV grades. Teachers, police personnel and judicial employees are not included among them. There are in all 90 class I, 900 Class II, 7500 class III and 7500 class IV employees. The above number is inclusive of Class I and class II officers in the technical and administrative services. When we calculated the total

[Shri D.P. Yadava]

amount being spent on the payment of their salaries, we found that at present we are spending Rs. 24 crores 80 lakhs per annum only on the salaries of the administrative staff. After spending such a huge amount of money on the administrative and technical officers, if we have an output of Rs. 5 or 6 crores only then as per the Sarkaria Commission's report, we shall also have to consider whether in the name of autonomy the State Government can be given that much of liberty to appoint as many officers as it desires. The biggest issue today before the entire country and the states is that the man power planning should be done on the basis of the work load or performance load. That is the most essential point before us . . . (Interruptions) . . . Employment does not mean charity. Shri Paswan, you must be knowing that about the Government employees, there is a general feeling among the masses that they are corrupt and authoritarian. Being it so, will anybody like to increase the number of such corrupt officers, with a liability of payment of their salaries to raise an exploiting structure. At least, I am against it. Whatever be the number of Government officials, but the most important thing is that they should serve the masses in all their humbleness and achieve the results thereby.

In our country if there has been any proliferation, it has been maximum in the States Governments. I do not say that it has been so under the Congress Governments or the non-Congress Governments. But Shri Patel has some experiences as a former finance minister and in view of that I can say that now we shall have to exercise some restraint as per the actual performance and perhaps, Shri Patel will also agree with me on that. That is why our hon. leader Shri Rajiv Gandhi has evolved a new policy in the form of an integrated plan for every district. Till todate, we had been formulating state plans or national plans and we had never thought of a district or a Block plan. when there will be district planning and block planning and we will be able to identify the social, political and economic aspirations of the people and there will be more demand about them,

then we shall be able to manage to reduce the manpower and get everything done with it. So what I mean to say is that it is very necessary that we have district planning, block planning and grassroot planning.

If for the implementation of the new theories of district planning and block planning, the State Governments demand more manpower, more money from the Reserve bank or the exchequer and the arbitrary implementation of the schemes at least, it will not do.

[English]

Within their own resources maximum utilisation of the existing man-power for deployment on the proper job for a better output has to be thought of and for which the whole Parliament should in one voice for it.

[Translation]

Just now, I mentioned about agriculture, which has its wide horizons. There are already several programmes like breeding etc. in hand. Many other new issues like the latest technology, bio technology have also been raised here. One day, I was on a visit to the I.A.R.I. institute where I saw the bio-technology laboratory. There some quite new experiments in cellular biology etc. are being made. The propagation theory has been evolved by this very Indian Agriculture Research Institute. Though, we have nearly 7 crore cattle heads including cows, buffaloes and other milk animals, but our average milk production for every 300 days comes to only one and half litres. But to deal with this problem, National Dairy Development Board, Indian Agriculture Research Institute and the veterinary research institute have jointly undertaken a programme on animal biology in bio-technology whereby our scientists have succeeded in breeding one dozen female calves in one year from a cow of good breed. There is no need of long speeches on it and the subject is also not of that type, but I was surprised to see the delicate process of separation of cell and then its planting into the uterus of an animal. Our scientists have succeeded in it. This is not possible with the efforts of only

one State unless a strong centre supports such endeavours and undertakes collaboration programmes with the provision of physical facilities and the equipments for it.

[*English*]

Once, at the national level, this experiment is successful, then propagation and proliferation will be very simple. Hence, the Sarkaria Commission's recommendation for a strong Centre is essential.

[*Translation*]

Now comes the question of forestry. Since long Government of India was making their best possible efforts to promote the afforestation campaign so that essential level of the oxygen in the atmosphere may be retained to counter the increasing effect of carbondioxide. But these efforts did not make an impact unless and until this Parliament took certain strong measures in this regard like the imposition of ban on felling to trees in forests, afforestation in larger areas, check on the equeeze of forsts, cover and the use of forests for different purposes etc. These measures were taken by Shrimati Indira Gandhi. It is the result of her farsightedness that today afforestation movement has assumed such a wide demine-sion in our country. It will take time, to fructify because, ours is a democratic country. We know that the illegal felling of forests trees is going on just because of out ignorance. The people don't know that by cutting one forest, they are inviting a number of diseases and as a result carbon-dioxide also will be increasing and there will be depletion of oxygen due this very factor and we are encouraging it. The people need to be educated about it. Besides, the policy of national forestry is also to be popularised among the masses. This thing cannot be done by one State only. If only Gujarat or Bihar wants to go ahead with this programme, it is not possible.

Now, I come to the point of rural development. I have got my one views on rural development. We should carry science and technology to the villages for the rural development of the country. With a little use of science, we can go ahead with any programme or the experiment of great

significance. It is possible if the things are done in a scientific way. For instance, a potter's wheel, can work better with a ball-bearing fitted to it, its work will become easier. For this sort of development and an integrated approach therefore, We require a strong Government at the centre which will formulate a policy for it.

Mr. Chairman, Sis, now I come to the point of irrigation.

[*English*]

MR. CHAIRMAN : The time allowed for this resolution is about to expire. Is it the pleasure of the House to extend it by one hour ?

SOME HON. MEMBERS : Yes.

17.00 hrs.

[*Translation*]

SHRI D.P. YADAVA : Mr. Chairman, Sir, Shri Ranbir explained the position of Bihar with regard to irrigation facilities available there. In this connection, I would like to say that yesterday I saw a picture sent by the I.R.S 1-C. in the headquarters of the Geological Survey of India at Calcutta. The above picture had been sent by the Indian Remote Sensing Satellite 1.C. and it relates to the area around Chilka lake.

I was surprised to see the accuracy in it. The picture contains Chilka lake, the sea waves adjacent to it and the entire area around it. The picture reflected the point which the water waves touch and it appeared as if we are standing on the sea-shore. I enquired of the Scientist about the method of receiving the picture and whether there is any camera? In reply to my query he said that they sense it through sensor and convert it into sound and thereafter transfer it into magnetic energy. After all this, they take the picture by converting it into electromagnetic condition and it is controlled after being reflected. Thereafter, it is computerised at Bangalore. What I want to say is that if required, our Scientists can take coloured photoraph of any part of India. It is our Scienticts who have developed all these equipment's at Bangalore. It is in no way a small achievement for us.

[Shri D. P. Yadava]

If required we can know about the level of water rising and the intensity of floods through this process. These are all our achievements. In view of this I honestly feel that a strong Centre is quite essential and the Sarkaria Commission has also recommended it. At the time of a discussion on the Commission's report we will express our views in detail. With these words, I express my thanks for providing me an opportunity to speak.

[English]

PROF. SAIFUDDIN SOZ (Baramulla) : Mr. Chairman Sir, I do not see anything wrong in this resolution moved by Shri H.M. Patel. It is quite another thing, whether I come forward to vote for it or not. We have to actually adopt or reject this resolution. So, that is a different thing. But the point is that it must receive your dispassionate attention and consideration. Now, Mr. D.P. Yadav delivered a good speech and he is a very learned speaker and I heard him speak in chaste Hindi. He has voted for a strong Centre. I also vote for a strong Centre but I would tell him that a strong Centre does not mean very weak States. That is not provided in the Constitution of India. The very first sentence of the Constitution of India says that it will be a union of States. From the word 'union' you can derive the word 'unity'. We all vote for that. But the structure of our Constitution is federal. Therefore, while we talk of a strong Centre, we must not believe in the theory that as the States grow weaker, let the people living in different States cry for whatever amenities they want and that at their cost, we should have a strong Centre. We should understand the dimensions of the word 'strong Centre'. If you go to the history and get back in the realm of your imagination to 1947 and see the partition of the country and also the post-independence period the communal holocaust, the fissiparous tendencies, everyone whether it was Mahatma Gandhi or Jawaharlal Nehru and his colleagues voted for a strong Centre. Everyone had a clear conception about the strong Centre. India will remain strong and united only if all its limbs would be strong. Some of us stress

the fact that the States should be autonomous; there should be devolution of financial powers. They go to one extreme. There is another category of people who stress the fact that India should have a very strong Centre. But we have to be somewhere in the middle. Yes, we vote for a strong Centre, but simultaneously we vote for—we should be very liberal in that—some kind of autonomy to the States which is guaranteed by the Constitution of India. Autonomy must go to the States and all the States must be financially viable. Let us be in the middle. Let us not go to one extreme or the other extreme. If we stretch federalism too far and say States should be autonomous, and whatever they want to do, should be allowed that cannot be granted. If we decide to make the Centre very strong, and want the States to come to the Centre, strong Centre, all the time with a begging bowl, that kind of ideology is detrimental to the Constitution of India. Therefore, I vote for a strong Centre and I vote for very strong States also. I ask for autonomy for the within the ambit of the Constitution of India; autonomy which is already guaranteed by the Constitution of India.

At this point of time what is happening in our country? I will give an example from my State. This is not the time to delve deeper and explain the background of the existence of the Planning Commission. The Planning Commission has created some distortions. We have a lot of respect for the members of the Planning Commission; they are very learned people. But it has got powers that were not designed by the framers of the Planning Commission. Anyway, it has become an institution and it will stay. Every year it will have so many meetings; whatever resources are available, it will consider their distribution. All the Chief Ministers and their officers will come to Delhi and they will try to get more resources allocated. Next day there will be a headline in the newspapers that such and such Chief Minister had a very good battle and he was supported by bureaucrats and they had a very tough time and they got additional resources. But gradually, an impression has been created that the States will have to fight for resources for Plan and non-Plan sectors.

and all the time there is a struggle going on. The Planning Commission does not have time to appreciate matters which are relevant to our existence. It should understand the questions of India's unity and integrity. You say there should be a very strong Centre; I also say that, but I simultaneously say that there should be very good States also, financially and economically viable States, but much more important is the question of India's unity and integrity. There should be no fissiparous tendencies and there should be no simmering discontent in any part of the country. It may be North-East, it may be other hilly States like Jammu and Kashmir; do not leave any room for a simmering discontent. Yet, there are areas which are not studied by the Planning Commission. We should be very careful while choosing the members of the Planning Commission. After all, the Planning Commission is there; it cannot be wound up.

SHRI HARISH RAWAT : There is no Member in the Planning Commission who is from the hill area.

PROF. SAIFUDDIN SOZ : Yes, no member is there in the Planning Commission who is from the hill area. So, we have to be very cautious in selecting the Members of the Planning Commission. If they are only the ones who like to sit comfortably in the chair, then they will not be doing justice to their seats. In fact, such persons should not accept the membership of the Planning Commission. Shiri D.P. Yadava was saying that planning should start at Block and district levels and was referring to our leader, Sher-e-Kashmir-Shiek Mohammad Abdullah, who gave us the Single Line Administration. I have explained it before the Prime Minister and he took very good notice of it. We have a District Planning Board and we plan our resources at the district level. That can be a model for the entire country. It appeared in the Press recently that the Government of India is considering to adopt this system. Anyway, this system has given us very good dividend.

What I wish to say is that the members of the Planning Commission should have the knowledge about the conditions at the

grass root level. We do not want top level bureaucrats in the Planning Commission of conditions at the grass root level. They must have the thorough knowledge. Recently, I was accompanying the Chief Minister of Jammu and Kashmir in his four of the backward areas the helicopter. We went to the far flung areas of the Jammu and Kashmir, like the Machil, Keren and Karnah. The Chief Minister took a very good decision to take the State Planning Commission also along with him because he wanted to get the idea of the extent of the damage caused by the floods so that he would announce relief on the spot. He wanted the Planning Commission or to give him the correct picture so that he could announce the relief measures. The Planning Commission or said that this was the first experience of the kind. He and other had never been to Machil; and Keren and they had never been to Karnah. You cannot plan just on the basis of some figures. Most of the time I find that the figures which are quoted are not correct. For example, we do census. So many people raise so many questions but we have to test whether our machinery is good enough to give the correct figures. You cannot sit in a cosy warm room and plan your development. We have taken our officers to the interior of the Jammu and Kashmir State and told them to understand the situation. I mean to say that the Members of Planning Commission will have to move throughout the length and breadth of the country; they have to go to every nook and corner of the country, understand India and its problems and then only they can sit and draft the plan.

I will give you one example. I do not want to raise a controversy. I am telling you what the Planning Commission is doing. My State is a hilly State and we deserve as much attention as other hilly States. We have been fighting the battle with the Planning Commission for more than a decade. Our senior Congress (I) leader, Shri Girdhari Lal Dogra—may his Soul rest in peace—fought a battle. I fought a battle along with him. We tried to make the Planning Commission understand that they were giving 90 per cent as grant and 10 per cent as loan to other hilly States whereas to the State of Jammu

[Prof. Safuddin Soz]

Kashmir they were giving 70 per cent is loan and 30 per cent as grant which as objectionable.

THE MINISTER OF STATE IN THE  
MINISTRY OF HOME AFFAIRS (SHRI  
SONTOSH MOHAN DAV) : Which you  
never returned.

[*Translation*]

PROF. SAIFUDDIN SOZ : Sometimes we may speak in Urdu. What is there in it. The entire country is one. Everything is all right. It makes no difference to you whether grant is given or loan is given.

[*English*]

Why ? The Planning Commission must study the problem dispassionately and resolve it. Previously, when Shri Shiv Shankar was in the Chair and our Hon. Minister of State, Shri Engiti and Shri Sukh Ram were also there, none of the three Ministers could tell me that I was wrong. We were there all M.Ps from the Jammu and Kashmir State and M.Ps from other hilly areas. So, we made a strong plea with the Planning Commission that we must get, if not 90 per cent as grant, at least 70 per cent as grant and 30 per cent as loan. Why is there this disparity in allocation of financial resources ? I want to tell you one thing. Planning Commission should be bold to assert the truth. They should not act like political sycophants. Planning Commission should comprise people who can honestly state what the truth is. They should be in a position to go to the Prime Minister and say that the demand of the J and K state is correct and it should be accepted. If they feel that it is not correct, then also they should be bold enough to say so and ask the Prime Minister to reject the demand. But they should not talk and decide things in the corridors and to continue with some easy options and postpone hard decisions for the future. This should not be their attitude.

Sir, I have explained the position with the help of some supporting factors also.

Let me clarify here that I do not subscribe to the theory that nothing has been done for the development of Jammu and Kashmir. I must place it on record that tremendous efforts have been made to promote the economy of Jammu and Kashmir. Recently, our Prime Minister gave a lot of attention for the development of tourism, aviation, etc. in the State.

But I would like to state certain things for your information. I am quoting a figure to explain the point. This figure which I am going to submit was given to me by a former Finance Minister once in response to my question. The total investment in the public sector is about Rs. 30,000 crores. Out of this Rs. 30,000 crores, the share of Jammu and Kashmir stands at 0.07 per cent. We have only one HMT unit in the public sector and the investment in HMT is only Rs. 7 crores and that constitutes 0.07 per cent of the total investment. The figure was given to me by the former Finance Minister in response to my question. Now, my point is this. If you could not give us big industries, you could revive our mulberry culture, you could revive our silk industry, you could give a fillip to our handicrafts and you could improve our ecology. You can also pump money into tourism, you can save our Dal Lake from the worst kind of pollution, and so on.

The Minister must take stock of what is being done by the Planning Commission. What is their planning ? They would see what was allotted to any state in the previous year and decide to add two or three or four per cent to that amount. Is that planning ? Planning Commission, to my mind, has not been doing a good job at all. An officer who retires from service becomes a member of the Planning Commission because of his clout. Never has there been an exercise to decide as to what type of people are required. People working in the Planning Commission must be very bold, as I said earlier. First of all, they must be dedicated to the cause of unity and integrity of this country. They must have a liberal, nationalist and secular outlook. They must have very fertile mind. They must be very bold when they serve their term in the Planning Commission and they must have

knowledge of what is happening of the grass root level.

Why have we been given only 0.07 per cent? The total investment in Public Sector. There is no answer? Why should we get 70 per cent as loan and only 30 per cent as grant? Again, there is no answer. Sir, I would urge that this sort of disparity should not be there, because this disparity promotes fissiparous tendencies.

In this context, I would like to say one thing about the Sarkaria Commission. After voting for India's unity and integrity, after giving full support to the concept of a very strong Centre and simultaneously saying that we should have very viable States, I would say very sincerely that the Sarkaria Commission's report must be studied thoroughly. I should not gather dust. Sir, I had the privilege of going through its recommendations. I have found to my utter surprise that this Commission has done a very good job. I must admit that earlier I never had that much faith in the Commission's Report. But, when I saw the recommendations, I felt very happy. It has given very balanced recommendations. When the Report was presented to the Central Government, the electronic and other media also stated that it was a very good report. I must congratulate Justice Sarkaria and others for presenting this kind of a report.

Sir, the Sarkaria Commission has given some other suggestions also. For instance, they talked about liberal application of Article 268, appointment of the Governor and so on. I would not like to go deep into it. But the Sarkaria Commission gives a good recommendation for the appointment of the Governor. It has mentioned about the qualification of the Governor. The major recommendation is that the Governor will be appointed in consultation with the Chief Minister. It is a very good suggestion. There are so many other suggestions. The Sarkaria Commission has rejected the demand of the BJP that the Article 370 should be abrogated. Both Congress and the National Conference of the Jammu and Kashmir State are of the opinion that Article 370 is a bridge with the Union of India. It will continue. But

Sarkaria Commission had dealt with it depth. It understood the reality of life and made recommendations. What I want to say is that while the Sarkaria Commission has voted for a strong Centre, it has also said that the States have to be viable economically and financially. It has suggested areas where we need to have a rethinking or where we need to have a review of things and particularly on the appointment of a Governor. If we institutionalise reform it will be better for the country's it should not be done on an ad hoc basis. We must by way of Resolution or Bill institutionalise reform and try to give further health to our economy and also try to create a kind of harmony of various interests. That kind of harmony and peace will strengthen the unity and integrity of India and above everything else is the question of unity and integrity of India. I stand wholeheartedly for India's unity and integrity.

[Translation]

SHRI SHANKAR LAL (Pali) : Mr. Chairman, Sir, while considering the resolution brought forward by Shri H.M. Patel on Centre-State relations, we have to see actually as to how to protect the unity and integrity of the country under the prevailing circumstances when there is a threat from external forces. The Secessionists, whether they are in Punjab or in any other part of the country, are bent upon ruining the unity and integrity of the country. It is a serious problem. We will have to consider it in this perspective.

Mr. Chairman, Sir, first of all we will have to see as to what is the constitutional position of the centre *vis-a-vis* the States. In this connection if we say that ours is a federal system, we can never reach any conclusion. Ours is neither a federal nor a unitary system. It is a special system comprising both of them.

Mr. Chairman, Sir, in this regard the Report of Sarkaria Commission has already been received. I would like to quote the words of Dr. Ambedkar.

[English]

"While discussing the Nature of Indian Union on Page 8, Sarkaria

[Shri Shankar Lal]

quoted the Constitution as it emerged from the Constituent Assembly in 1949 has important federal features but it cannot be called 'federal' in the classical sense. It cannot be called 'unitary' either. It envisages special type. According to Dr. B.R. Ambedkar, Chairman of the Drafting Committee of the Constituent Assembly it is unitary in extraordinary situations such as war or emergency and federal in normal times we can 'quasi-federal'.

A special aspect of the Indian Union is that Union is indestructible but not so the states—their identity can be altered."

[Translation]

We cannot adopt the federal system fully in the centre and the States as it is in the U.S.A. Dr. Ambedkar further says—

[English]

The position is that the federation is a Union because it is indestructible. Though the country and the people can be divided into different States for convenience of administration, the country is one integral whole, its people a single people living under a single imperium, derived from a single source.

[Translation]

Mr. Chairman, Sir, it is not advisable to adopt complete federal system in our country. That is why we follow quasi-federal system. Article 3 of the Constitution empowers to expand, diminish or abolish any State. Therefore, States do not enjoy any separate entity Article 3 provides that.

[English]

Parliament may, by law, . . . increase the area of any States; diminish the area of any State; alter the boundaries of any State; alter the name of any State.'

[Translation]

There is no need to amend the constitution for the purpose. Rather the Parliament

has been empowered to determine the size of the States and to decide whether to increase or diminish the area of a particular State, whether to abolish a particular State or to create a new State. The States are, therefore, not wholly independent in this regard. Similarly, we have single citizenship. We are Indians. Though we belong to different States, but our citizenship is one for the whole country. Similarly Article 11 envisages that Parliament has power to regulate citizenship. If the people of any particular State, as we see the situation prevailing in Punjab, pose any threat to the unity and integrity of the country, the Parliament is fully empowered to cancel their citizenship. I would, therefore, like to submit that the Government should cancel the citizenship of such people, groups who pose a threat to the unity and integrity of the country. They are not the citizens of our country, they may be aliens.

Similarly, the rights provided for the States by the constitution are of different nature and unlike these is U.S.A. Of course, the Centre-State relations should be improved. No one can deny this thing. At present there are some States in our country which are very big and their representation in the Parliament is more. There are some States which are very small in size and their representation in the Parliament is less. In this way smaller States have a feeling that their views are suppressed. I would, therefore, like to suggest that we should now think about re-structuring the States when so many years have elapsed since the achievement of independence. The size of the population may differ. But so far as the area is concerned, there should not be such a wide difference between two States. It poses an obstacle in the centre-state relations and there can be no uniformity. We should, therefore, think of restructuring the States. I am sure that the Government of India will take this aspect into consideration. One more irony is that some States follow uni-cameral legislature and others bi-cameral legislature. There is only one House in Rajasthan. There are two legislatures in many States as in the case of Uttar Pradesh. How can we expect conformity in a democracy? We may follow either of the system. We may



introduce either uni-cameral legislature or bi-cameral legislature in all the States. There can be no conformity if we follow uni-cameral legislature in one State and bi-cameral legislature in the other. We, therefore, face hurdles in our democratic structure, in centre-state relations. Our constitution does not provide that the party ruling at the centre should also rule the States. The Janta Party made this deviation when they came to power in 1977. They dissolved the Assemblies in 9 States on the plea that the people have lost confidence in them. Now I would like to ask the mover of this resolution as to why the question of centre-state relations was not taken up at that time. The Janta Party wanted to establish their hold in all the States and that is why they took that step. Our then President, Shri Jatti was pressurised to dissolve the Legislative Assemblies. At that time I was an M.L.A. in Rajasthan. I was astonished and I wanted to know that in which constitution it has been provided that once some other party comes to power at the centre, the Assemblies of States where opposite parties enjoy majority should be dissolved. The constitution was not referred to at that time. Now it makes me feel happy that the proposal of decentralisation has been initiated at the instance of our party leader. The process of decentralisation will be developed under centre-state relations and it will be further made applicable at the district level and thereafter at the Panchayat Samiti and Panchayat levels. I am of the view that it will help us strengthening our relations in so far as development is concerned. Article 40 of our constitution envisages Panchayat Raj. There should be uniform Panchayat Raj system in all the States. The Panchayat Samitis or the District Samitis may be that of two tier or three tier system, but the structure of Panchayats should be uniform in the whole country. The Parliament should be empowered to make laws for these Samitis. Article 40 envisages that the Parliament can make laws for the Panchayat Samities and Zila Parishads. The second point was about economic relations between the Centre and the States. It is true that the States are being provided assistance on the basis of Finance Commission's report. The Finance Commission's report should be based on different require-

ments of the various States. I come from Rajasthan which faces famine every year. Rajasthan is a desert and backward area. If the Finance Commission follows only one basis then every state and backward state like Rajasthan will never get economic assistance on the basis of that formula according to their entitlement. The report submitted by the Finance commission should be studied in the context of prevailing situation in different States keeping in view their requirements. I will like to speak about the relations between my State and the Centre. I have already referred to Article 11 in this connection. As we all are citizens of India, there should be no discrimination between the State services and the Central services. The retirement age in the Central services is 58 years while in some States it is 55 years. The Central Government should direct the State Governments to bring parity in services with regard to facilities, amenities and emoluments as provided in Article 256 and 257. There is heart burning among the State Government employees that the Central Government employees are given more facilities but they are denied the same. What sort of equality is this. Since we are citizens of the same country and the unity and integrity of India has to be maintained and keeping this thing in view there should be uniformity in the rules governing the Government employees at all levels. A point has also been raised as to how the Centre-State disputes and the inter-state disputes could be resolved. What will you do about it. It has been provided in Article 263 of our constitution very clearly and the Sarkaria Commission has also stressed an Article 263 that if inter-state council will be constituted, it will try to solve the inter-state or centre-state disputes. I will take to submit to the Central Government through you to constitute inter-state council under article 263 without fail so that it may help in solving the centre-state disputes and improving centre-state relations. One of the objections raised by the members of the opposition pertain to the appointment of Governor. It has clearly been stated in Article 155 of the Constitution that there should be harmonious relations between the Governor and the Chief Minister of the State. I have no objection to accept this thing and the Central Govern-

[Shri Shankar Lal]

went also will see to it. But they say that the Governor should be non-political figure. The political party whether it is yours or ours, you are undermining the both. Do you want that only people from the services should be appointed as Governors and the people who belong to political parties, who are honest, who made sacrifices for the country, who work for the unity and integrity of the country, who have been in the forefront during the struggle for freedom of India should not be considered for their appointment as Governor? He may belong to any political party. In case a person belongs to a political party, that should not stand in the way of his appointment as Governor. A point has been raised here about the mass media. It is alleged that Central Government have been controlling. Television and All India Radio. The people of our State say that no coverage is given to them and they are dominated by the centre. It is not correct. We take television and radio as mass media and the States are duly represented in the programmes. The way we all are sitting here and the translation of speeches can be heard simultaneously in Hindi or English, similarly the facilities for translation of speeches in all the regional languages should also be made so that the members knowing those languages are also benefited.

Mr. Chairman, Sir, somea obscene scenes are exhibited and absurd postures are shown on the T.V. now-a-does which have a bad effect on the minds of our future generation. Telecast of such scenes should be prohibited forthwith. We desire that our new generation should bear good character. The country in which we live has a broad based culture. We acclaim Gandhiji, truth and non-violence, Lord Budha and Mahavir while on the other hand we telecast obscene scenes, full of sex on televisions to our students and children. Nobody can tolerate this. This perverts their mind. Sometimes we ourselves switch off the television. Therefore, I will like to submit to Central Government through you that we should use mass media like television and radio for spreading moral education and to teach the lesson of unity and integrity of the country.

After all, in which direction we are

going? We should not copy any country of the world. Our India has always been guiding other countries in the spiritual field. Greatman like Vivakanand has born in our country. We have achieved great success in Antartica expedition. We should telecast such programmes through our mass-media. We should telecast the lives our greatmen.

Mr. Chairman, Sir, I know that you are going to ask me to wind up. Although the topic is very exhaustive, yet I shall speak in detail when a discussion on the report submitted by the Sarkaria Commission will take place in this House. But I would like to reiterate one thing that so far as the Centre and the State relations are concerned, no matter whether we sit on this side or the opposite side, we will have to keep in our mind that we are citizens of great India and there is one citizenship for all. We should keep it in tact. As I have already stated that our federal system is different from that of America. Our federal system operates in accordance with the provisions of our constitution which are quite clear. The Centre has been made supreme and we will have to consider all these things keeping in view the provisions incorporated the constitutions. I hope the words which I have spoken are very clear and you will agree with me.

**SHRI MANOJ PANDEY (Bettiah) :**  
Mr. Chairman, Sir, there has been detailed discussion on the Resolution on the Centre-State relations moved by hon. Member Shri Patel. Many of our colleagues have given impressive speeches. I feel that there are two or three points which need detailed discussion in this House. We are grateful to this House that we can express our views on Private Members Bill or Resolutions through it.

Many important points have been raised in connection with Sarkaria Commission. Sarkaria Commission was constituted in 1983 consisting of justice R.S. Sarkaria, Justice V. Shivraman and Justice S.R. Sen and was entrusted with the work of examining centre-state relations in detail and was asked to submit its report to the Government after examining all the aspects.

The report of the Commission which

has been placed before us include many important issues which should have also been discussed. According to my view, the report submitted by such learned people should have provided some additional information on one or two topics. For example the political system which exists in India and the comments made by the Sarkaria Commission about political system seem to be wholly correct in certain cases but do not prove to be correct if we adopt a practical approach towards them.

Respected Sir, while preparing the report efforts have been made to strike a balance between the powers of the State as well as the Centre. The essence of what has been said in the report is that there should be a strong centre and along with the strong centre, autonomy of the state should also be maintained. The main conclusion of the report according to my view is that there should be a strong centre. More stress has been laid on the strong centre in the report and this is also very practical that the autonomy of State should be maintained to great extent. As stated by the hon'ble Member speaking prior to me, our federal structure is based on autonomy of States as provided in our Constitution. But at certain places they have held a different view on the concept of federal structure. Whatever it is, I do not know much about the constitution but I understand this much that no one can say that the State has no autonomy in practical way whether one belongs to ruling party or opposition party. The political system in our country sometimes give less weight to the State autonomy and some times more. I mean to say that when the States are to be run by political parties and the Centre is also to be run by a political party, the autonomy of states should not be increased or decreased at convenience. We should adopt a practical approach and should not be guided by political considerations.

Sir, during the past few weeks, you must have observed that the Chief Ministers of the opposition-ruled states are blaming the Centre for eroding the autonomy of the States. This being a political issue, if we think over it from the political angle, there can be truth in it but there are also chances of this charge being untrue. The Sarkaria Commission has not dwelt on this matter. Therefore, I feel that we should discuss the

Sarkaria Commission Report in detail in this august House. There is need to highlight many other aspects. But at the same time, I would like to appeal to my colleagues in the opposition that they should not make political capital out of it. I have gone through the report. I would like to cite an example. While going through the clipping of one of our reports, I came across a statement in which Shri Namboodripad has stated that the Sarkaria Commission is guided by the Congress.

Sir, this is the basis. If we look at a report from a political angle, we would be able to see only politics in it and nothing else. This can in no way be in the interest of the country.

There is no doubt about the fact that making use of the State Governments resources in the best interests of the country is in accordance with the provisions of the Constitution. This is practicable also. Shri Soz has also pointed out that India is a Union of States and this is enshrined in our constitution. I agree to it. State Governments constitute the Union of India and the Union is guided by the Central Government. The States and the Centre are complementary to each other. If one party tries to weaken the other party by making it a target, it would become a political issue and then there will be no end to it. About the augmentation of resources to States it merely says "Enlargement of financial resources to States." The Sarkaria Commission has gone into this question. The Central Government has never stopped the State Governments from augmenting their resources. The Central Government has to involve itself in one way or the other in harnessing natural resources like minerals, mines and forests, etc. in the States. Shri Yadav has also pointed out that in this era of scientific development, will the State Governments be able to develop the resources on their own? Autonomy means utilising these resources to the optimum level. If these resources could be utilised for the progress and development of the country it would be very good. I feel that to consider these resources as waste is not in the interest of the country. This is what is happening today. Shri D.P. Yadava has also pointed out that our resources are lying waste and the State

[Shri Manoj Pandey]

Governments are not fully utilising them. When the Central Government proposes to utilise those resources through the Planning Commission, the State Governments say that their autonomy is being eroded. On the other hand, the State Governments demand funds for development and then blame the Centre that adequate funds are not given.

Only today, we were discussing an issue concerning West Bengal Government. A mention has been made in the concurrent list :

[English]

“The state can enact laws on subjects in the concurrent list.”

[Translation]

This too finds mention in it. Floods, irrigation, PWD and other engineering departments fall under the concurrent list. I think that the main issue is of management of these resources. If the State Governments are not able to put these resources to optimum use and instead blame the Centre for eroding the autonomy of the State, I think, it is not good and it is also not in the country's interest. They are being influenced by political considerations. They have a lot of time to play politics, but they should not say that the autonomy is being eroded, merely to hide their weaknesses. This is not in the country's interest. We can have difference of opinion on this subject. We can have Chief Ministers in the States with different ideologies because it is envisaged in our Constitution. But it is not proper for the opposition ruled states to say that the autonomy is being eroded. We have to look into it.

So far as the utilisation of resources is concerned, the Centre draws its economic power from the States and *vice-versa*. Both the Centre and the State are complementary to each other. One fails to understand why this question is raised time and again. This has been a recent phenomenon. This issue is being raised ever since the opposition parties came to power in many States. In 1967, when Sanyukta Vidhyak Dal was

formed, the Congress Party was in the Opposition in many States but nobody raised this question of Centre-State relationship during those five years, i.e. 1967-1971, I would like to remind you of those days. At that time also, half the States were being ruled by the Opposition. I would like to go into the reasons of this controversy — the Centre-State relationship. The Sarkaria Commission was set up in 1983 to go into the question of Centre-State relations though even before 1983 there were many states which had a difference of opinion with the Centre. But after all how did this issue of Centre-State relations rake up? There is politics behind it and the discussion on this subject is full of politics. Time and again the Hon Prime Minister is accused of eroding the autonomy of a particular State. They are trying to find political reasons for it which is very bad. There is not much weight in the discussions because they think...

[English]

MR. CHAIRMAN : One minute. The time allotted for this Resolution is now over. Some more Members have given their names. So, shall we extend the time further.

SHRI MANOJ PANDEY : It can be extended by an hour.

MR. CHAIRMAN : All right, one hour. So, the time is extended by another one hour.

[Translation]

SHRI MANOJ PANDEY : Secondly, I would like to submit that the commission has highlighted many other aspects. We talk of socio-economic development. It is the backbone of the country and every State is an equal partner in it. This is enshrined in our Constitution and every citizen is also a partner in this development process. I would like to say that the progress and development of the country would be possible only when we cast aside narrow political considerations, particularly when we talk of socio-economic progress. You must have observed that a few days back, there were atrocities on Harijans in Bihar.

Similarly, we held discussion in the House on health care. Due to adulteration in rapeseed oil in Calcutta, 400 people had to be hospitalised and many of them were even paralysed. If we discuss these things here, the hon. Members say that we are transgressing into the State's jurisdiction. We cannot discuss State subjects here. But when masses are in misery—irrespective of the State they belong to—this august House has every right to discuss it and there is a rule too for taking up such discussions. That is why the Calling Attention Motion came up for discussion today.

If atrocities are committed against even one citizen of the country, the Centre is duty bound to discuss it here. We feel that it is the question of humanity. If we do not discuss it here, all of us who have been elected to this House would be betraying the electorate. Mention has been made to

enact laws in this regard. It has been pointed out here that the Centre or Parliament should have no right to amend the laws passed by the State Legislatures. What I mean to say is. . .

[*Translation*]

MR. CHAIRMAN : Dr. Manoj Pandey, you can continue your speech the next day when the Resolution is again taken up for discussion.

Now, the House stands adjourned to re-assemble on Monday, the 8th August, 1988 at 11.00 a.m.

18.00 hrs.

*The Lok Sabha then adjourned till  
Eleven of the Clock on Monday,  
August 8, 1988/ Sravana 17,  
1910 (Saka).*