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LOK SABHA DEBATES

(English Version)

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(Eighth Lok Sabha)



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	Columns
Shrimati Basavarajeswari	317
Shri M. Raghuma Reddy	320
Dr. Phulrenu Guha	322
Shri Ram Singh Yadav	325
Shri Thampan Thomas	328
Shrimati Prabhawati Gupta	331
Shri Kali Prasad Pandey	333
Shri Vir Sen	335
Dr. G. S. Rajhans	338
Dr. Datta Samant	341
Shri Shantaram Naik	343
Shri Mool Chand Daga	345
Shri Jai Prakash Agarwal	346
Shri R. Jeevarathinam	348
Shri Sriballav Panigrahi	350
Committee on Private Members' Bills and Resolutions—	351
Twenty-fifth Report	
Bills Introduced—	352—357
(1) Constitution (Amendment) Bill (Insertion of new article 32A) Shri Priya Ranjan Das Munsi	352
(2) Constitution (Amendment) Bill (Insertion of new article 29A) Shri Priya Ranjan Das Munsi	352
(3) Forest (Conservation) Amendment Bill (Amendment of Section 2) Shri S. G. Gholap	353
(4) Constitution (Amendment) Bill (Substitution of new article for article 157) Shri Anoopchand Shah	353

(5) Setting up of a Super Thermal Power Station at Narasapur Bill	Shri V. Sobhanadreeswara Rao	353
(6) Constitution (Amendment) Bill (Insertion of new article 38A, etc)	Shri Balasaheb Vikhe Patil	354
(7) Constitution (Amendment) Bill (Amendment of article 335)	Shri Balasaheb Vikhe Patil	354
(8) Constitution (Amendment) Bill (Amendment of article 81, etc.)	Shri Balasaheb Vikhe Patil	355
(9) Constitution (Amendment) Bill (Amendment of article 163)	Shri P. Kolandaivelu	355
(10) Medical Termination of Pregnancy (Amendment) Bill (Amendment of sections 3 and 4)	Shri Sharad Dighe	356
(11) Constitution (Amendment) Bill (Insertion of new article 46A)	Shri Syed Shahabuddin	356
(12) Promotion of Secularism Bill	Shri Syed Shahabuddin	357
(13) Marriage with Foreign Nationals (Regulation and Registration) Bill	Shri Syed Shahabuddin	357
Agro-Based Industries Reserved for the Producers and Workers Co-operatives Bill— <i>Contd.</i>		358—397
Motion to consider	Shri G. L. Dogra	358

Prof. Narain Chand Parashar	360
Shri Harish Rawat	363
Shri Priya Ranjan Das Munsi	366
Shrimati Basavarajeswari	370
Shri Manoj Pandey	372
Shri N. Tombi Singh	374
Shri Ajit Kumar Saha	377
Shri K. P. Singh Deo	379
Shri Y. S. Mahajan	380
Shri V. Sobhanadreeswara Rao	383
Shri Uttam Rathod	386
Dr. G. S. Rajhans	387
Prof. N. G. Ranga	388
Shri Raj Kumar Rai	390
Shri Yogendra Makwana	391
Shri Balasaheb Vikhe Patil	395
Widows' Pension Bill—	397—402
Motion to consider	
Shri Virdhi Chander Jain	397
Shrimati N. P. Jhansi Lakshmi	401

LOK SABHA DEBATES

1

LOK SABHA

*Friday, August 1, 1986/ Sravana 10,
1908 (Saka)*

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

[MR. SPEAKER *in the Chair*]

[*English*]

OBITUARY REFERENCES

MR. SPEAKER : I have to inform the House of the sad demise of two of our former colleagues, namely, Shri Budha Singh Utiya and Prof. Satya Deo Singh.

Shri Budha Singh Utiya was a Member of the Third Lok Sabha during 1962-67 representing Shahdol constituency of Madhya Pradesh.

An agriculturist and educationist by profession, Shri Utiya was keenly interested in the spread of adult education. A well-known social worker, he took active part in rural uplift and community leadership.

Shri Utiya passed away at Shahdol on 29th May, 1986 at the age of 80 years.

Prof. Satya Deo Singh was a member of the Seventh Lok Sabha during 1980-84 representing Chapra constituency of Bihar.

A well-known academician, he served as Professor in a college. A political and social worker, Shri Satya Deo Singh was interested in the spread of literacy and worked for the uplift of the down-trodden. He was an able parliamentarian and took active part in the proceedings of the House.

2

Prof. Singh passed away at Patna on 17th July, 1986 at the age of 53 years.

We deeply mourn the loss of these friends and I am sure the House will join me in conveying our condolence to the bereaved families.

The House may stand in silence for a short while to express its sorrow.

*The Members then stood in silence for
a short while.*

ORAL ANSWERS TO QUESTIONS

[*Translation*]

Strengthening Indo Pak Relations

*224. PROF. CHANDRA BHANU DEVI : Will the Minister of EXTERNAL AFFAIRS be pleased to state the steps proposed to be taken by Government to further strengthen relations with Pakistan ?

[*English*]

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : The Simla Agreement provides the framework for the improvement of relations with Pakistan by committing both countries to the principles of non-interference, peaceful and bilateral settlement of differences and increased trade, travel, cultural and economic exchanges. Government is willing to take further measures in different fields and pursue proposals including those in respect of non-discriminatory trade, cultural exchanges, easing of travel arrangements, exchange of newspapers/journals and release of detainees. The response of the Government of Pakistan is awaited in respect of these proposals.

[Translation]

PROF. CHANDRA BHANU DEVI : Sir, whereas the Government of India are trying to normalise relations with Pakistan in consonance with the spirit of Simla Agreement, on the contrary, Pakistan is continuing with her provocative acts. In a situation like this, should the Government of India not adopt a hard attitude and register its protest in unequivocal terms ?

of water in mine
 THE MINISTER OF EXTERNAL AFFAIRS (SHRI P. SHIV SHANKER) : Registering such protest will not serve any purpose.

[English]

SHRI S. JAIPAL REDDY : Mr. Faleiro wanted to express opposition in English while Shri Shiv Shanker wanted to express support in Hindi.

SHRI P. SHIV SHANKER : The Hon, Member is reading too much.

MR SPEAKER : He is in the habit of reading too much.

SHRI P. KOLANDAIVELU : Even the Minister finds it difficult to follow the Hindi.

[Translation]

PROF. CHANDRA BHANU DEVI : For how long will he adopt the attitude of surrender in case he does not want to adopt a firm posture ?

SHRI P. SHIV SHANKER : There is no question of attitude of surrender.

SHRI BALKAVI BAIRAGI : The only question is when Shri Shiv Shanker will be able to strike ?

MR. SPEAKER : When the matters have come to the extreme.

(Interruptions)

PROF. CHANDRA BHANU DEVI : Mr. Speaker, Sir, my second supplementary is that smuggling and espionage activities on

the Pakistan border are continuously on the increase, how Government of India will succeed in their efforts if these activities continue ?

SHRI NARAYAN CHOUBEY : We shall also send our spies.

(Interruptions)

SHRI P. SHIV SHANKER : How the Government will succeed in their efforts is another question. We are ready to create as much goodwill from our side as possible. We register our protests from time to time against such activities. We have also been telling them what type of evidence we have to prove that such activities are taking place. All this action is being taken from our side.

[English]

SHRI S. JAIPAL REDDY : Sir, according to the answer, the Simla Agreement envisages non-interference in the internal affairs of these two nations. But the Government itself, time and again, said that Government of Pakistan had been responsible for training terrorists in Punjab. So, in the light of this development, what is the attitude of the Government ? Secondly, as you know fully well, a few months back a sudden agreement was reached between the President of Pakistan and our own Prime Minister in regard to the non-attack on atomic stations in each others country. I would like to know as to what was the sudden provocation for that agreement and if that was a major agreement, why nothing following to that agreement.

MR. SPEAKER : The provocation is for peace.

SHRI P. SHIV SHANKER : Sir, it is true that so far as the Simla Agreement is concerned, it does lay down the principle of non-interference in the internal affairs of each others country. But it is also true that Pakistan had been training the terrorists. this has already been brought to the notice of the House from time to time. These matters could only be resolved at diplomatic level. We have been taking up with the Pakistan Government on various occasions. We have also brought to their notice the

evidence that was in our possession to bring home the point that the activities in which the Pakistan Government is encouraging there viz. training of the people, is not conducive to the Simla Agreement itself. These facts were taken up from time to time right from the level of the Prime Minister and the President himself last when he went. They met in December in Delhi on a stop-over. This matter was brought to the notice of the President Zia. Thereafter my colleague the Finance Minister had gone there and he had also taken it up. Then I had gone in April. I had also taken up this issue. The Foreign Secretary had also met. From time to time, we bring to the notice. It is true that this one is counter to the spirit of the Simla Agreement.

On the question of the non-attack of the nuclear installations, I would like to bring to the notice of the House that there is no such formal agreement that has been entered into between the parties. It was discussed. This matter has got to be gone into further and the matter has got to be...

SHRI S. JAIPAL REDDY : I know that Mr. Shiv Shanker was not the External Affairs Minister at that time. But he should make a statement.

SHRI P. SHIV SHANKER : Discussion had taken place. The perceptions have got to be crystallized and formal agreement has got to be entered into. This has not been completed so far.

SHRI G. G. SWELL : Sir, Quite a number of papers have mentioned that Foreign Minister had successfully induced the Soviet Union to warn Pakistan of the serious consequences of her possessing nuclear bomb which has in its turn provoked America to warn the Soviet Union to keep their hands off Pakistan—I do not know whether it is true or not. It is for the Foreign Minister to confirm or to deny. But if it is true, I would like to know whether this marks the beginning of the departure from our policy and practice of bilateralism in our dealing with matters with our immediate neighbours and invocation of other powers involving themselves in the affairs of the sub-continent and whether this will be productive or

counter-productive to better the relations with Pakistan.

SHRI P. SHIV SHANKER : I take the observation of the Hon. Member as complimentary to me. Whether I have been able to successfully persuade or not, I do not know. The papers, what they say, may not be that true.

SHRI G. G. SWELL : That is why I seek your confirmation.

SHRI P. SHIV SHANKER : But so far as I am concerned, while not going into that issue, I would like to put across to Hon. Members of the House that so far as the bilateral matters are concerned, we have never allowed it to be resolved by the multi-lateral ways. But the Soviet Union had been consistent friend of ours. We do enter into discussions, negotiations with the Soviet leaders from time to time. We exchange view. They share many a matter with us. We also share many a matter with them.

SHRI G. G. SWELL : Did they warn Pakistan or not ?

SHRI E. AYYAPU REDDY ; Miss Benazir Bhutto has been condemning the anti-terrorist activities and training of the Sikh terrorist and she has stated, as a matter of fact, in an interview to an American journalist that the 'Sikh card' should not be played. She has said that she is firmly against encouraging Sikh fundamentalists in India or Khalistanis in India. What is the Government of India's attitude on strengthening her hands so that she will be able to influence Pakistan's attitude towards India ?

PROF. MADHU DANDAVATE : You can do it as an act of chivalry. That is all.

SHRI P. SHIV SHANKER : We would like to sit on the fence and not on the other side.

SHRI S. JAIPAL REDDY : We can pray for more strength to her elbow.

PM's visit to Mauritius

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*225. SHRI SHARAD DIGHE :
SHRI MOOL CHAND DAGA :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the outcome of the talks held by Prime Minister with the Prime Minister of Mauritius during his visit to Mauritius in the first week of July, 1986;

(b) whether any agreements have been signed by India and Mauritius after the talks; and

(c) if so, the nature of such agreements ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) Prime Minister's visit to Mauritius in the first week of July 86 was primarily to strengthen our traditional links of friendship with Mauritius as well as to lay the ground work for new programmes of mutually beneficial cooperation between the two countries. In addition, the two sides discussed the situation in Southern Africa.

(b) and (c). A Government to Government credit agreement between India and Mauritius for Rs. 5 crores and another credit agreement between the EXIM Bank of India and the Government of Mauritius for a similar amount of Rs. 5 crores were signed during the visit. The first line of credit is to finance the export of goods, including consumer goods from India to Mauritius. The second is for financing the export of engineering goods, capital goods and services from India to Mauritius.

SHRI SHARAD DIGHE : In reply to parts (b) and (c) of the Question, the Hon. Minister has disclosed the two credit Agreements which have been entered into between India and Mauritius for Rs. 5 crores each. I suppose, this is a part of package measures to help smaller countries, smaller States, economically dependent on South Africa in case sanctions are imposed against the South African Pretoria regime. It has also been

reported that our Prime Minister at that time had also readily agreed to consider a series of measures to help Mauritius rehabilitate her economy following imposition of mandatory sanction. May I know whether, apart from these Agreements, any further series of measures are being considered to help Mauritius ?

SHRI EDUARDO FALEIRO : As the Hon. Member points out, we are really addressing ourselves to this need to strengthen economically the front-line States and other African States who will be affected by the sanction against South Africa. As far as those Agreements are concerned, as far as Mauritius is concerned, Mauritius, as the House knows, stands on a very close relationship with us. They have a large population of Indian origin and there are intensive and extensive cultural ties between the two countries. This particular programmes, the Agreements that have been entered in the context of Indo-Mauritian friendship and cooperation. However, as I have mentioned and as the Hon. Member pointed out, we are addressing ourselves to the need to help frontline and other African countries in cooperation with other members of the international community. Obviously this cannot be an effort by India alone. India will contribute alongwith other members of the international community.

Regarding the question of the Hon. Member as to the further measures to help Mauritius, I may inform the House that we are expecting here in September or October next the Minister of Trade and Shipping to visit here with a delegation and at that time several other projects and measures for cooperation will be discussed and finalised.

PROF. MADHU DANDAVATE : Are you also going there as a reciprocity ?

SHRI EDUARDO FALEIRO : I have already gone there.

SHRI SHARAD DIGHE : It is a package to help smaller States which may be discussed in the forthcoming mini-Commonwealth Summit in London. Is there any other State, apart from Mauritius, so whom we are going to help economically ?

SHRI EDUARDO FALEIRO : As the House is aware, the Prime Minister recently visited the four front-line States. That was the first time that the Prime Minister of this country visited four African countries at a stretch. They were Tanzania, Zimbabwe, Zambia and Angola. At that time measures of cooperation were also discussed. We will discuss with them concrete steps which will be finalised in the near future.

[Translation]

MR. SPEAKER : Will you speak something on it Dagaji, your name is there.

SHRI MOOL CHAND DAGA : I would like to know what new projects are proposed to be set up under the agreements signed with Mauritius with a view to strengthening the traditional friendly relations between Mauritius and India and what is the estimated cost of these projects? What are the goods that will be exported from India?

[English]

SHRI EDUARDO FALEIRO : Regarding the package of goods, food stuff and light engineering goods are now being exported. As I have said, the Minister of Trade of Mauritius is expected here in September-October and then will finalise some more trade.

I may mention here that in the meanwhile we have also decided on a few measures at the request of the Mauritian Government. For instance, we will provide them 1 1/2 acres of land for the construction of Mauritian High Commission building in New Delhi. We will participate in the ocean festivals of that country in the Indian Ocean area to be held in Mauritius around October-December 1987. As I have mentioned, the Minister of Trade and Shipping will visit this country in September-October 1986. We will set up the Indira Gandhi Centre in Mauritius for projecting Indian arts and culture. Films and video tapes in English would be provided. The two countries will undertake co-production of films. India would supply books and other materials to Mauritius.

These are some of the measures that we have decided upon and finalised. Others will be finalised soon.

DR. G. S. RAJHANS : Quite a few citizens of Mauritius of Indian origin feel frustrated on coming here, when they want to visit their ancestral place. They are quite disillusioned because they do not get enough cooperation from the Government of India. Will the Hon. Minister inform us whether he wants to do something concrete in this connection?

SHRI EDUARDO FALEIRO : We have not come across this type of case. If the Member has any case in mind, I may assure the House and the Member that we will immediately act in a sympathetic manner.

U S action in respect of Nicaragua

*226. **SHRI MAHENDRA SINGH :**
SHRI INDRAJIT GUPTA :

Will the Minister of **EXTERNAL AFFAIRS** be pleased to state :

(a) whether on July 3-4, 1986 the U.N. Security Council almost unanimously condemned the United States for its "aggressive stand" against Nicaragua and called upon the Non-Aligned Movement to undertake a strong initiative in support of Nicaragua; and

(b) if so, Government's reaction thereto as a member of the NAM?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) and (b). The Security Council Convened from 1-3 July, 1986, at the request of Nicaragua, to consider the situation in Central America. While the Council debated the issue, no resolution was proposed. Representatives from 33 countries participated in the debate. A majority of them were critical of the policy of the United States in the region and supported the efforts of the Contadora Group. In his statement, the Indian representative gave expression to the grave concern of non-aligned countries at the deterioration in the situation in Central America including,

in particular, provision of outside financial assistance to mercenary in Nicaragua.

SHRI MAHENDRA SINGH : The Prime Minister's recent visit to the frontline States in Africa has very tellingly expressed our solidarity with the South African people. Is there any similar plan for a visit by the Prime Minister or by the External Affairs Minister to Nicaragua? Will such a visit not enhance Indian prestige in the third world countries? Do we have a cultural exchange programme signed with Nicaragua? Is the Government considering stepping up of bilateral cultural and other exchanges with Nicaragua to express our solidarity with the people of Nicaragua?

SHRI K. R. NARAYANAN : A visit by the Prime Minister or the External Affairs Minister to Nicaragua is possible; but has not been determined yet. As regards cultural relations with Nicaragua, we do not have an agreement yet; but we propose to step up our cultural relations with this country in the Central America.

We have considerable technical and economic relations with this country and we had sent a techno-economic team to Nicaragua to explore the possibilities of Indian projects being set-up there.

SHRI MAHENDRA SINGH : Since the USA has vetoed the proposal of condemning the racist policies of South Africa in U.N. what initiative does the Government of India going to take to isolate South Africa and its allies U.S.A. and U.K. on that issue?

SHRI K. R. NARAYANAN : Sir, the supplementary relates to South Africa.

SHRI INDRAJIT GUPTA : Sir, recently as you know the Nicaragua Government filed a complaint before the World Court about the U.S. action or rather the action of the U.S. Congress in sanctioning 100 million dollars to President Regan for assisting the Contras in Nicaragua. I would like to know whether our Government has taken any steps or is thinking of taking any initiative to secure compliance by the U.S. of this World

Court decision which in the mean time they have said they will not abide by it?

I find from today's newspapers that the Indian envoy to United Nations Mr. Natarajan Krishnan is quoted as having said that court's verdict is clear and un-ambiguous. He has also reminded us that instability and de-stabilisation in Central America are a danger to peace and security world-over. I would like to know whether our Government is thinking of any fresh steps or initiative to mobilise the non-aligned countries and other countries to bring pressure on U. S. to comply with the decisions of the World Court or the World Court is also reduced to a mockery?

Secondly, has the Government any intention of inviting the Nicaraguan President to visit this country where, I am sure, he will be assured of a warm welcome?

SHRI K. R. NARAYANAN : The Government of India have together with non-aligned countries and other like-minded countries taken up this question of compliance by the U. S. of the judgement of the International Court. In fact, currently this case is before the Security Council and a resolution has been tabled asking the U. S. to comply with the judgement of the court.

SHRI INDRAJIT GUPTA : It has been vetoed.

SHRI K. R. NARAYANAN : Well, it could be vetoed.

MR. SPEAKER : It has been vetoed.

SHRI K. R. NARAYANAN : We read it has been vetoed but what we can do and we propose to do is to combine with all the countries especially the non-aligned countries and agitate this issue powerfully at every forum including that of the world public opinion. As regards visit by the Nicaraguan President, I am sure, he would be very welcome in India and we would at the right time extend an invitation to him.

SHRI PRIYA RANJAN DAS MUNSII : Sir, U. S. designs on Nicaragua are well

known to every part of the world. May I know from the Hon. Minister whether it is a fact that to prevent non-aligned nations to mobilise public opinion in favour of Nicaragua against U. S. designs efforts have been made by U. S. imperialism and their satellites to divert the attention of NAM meet and the countries involved in the NAM movement in a manner so that the stability and unity of non-aligned nations get further threatened? In this regard will the Hon. Minister tell us—India being the Chairman of NAM—whether enough care has been taken to see this matter and before we meet in the next NAM will India take special initiative for a formal discussion for a comprehensive proposal in favour of Nicaragua against U. S. designs so that other member nations are made alert about the designs of U. S. to divert the attention of NAM members in regard to this proposal? This has been stated by a senior member of the US Congress very recently.

SHRI K. R. NARAYANAN : Sir, India has been in the forefront of this matter. Actually, at the non-aligned summit held in 1983 and the ministerial conference of the Coordinating Bureau of the non-Aligned Movement held in April last year, we have expressed our position. In fact, we took initiative and got support of all other non-aligned countries in expressing their objection and position to the stand of the United States. So, there has been absolutely no ambiguity about it.

With regard to Harare Summit, I have no doubt that we would do the same. In fact, we are preparing for it and Nicaragua would be occupying a very important position in the agenda.

As regards threats to Non Aligned Movement from outside, we have been very sensitive to it and one of our objective is to fyрге the unity of the Non-Aligned nations against such thereats from all sort of powers.

SHRI SAIFUDDIN CHOWDHARY : In all important problems the veto power causes some problems. What to do about it, I do not know. Some thing can be done on that and that is a separate matter. But the point is that they are helping Contras and are putting economic sections against the legitimate government there but we have on our side the NAM and it is really big in strength, big continent-wise and countries wise. The question is whether we can take steps to impose certain economic sanctions against them and whether we are thinking on those lines.

SHRI K R. NARAYANAN : I only wish that the Non-Aligned Movement was strong enough and prosperous enough economically to make effective sanctions against Super Powers, but short of that we have been harnessing all the might of the Non-Aligned Movement to stand up against such interventions.

Tourist development programme at Chilka Lake

*227. **SHRI BRAJAMOHAN MOHANTY :** Will the Minister of TOURISM be pleased to state :

(a) whether the Sixth Plan Tourist Development Programme at Chilka Lake (Orissa) has not yet been implemented; and

(b) if so, what are the constraints and the steps taken for its early implementation?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM (SHRI SONTOSH MOHAN DEV) : (a) and (b). A statement is given below. During the Sixth Five Year Plan the following schemes have been taken up by the Central Department of Tourism for implementation at Chilka Lake (Orissa) in consultation with the State Government :

(Rs. in lakhs)

	Year	Sanctioned Amount	Released Amount
1. Purchase of paddle boats, life jackets and water skiing sets.	1983-84	2.00	1.80
2. Master Plan of Chilka Lake	1984-85	8.25	2.00
3. Assistance under Fairs & Festivals— Celebration of Chilka Boat Race.	1984-85	2.14	2.14

Item No. 3 above has already been implemented.

In the context of introduction of water sports on Chilka Lake, in 1983-84 two life paddle boats, two jackets and two water skiing sets were supplied.

As regards 2, at the request of the State Government, Town and Country Planning Organisation (TCPO), New Delhi has been entrusted with the work of the preparation of a Master Plan of Chilka Lake. Out of a total sanctioned amount of Rs. 8.25 lakhs, a sum of Rs. 2.00 lakhs has been advanced to TCPO in 1984-85. The work is expected to be completed by the end of the current financial year.

As regards 3, the amount of Rs. 2.14 lakhs was released to the State Government for procuring tents, generator and chairs etc. for use during the Chilka Boat Race in October/November.

SHRI BRAJAMOHAN MOHANTY : You have mentioned in the statement, item (1) that you have purchased paddle boats, life jackets, and water skiing sets for the Chilka Lake. But so far as Chilka Lake is concerned, there is absolutely no dressing up. I would like to know, whether the Hon. Minister has actually checked up about the implementation of this project. Earlier also I have written to the Ministry a number of times that it has not been implemented. It may be that you have given the money and it has either been spent or might not have been spent; there are no reflections of that in Chilka Lake.

The second item is under implementation.

As for as the first item is concerned, I would like to know from the Hon. Minister whether any officer of the Central Government or our Department has visited Chilka Lake, because the whole of Chilka Lake is so much being polluted by the fish processing industry and nothing has been done. My request to you is that you should take it up sincerely and seriously. Will any officer of the Department make a visit and see the things for himself? You should have a comprehensive planning for proper development there.

SHRI SONTOSH MOHAN DEV : The amount sanctioned for the first item was Rs. 2 lakhs and out of that we have already released Rs. 1.80 lakhs. The Master Plan is being prepared. A team of officials from our Ministry as well as Delhi Town and Country Planning have visited Chilka Lake twice and a plan is now being made to further develop the Chilka Lake. The Hon. Member has also written a letter to us. We have already written to the State Government and I can assure him that we shall monitor to see that the money is properly utilised. You will be happy to know that in the Seventh Five Year Plan, we have schemes of Rs. 79.44 lakhs to further develop the Chilka Lake and we are taking all steps to see that Chilka Lake is properly developed. He may be assured of it.

SHRI BRAJAMOHAN MOHANTY : Sir, the Hon. Minister will be very happy to know that birds in Chilka are the best in the world. It gets highest price in the international market. So my request would be whether the Government of India will examine to have a bird sanctuary there because birds from Siberian region visit every year to that lake? It is one of the most beautiful lakes in the country. Besides this, I want to know from you that there is a temple called Kalijai which is a tourist spot for that there is a ferry service only once in a week which should be increased. A comprehensive developmental programme should be taken up to develop this spot. So, my request would be whether the Government of India will examine in consultation with the State Government to develop this tourist spot.

My last question that is to be answered is whether any exercise is being made by the Tourism Ministry for the implementation of the programme for which the plan-wise sanctions are made? So the problem remains there, i.e. the gap between the Bird Sanctuary and the Temple.

SHRI SONTOSH MOHAN DEV : Sir, it is a fact that there is a Water Bird Sanctuary in Chilka, but the problem is that there are about 60,000 people who are fishing in this particular Lake. We have to take care of the ecology and the environment

of this area. The Master Plan which is now being examined by the Town and Country Planning people have taken all these into consideration and we have to involve the Environment Department also to have a Water Bird Sanctuary there. But at this moment, it is very difficult for me to say what will be the ultimate outcome because the Environment Department have to give their concurrence to this Bird Sanctuary project.

[*Translation*]

MR. SPEAKER : Are you going there for fishing, Ayub Sahib ?

SHRI MOHD. AYUB KHAN : Ruins stand testimony to the fact that the building stood high and grand. Every inch of Jhunjhunu and Sikar districts of Rajasthan is full of tales of valorous deeds. You will find there forts and places of kings and emperors which have engravings of gold on them. Therefore, is the Hon. Minister considering to set up a tourist Centre there also ?

[*English*]

SHRI SANTOSH MOHAN DEV : I will check up from my Department.

SHRI SRIBALLAV PANIGRAHI : There was a programme for the development of Chilka Lake. That also had the element of development of tourism. Earlier, there was a programme of development of this Chilka Lake alongwith an element of tourism and also with the assistance of the World Bank. That programme was for about Rs. 14 crores. What has happened to that programme ?

This programme, which the Minister has replied has any relevance with this one ?

SHRI SANTOSH MOHAN DEV : Sir, our programme is absolutely from our Department and keeping in view the development of tourism, a Yatri Niwas at Satpati had already been sanctioned and the work is

going on. Regarding the World Bank programme, I am not aware of it.

Export of cotton

+

*229. SHRI BALASAHEB VIKHE

PATIL :

SHRI AMARSINH RATHAWA :

Will the Minister of TEXTILES be pleased to state :

(a) the value of cotton exported during the last three years with quantity and quality;

(b) the names of countries to which cotton has been exported during the last three years giving the details of quantity and quality of cotton exported country-wise;

(c) whether the contracts have been fully executed and if not, the reasons therefor; and

(d) the details of agencies exporting cotton, quality-wise ?

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

Statement

The value of cotton exported during the last three years with quantity and quality is at Annexure I

2. The contracts could not be completely executed. The entire quantity registered could not be exported due to non-opening of the letters of credit by the buyers, lack of adequate and clear shipping instructions, etc.

3. Details of agencies exporting cotton quality-wise are given at Annexure II.

Annexure-I

Export of cotton 1982-83

S. No.	Name of the Country	Quantity in lakh bales	Quality of Cotton	Value in lakh of Rs.
1	2	3	4	5
1.	Bangladesh	0.19	Staple Cotton	450.37
2.	Belgium	0.10	—do—	222.05
3.	Bulgaria	...	...	...
4.	China (T)	0.83	—do—	1746.34
5.	China (R)	0.15	—do—	313.36
6.	Czechoslovakia	0.36	—do—	798.10
7.	West Germany	0.11	—do—	289.62
8.	Hong Kong	1.04	—do—	2122.45
9.	Japan	0.26	—do—	237.15
10.	Korea (S)	0.93	—do—	2178.10
11.	Korea (N)	0.12	—do—	375.82
12.	Poland	0.12	—do—	289.25
13.	Spain	0.55	—do—	1218.91
14.	Srilanka	0.23	—do—	715.05
15.	Thailand	0.33	—do—	542.75
16.	Others	1.04	—do—	2328.80
	Total	6.36		13828.12
17.	Japan	0.306	Bengal Deshi	7761.00
18.	Japan	0.079	Yellow Pickings	N.A.
19.	Belgium	0.012	—do—	N.A.
20.	Others	0.006	—do—	N.A.
	Total	0.097		166.00
21.	Taiwan	0.026	Zodas	34.35
22.	Japan	0.005	—do—	7.57
23.	Belgium	0.003	—do—	4.90
24.	Philippines	0.002	—do—	2.32
	Total	0.036		49.64

1983-84

1	2	3	4	5
1.	Bangladesh	0.05	Staple Cotton	151.72
2.	Belgium	0.10	—do—	204.62
3.	Bulgaria	0.06	—do—	244.65
4.	China (T)	0.21	—do—	549.32
5.	China (P)	...	...	...
6.	Czechoslovakia	0.17	—do—	504.88
7.	West Germany	0.03	—do—	107.91
8.	Hong Kong	0.47	—do—	1202.51
9.	Japan	0.10	—do—	325.10
10.	Korea (S)	0.45	—do—	1224.65
11.	Poland	0.30	—do—	1009.66
12.	Spain	0.13	—do—	303.01
13.	Sri Lanka	0.19	—do—	591.74
14.	Thailand	0.13	—do—	315.10
15.	Others	0.49	—do—	1421.48
	Total	2.88		8156.35
16.	Japan	0.333	Bengal Deshi	893.96
17.	France	0.001	—do—	3.09
	Total	0.334		897.05
18.	Japan	0.124	Yellow Pickings	251.85
19.	Others	0.002	—do—	4.63
	Total	0.126		256.48
20.	Taiwan	0.104	Zodas	206.60
21.	Japan	0.089	—do—	310.02
22.	Belgium	0.005	—do—	7.29
	Total	0.198		523.91

1984-85

1	2	3	4	5
1.	Bangla Desh	0.01	Staple Cotton	38.00
2.	Bulgaria	0.01	—do—	67.00
3.	China (T)	0.03	—do—	98.00
4.	Czechoslovakia	0.07	—do—	250.00
5.	Hong Cong	0.09	—do—	299.00
6.	Japan	0.21	—do—	797.00
7.	Korea (S)	0.06	—do—	215.00
8.	Poland	0.14	—do—	445.00
9.	Thailand	0.03	—do—	97.00
10.	Others	1.03	--do—	3591.00
	Total	1.68		5897.00

Annexure-II

Quality of cotton	Name of the Exporting Agency.
Staple Cotton	<ol style="list-style-type: none"> 1. Cotton Corporation of India 2. Maharashtra State Cooperative Cotton Growers Marketing Federation. 3. Tamil Nadu Federation. 4. Andhra Pradesh Federation. 5. Gujarat Federation. 6. Private Trade
Bengal Deshi	<ol style="list-style-type: none"> 1. Cotton Corporation of India 2. State Federations. 3. Private Trade.
Digvijay Cotton (Medium Staple)	<ol style="list-style-type: none"> 1. Cotton Corporation of India.
Yellow Pickings	<ol style="list-style-type: none"> 1. Cotton Corporation of India 2. Private Trade
Soft Cotton Waste	<ol style="list-style-type: none"> 1. Private Trade 2. State Federations 3. Cotton Corporation of India.
Hard Cotton Waste	<ol style="list-style-type: none"> 1. Cotton Corporation of India. 2. State Federations 3. Private Trade.

[Translation]

SHRI BALASAHEB VIKHE PATIL : Mr. Speaker, Sir, you are well aware of the plight of the cotton growers. They are selling their cotton dirt cheap. In his reply, the Hon. Minister has stated :

[English]

that it is due to.....

".....non-opening of letters of credit by the buyers, lack of adequate and clear shipping instructions, etc."

[Translation]

Thus, the instructions for opening of letters of credit were not sent from our side. We have been seeing that our cotton exports are continuously falling. In 19.2.83, 6.36 lakh bales were exported, in 1983-84, 2.88 lakh bales were exported and in 1984-85, 1.68 lakh bales were exported. Nobody knows what will happen in the coming years. I would like to know the reasons for continuous fall in the exports of cotton. I would also like to know the total purchases made by the Cotton Corporation of India. What are the main reasons for fall in exports and what remedial steps the Government are taking to increase export of cotton? Also, are the Government giving subsidy for export of cotton? The Government do give subsidy for export of textiles and iron; what is the reason for not giving subsidy on cotton exports? Will the Government consider giving subsidy on export of cotton also so as to benefit the farmers? Besides, a number of corporations are incurring losses. Will the Government do something in this regard also?

[English]

SHRI V. SOBHANADREESWARA RAO : Sir, there is no translation into English. We are not able to understand.....

[Translation]

MR. SPEAKER : Please see to it.

[English]

SHRI KHURSHID ALAM KHAN : In the first instance, I would like to mention that the letter of credit is opened by the buyer, and the shipping instructions are also given by the buyer. So, the question is not that there is some fault on this side, viz. that because the letter of credit was not opened, and therefore the stuff was not despatched.

As regards the exports in the past years, whatever allocations were made for the exports of past years, they were exported. But the export was very limited. Therefore, this year I decided to export more than 11 lakh bales of cotton, so that we can export cotton this cotton extra. Apart from this, we have also decided to export cotton on a long-term basis, cotton for the next three years; and I have also given a policy for the export of yarn for the next three years on a long-term basis, and also given the CCS for yarn. Normally no CCS is given to commodities like cotton.

[Translation]

SHRI BALASAHEB VIKHE PATIL : I had asked from the Hon. Minister whether he would give subsidy on export or not, because the price of cotton abroad was low? He has not replied to it. He has also not replied specifically to the question what initiative was taken by the Government with regard to not opening the letters of credit abroad. I would also like to know the reason why the principal buyers of our cotton such as China and Hong Kong have purchased very small quantity of cotton? At the same time, I would also like to know the stock of cotton in the country at this point of time? The Hon. Minister had stated that 6 lakh bales of cotton would be exported during 1986-87, but that was not to be; then how would you ensure that this would be done in future?

SHRI KHURSHID ALAM KHAN : Sir, I did reply to it, but, perhaps, I was not able to make him understand. Out of the target of 11 lakh bales fixed for export, more than 5 lakh bales have already been exported and I am hopeful that we shall be able to export the remaining 5 lakh bales also. It is our earnest endeavour to see

that our cotton is exported, because we have enough stock of cotton with us. Therefore, it was also decided to export yarn alongwith cotton so that we could get more money from yarn. So far we had been exporting yarn worth Rs. 40 crores, but, I hope, it will rise to 60 crores.

[English]

SHRI BALASAHEB VIKHE PATIL : About cotton exports, is Government going to allow subsidy or not ?

[Translation]

SHRI KHURSHID ALAM KHAN : No subsidy is given on cotton.

[English]

MR. SPEAKER : Mr. Rathawa is not available.

SHRI V. S. SOBHANADREESWARA RAO : In fact, the exports have gone down considerably : and my information is that there is a vast scope for export to these countries, specially to Thailand, South Korea, Taiwan, Japan and Hong Kong : and not it is the irregularity and uncertainty of the quantity that is exported to these countries that is coming in the way of establishing a firm cottoning in the market there : that is the information I have received. What corrective steps have been taken to ensure a regular steady supply to these countries and also to increase the total available a quantity for export ? What are the incentives that you are going to give to the farmers to produce more staple cotton which is available for export ?

SHRI KHURSHID ALAM KHAN : In the first instance, I would like to say that we have made all the enquiries about the requirement of cotton in all these countries which the Hon. Member mentioned. Our people have gone there and contacted the buyers there : and that is the reason that this year we are hopeful that we will be able to substantially export cotton, and it would be possible for us to achieve the target of 11 lakh bales which we have earmarked for the export, because more than 5 lakhs have already been

contracted. As regards the long term policy, we have already announced that for next three years there shall be a sustained export, and next year minimum quantity of 5 lakh bales will be available and similiary hereafter minimum quantity of 5 lakh bales will be available; and if need be, these 5 lakh bales will also be increased to 10 lakh bales.

PROF. N. G. RANGA : It is all right for my Hon. friend to say that exports are going to be promoted and so on. What steps government are going to take in order to see that our cotton growers are not exploited by private merchants, and therefore, a suggestion had been made by myself and others also previously that the State Trading Corporation should come in this sphere so that the State Trading Corporation and private merchants would be competing one with the other and farmers could be protected; and at the same time, I would like to draw the attention of my Hon. friend to the city note into day's *Times of India*—"An Integrated Cotton Policy Called For". I would like him to study it later at leisure, but the State Trading Corporation should be encouraged to come to the field.

SHRI KHURSHID ALAM KHAN : CCI is already exporting and if my Hon. friend is interested, then this Corporation can also export it.

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : The Cotton Corporation of India is doing the job.

SHRI KHURSHID ALAM KHAN : They can also join us. Whatever the Hon. member has suggested about studying it leisurely, I would certainly study it leisurely and let him know that I have studied it.

PROF. MADHU DANDAVATE : Is it not a fact that when the House discussed general textile policy, it was pointed out to you that because of your concessions and incentives to synthetic fibre as compared to the man made fibre, cotton growers were bound to suffer immensely. Therefore, is it

not a fact that two alternatives were proposed to you either increase the buffer stocks or try to augment the export? And from what you had said just now...

MR. SPEAKER : And thirdly reduce fibre.

PROF. MADHU DANDAVATE : Yes, and utilise it also. Therefore, in pursuance of the question which Mr. Balasaheb Vikhe Patil asked you about which you refused to reply, I again ask you through the Speaker also, through the sympathy of the Speaker, that will it not be possible for you to give up your rigid attitude and give some sort of subsidy so that more export will be possible and the cotton growers will be saved? I am reflecting the sentiments of the entire House, including that of the Speaker.

SHRI KHURSHID ALAM KHAN : Sir, I have already mentioned that we have allowed more cotton for export and we are really exporting more cotton this year. Apart from this, the consumption of man-made fibre is about eleven per cent of total consumption of various fibres.

PROF. MADHU DANDAVATE : Please, excuse me for interrupting, You yourself admitted that whatever targets of export were fixed, you have not been able to fulfil.

SHRI KHURSHID ALAM KHAN : In the past year they have not been fulfilled. But this year, I am very hopeful that we would be able to; and I have said that we have already achieved more than 50 per cent of the target that we had fixed and we had also announced a long term policy for the export of cotton for the next three years. Similarly, the value added export of yarn has also been announced for the next three years and I am sure that this will add to more exports.

As regards the subsidy for the export of cotton one thing, which I was saying is that the minimum export price—the MEP—has been removed. But as for as the subsidy is concerned, I think my Hon. friend, the Finance Minister may like to say something about it.

PROF. MADHU DANDAVATE : Let the Finance Minister reply, Sir.

MR. SPEAKER : I have no objection to it.

PROF. MADHU DANDAVATE : The Minister himself has put a supplementary, Sir.

Please speak. The whole House want you... (*Interruptions.*)

Why this reluctance on the part of the Minister?

SHRIMATI BASAVARAJESWARI : Will the Hon Minister tell us the total quantity of long staple and extra long staple cotton which has been purchased by the CCI as far as the exports from Andhra and Karnataka are concerned, and the total amount of cotton which has been damaged, which has been purchased by the CCI in both Karnataka and Andhra and whether any inquiry has been initiated and if so what are the findings?

SHRI KHURSHID ALAM KHAN : In every case where the cotton has been damaged, inquiry has been initiated, not only departmentally but we have also given it to the CBI. Apart from that the allotment of cotton for export has been increased. Four lakh bales have been allotted to the CCI; to the Maharashtra Corporation 1.30 lakh bales; to Tamil Nadu ten thousand bales; to Andhra Pradesh 20 thousand bales; and to private traders two lakh bales. Tamil Nadu has not exported anything. Andhra Pradesh had registered for export out of twenty thousand bales only 3430 (three thousand four hundred and thirty) bales, and Gujarat has registered for export out of 70 thousand bales 60 thousand bales, and the private traders out of two lakh bales have exported more than one lakh bales.

SHRI P. KOLANDAIVELU : Sir, please allow Shri Janarthanan of our party.

MR. SPEAKER : All right.

SHRI K RAMACHANDRA REDDY : Please allow a half-an-hour discussion on this.

MR. SPEAKER : You give it to me. Let us hear the expert, Shri Janrathanan.

SHRI KADAMBUR JANARTHANAN : The cotton textile mills are still having the business attitude of using the long staple cotton. They are reluctant to buy extra long staple cotton, the super fine spring variety. The Hon. Minister particularly said that Tamil Nadu has not export anything. The super fine cotton which is produced there is able to spin 120 varieties of cotton, but the Cotton Corporation and the Federation have not been purchasing that variety. May I know from the Hon. Minister whether he would allow free export of the super fine variety which is better than the Egyptian and the Arabian cotton—thus allowing free export of cotton, so that Tamil Nadu and Andhra can export and the growers can be benefited?

PROF. N. G. RANGA : Very good.

SHRI KHURSHID ALAM KHAN : The State Governments may let us know what actually they want and we will consider it.

MR. SPEAKER : Shri Vijay N. Patil.

PROF. MADHU DANDAVATE : If the present Finance Minister does not, a former Finance Minister will say something. Mr. Patel is here.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : I may say, within the allocations given, the Textiles Minister is free to allocate to CCI or anybody even nine lakhs including cotton. If he wants anything more, he may let us know.

Export of ready-made garments

*230. **SHRI VIJAY N. PATIL :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware of the growing competition abroad in the field of ready-made garments;

(b) if so, the names of countries competing with Indian exporters of ready-made garments;

(c) whether margin of Indian exporters is under severe pressure due to competition from other countries; and

(d) if so, the steps taken by Government in the matter ?

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

Statement

Government is aware that Indian garments are facing competition abroad particularly from Hong Kong, Korea, China and Sri Lanka.

The following steps have been taken to facilitate our exporters face this competition :

(1) Sophisticated garment manufacturing machines not manufactured indigenously are allowed to be imported on OGL. As many as 114 machines for garment manufacture have been placed under OGL, 97 of them enjoying concessional import duty.

(2) CCS rates have been rationalised with effect from 1.7.1986. These rates have been extended upto 31.12.88 for cotton garments and upto 31.3.89 for other garments. Slow moving items under quota which were earlier not eligible for CCS have also now been made eligible. Higher rates of CCS have been announced for exports to non-quota countries and for man-made fibre and silk garments.

(3) Cotton garments have been brought under the Scheme of Contract Registration, with a view to provide an element of certainty to exporters in the matter of CCS.

(4) It has been decided to set up a Fashion Technology Institute in Delhi for education, research and training in the areas of fashion design for garment manufacture.

(5) The duty drawback rates for cotton garments have been increased.

(6) The number of days of pre-shipment credit has been increased from 90 days to 180 days.

(7) Import entitlements and the REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-88.

(8) Many items of raw material/fabrics are permitted to be imported under the Advance Licensing Scheme under Appendix 19 and duty free REP Scheme under Appendix 21 of the Import Export Policy 1985-88.

(9) The Import-Export Pass Book Scheme for manufacturer-exporters has also been introduced.

(10) Additional assistance is given for new products and new markets.

(11) Under 100 per cent Export Oriented Units and Free Trade Zones Schemes, facilities for liberal import of capital goods and raw materials along with many other concessions are given.

(12) Government has been giving liberal assistance for sponsoring and funding promotional activities such as market studies, Buyer-Seller-Meets, production in international fairs and exhibitions, etc.

SHRI VIJAY N. PATIL : Sir, for fifteen minutes we have talked about export of cotton. We export cotton to the countries who are competing with us in the export of garments. The Hon. Minister has mentioned the names of Hong Kong, Korea, China and Sri Lanka, but Taiwan and Pakistan are also coming up in the competition. In the Multi-Fabric Agreement we are going lower and lower and in the international trading of cloth we are having only 2.5 per cent share. It appears that because of the low quality of our fabrics, the garments are not getting good business in the international market. So, I would like to know what steps does the Minister anticipate to augment exports. Will he allow the garment manufacturers to import good quality fabrics so that this can be exported again, or the mills' standard will be improved just as is being done in Pakistan and other countries for manufacturing good quality fabrics ?

SHRI KHURSHID ALAM KHAN : Sir, actually our exports are increasing from year to year and in 1985, Rs. 1,068 crores worth of garments were exported. As regards the quality, the quality has been appreciated all over the world, particularly in USA and EEC countries where mostly our exports go. But I entirely agree with the Hon. Member that there is still need and room for improvement and we are making all possible efforts, and for this purpose we are also setting up a Fashion Institute so that that Fashion Institute can help in producing better quality of garments.

SHRI VIJAY N. PATIL : Sir, sky is the limit for export of garments and I understand that recently talks were held in Geneva for allotting quota to different countries. The Minister has mentioned that we are having more and more exports. I would like to know from the Hon. Minister what percentage we have got in the agreement this year as compared to the last two or three years.

SHRI KHURSHID ALAM KHAN : Sir, the Multi-Fabric Agreement expired only last night and we do not know what has been the final decision. After that decision is known, then we will enter into agreements with various countries on bilateral basis and we will get the quota.

MR. SPEAKER : Some are monopolising this quota system. Look into that matter also. They made so much of hanky-panky.

SHRI D. P. JADEJA : Sir, the Government is aware of the fact that the major export of garments is to the United States and because of the quota restrictions, most of the exporters from India had shifted to Nepal. Now the restriction of quota has come there also. The result is that in spite of the good quality of garments that India can make and the amount that they can export, because of this quota restriction, the garment industry is not able to go to the full capacity. Now there is a scope and I am sure that the Government is aware that it is the Caribbean Basin where there is no quota system; on the contrary there is an incentive to industries in that area on exports to the United States. So, will the Government take steps to encourage our exporters and our manufac-

turers to base their industries in the Caribbean Basin so that they can make full use of their industry ?

SHRI KHURSHID ALAM KHAN : Sir, in the first instance, I would like to say that we have been utilising our quota to the maximum in the United States and actually we also hope that this year we will achieve 85 per cent utilisation in the EEC countries where it was only 69 per cent in the past.

As regards encouraging the exporters to go outside and settle down there, we would prefer them to produce here and export from our own country.

[*Translation*]

SHRI DILEEP SINGH BHURIA : Mr. Speaker, Sir, I would like to tell the Hon. Minister that many countries get raw materials from us, manufacture the finished products themselves and export to the other countries. Thus, they have monopolised it and as a result of it, we get low price. What steps he has taken to check it ?

SHRI KHURSHID ALAM KHAN : It is not that any country has imposed restriction on us. There is always a competition in business and trade. A number of countries are in competition with us and we too can compete with them.

[*English*]

**Distribution and price control of
Viscose Fibre**

***231 SHRI RAM BHAGAT PASWAN :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government proposes to bring Viscose Staple Fibre under price control and take the distribution of Viscose Fibre in its hand; and

(b) if not, the reasons thereof ?

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

(b) The availability of regular viscose staple fibre through indigenous production and imports under OGL is considered adequate to meet the requirements.

[*Translation*]

SHRI RAM BHAGAT PASWAN : Mr. Speaker, Sir, my question is about bringing the Viscose Fibre under price control and bringing its distribution in Government's hand and not about its availability and requirement. I would like to tell the Hon. Minister that today Viscose Fibre is monopolized by only one capitalist and hence there is no control over its price. Crores of rupees are being earned through its black marketing. Goods worth Rs. 10 are being sold Rs. 30. The Excise Act is also being violated in this regard. Therefore, will the Government take its distribution in its own hands with a view to controlling its price and making proper distribution ?

SHRI KHURSHID ALAM KHAN : As I said earlier, availability of Viscose Fibre in the country through indigenous production is adequate to meet our requirements and hence there is no shortage. The prices in the market have also not risen considerably. This is true that there is only one factory at present which is engaged in the production of Viscose Fibre. The most important thing is that supply should be from more than one sources; some people have applied for licences and we have recommended issue of licences to them. This will result in increase in the sources of supply to more than one and will help in breaking the present monopoly.

SHRI RAM BHAGAT PASWAN : I have a glaring example in mind. There are a number of small industries based on Viscose Fibre and thousands of people are engaged in it. Today they cannot afford to buy Viscose in black-market and as a result of it, many small industries have closed down. I would like to know from the Hon Minister whether he has taken any steps to re-open those industries ?

SHRI KHURSHID ALAM KHAN : Now, it is difficult for me to sit on a spinning wheel, but I must say that we have made arrangement to supply duty-free Viscose to

the handlooms so that the people could manufacture blended cloth. When they manufacture blended cloth, they are sure to get higher remuneration as well as a higher price.

SHRI GIRDHARI LAL VYAS : As stated by the Hon. Minister, there is only one factory in the country which produces Viscose Fibre and it stops distribution at will leading to stoppage in production. You might have been that sometime back, the people did not get Viscose Fibre for 6 months as a result of which small textile industries had to close down leading to stoppage of cloth production. I do not want it to be brought under control. What I want to know from the Hon. Minister is will they make arrangement to make proper distribution of Viscose Fibre produced by this factory ?

SHRI KHURSHID ALAM KHAN : Sir, the distribution is being made smoothly. As I said earlier, there has not been any substantial price increase in the market. This is true that at present there is only one factory which remained under strike for 45 days sometime back as a result of which the difficulty was experienced. At that time, the Finance Ministry was requested to permit its import; they too were ready to permit its import but in the meantime the strike had ended and the matter was resolved.

[*English*]

RAO BIRENDRA SINGH : I would like to know whether Government have fixed any limit on the use of viscose and other synthetic fibre in the production of textiles in the mills in the country ? To what extent does the Government propose to increase the production capacity of synthetic fibre in the country in the Seventh Plan and whether the proposed increase in the capacity would directly effect the price of cotton because of lower consumption of cotton within the country ?

SHRI KHURSHID ALAM KHAN : Sir, now it is a fact that the man made fibre has come to stay all over the world and there is a demand in this country also. But, at the same time, in our country we have just last year given the fibre flexibility and the use of man-made fibre is hardly 11 per cent of the

total consumption in this country. Percentage has been fixed.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

Plan to enhance exports to African Countries

*228. **PROF. RAMKRISHANA MORE :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government have formulated an "African Plan" with a view to augmenting exports to African countries;

(b) if so, the details thereof; and

(c) the extent to which the "Plan" has enhanced exports to the African countries ?

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) to (c). A programme for coordinated effort to promote exports to selected African countries was evolved some time ago which took account the trade linkages with India, the potential for exports and development programmes of these countries. It contemplated activities such as participation in exhibitions and fairs, interaction between trade bodies etc. While such activities have been selectively carried out, the balance of payment crises in many of those countries, continued adverse whether conditions and political uncertainties in some areas have stood in the way of giving it a firm shape and implementing it.

Seizure of narcotics

*232. **PROF. K. V. THOMAS**
SHRI C. MADHAV REDDI :

Will the Minister of FINANCE be pleased to state the quantity of heroin and other narcotics seized during the period 1983-84, 1984-85 and 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : A statement is given below,

Statement

As per reports received so far, the quantities of heroin and other narcotics seized during the calendar years 1983, 1984, 1985 and 1986 (upto 30.6.1986) are as under :

Name of drug	1983		1984		1985		1986	
	No. of cases	Quantity seized	No. of cases	Quantity seized	No. of cases	Quantity seized	No. of cases	Quantity seized
Heroin	99	138.695 kg.	92	202.593 kg.	131	760.695 kg.	89	1,643.009 + 40 litres liquid heroin
Opium	646	6,592.143 kg.	496	7,938.724 kg.	489	6,839.345 + 1.200 (opium derivative)	126	2,227.253 kg.
Ganja	383	21,685.150 kg.	259	21,207.535 kg.	254	66,313.751 kg.	77	21,195.165 kg.
Charas	299	6,071.864 + 1.058 (Hashish oil)	203	4,368.323 kg.	192	10,312.180 + 0.001 (Hashish oil)	82	10,615.873 + 2.000 (Hashish oil)
Morphine	17	20.868 + 1,288 Amps.	22	29.397 kg.	78	125.133 kg.	18	39.240 kg.
Cocaine	2	0.095 kg.	2	4.740 kg.	1	4.950 kg.	3	11.700 kg.

Employment in Nationalised Banks on bogus scheduled cast certificates

***233. SHRI K. D. SULTANPURI :** Will the Minister of FINANCE be pleased to state :

(a) the number of cases in which bogus scheduled caste certificates were used for getting employment in nationalised banks during the last three years; and

(b) the steps Government propose to take in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the information made available by 20 nationalised banks, during the years 1983-1985, 91 persons had obtained employment in these banks on the strength of reportedly bogus SC/ST Certificates.

(b) The extant rules provide for the termination of services of an employee, if after appointment, the verification reveals that his claim was false. Accordingly, the banks have already terminated the services of 11 of the above employees. Cases against other employees are at various stages of investigation.

Rubber Plantation in Orissa

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

(a) whether it is a fact that after extensive exploratory survey and trials, the Rubber Board had identified Orissa as a potential State for growing rubber;

(b) whether it is also a fact that though rubber trial plantations were established two decades back near Bhubaneswar, Balasore and Mayurbhanj, the trees were not cared for and consequently the potential of Orissa was not fully realised; and

(c) if so, the steps taken to encourage rubber plantation in Orissa ?

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) Initial attempts by the State Soil Conservation Organisation were not very successful.

(c) The Rubber Board has schemes for grant of subsidies for new plantations and a provision has been made for undertaking developmental and extension work in Orissa in this Five Year Plan.

Flow of funds from and to developing countries

***235. DR. CHINTA MOHAN :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the developing countries' including India, paid \$ 67 billion to advanced countries whereas \$ 36 billion flowed from Industrialised countries to developing countries as credit, investments and aid, as reported in the Economic Times of 4 July, 1986;

(b) whether this is largely due to high interest rates charged to developing countries and a decline in investments in developing countries; and

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

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) According to the 'World Economic Survey 1986' published by the United Nations, the capital importing developing countries as a group are estimated to have received a net capital inflow of about \$ 36 billion, made up of net credit inflows (\$ 13 billion), net direct investment flows (\$ 9 billion) and official grants (\$ 15 billion) in 1985. On the other hand, \$ 54 billion was paid in interest on the accumulated net foreign debt and \$ 13 billion in income on the stock of direct investment by these countries.

(b) High interest rates charged to developing countries and a decline in investment in developing countries are only two of the

important factors leading to a net transfer of resources from developing countries. Other factors like a fall in net flow of credit to developing countries are also important.

(c) The Government is well aware of the adversities faced by the developing countries in the field of international finance and have been taking up the issue of correcting these imbalances at various international fora.

[Translation]

Scheme for encouragement to sericulture

*236. SHRI MADAN PANDEY : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that in the opinion of sericulture experts, sericulture can prosper in foothills of Himalayas and in Bihar, Kashmir and North-eastern region of India, if suitable steps are taken;

(b) if so, whether Union Government have under consideration any scheme to encourage sericulture in the said areas; and

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

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

(c) The Central Silk Board has formulated a World Bank Project for development of Sericulture in the country with a proposed outlay of Rs. 263 crores. This project, which aims at increasing raw silk production by about 4900 m. tonnes, includes in its coverage the foot hills of the Himalayas, Bihar, Jammu & Kashmir and the North-Eastern region of India. The Central Silk Board has also proposed establishment of a Central Muga Research and Training Institute in Assam and a Central Eri Research and Training Institute in Meghalaya.

[English]

Rules for export of gems and jewellery

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

(a) whether the Exchange Control Department of the Reserve Bank of India has issued certain rules in regard to export of gems and jewellery applicable only to Jaipur;

(b) if so, the reasons thereof;

(c) whether these rules are applicable to exports of gems and jewellery on all-India basis; and

(d) if not, the reasons therefor ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) No, Sir.

(b) does not arise.

(c) the Exchange Control Regulations contained in the Exchange Manual are applicable to exports of gem and jewellery on All-India basis;

(d) does not arise.

State Governments efforts to secure investment by Non-resident Indians

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

(a) whether Union Government are aware that different State Governments have been approaching Non-resident Indians for investment in their respective States;

(b) if so, the names of the State Governments whose representatives visited foreign countries to get Non-resident Indian investments in their States; and

(c) whether Government are considering setting up a separate Ministry at the Centre to deal with N. R. I. Investments and

related matters and to clear the bottlenecks in the way of investments by N. R. Is in different States ?

Duration

*Number of
maturity
claims*

*Number of
death
claims*

More than 2 years 7632

3218

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): (a) Yes, Sir.

(b) During the last one year, the representatives of the Governments of Rajasthan, Tamil Nadu, Kerala and Karnataka visited foreign countries to mobilise Non-resident Indians investments in their respective States.

(c) Government do not consider it necessary to set up a separate Ministry at the Centre to deal with NRI investments and related matters. Regarding removal of bottlenecks in the way of investments by NRIs, the NRI investment policy and procedure are constantly under review and feasible corrective steps are taken, whenever necessary.

Pending claims with LIC

239. **SHRI C. JANGA REDDY :**
DR. A. K. PATEL :

Will the Minister of FINANCE be pleased to state :

(a) the number of claims pending with the Life Insurance Corporation for three years, five years, ten years and more than ten years;

(b) whether the claimants are entitled to interest on their claims after a reasonable period;

(c) if not, the reasons therefor; and

(d) the steps taken to root out delay in the payment of claims ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARADHANA POOJARY) : (a) Separate statistics of claims pending for 3 years, 5 years, 10 years and more than 10 years are not compiled by the Life Insurance Corporation of India (LIC). The number of life insurance claims pending for more than 2 years as on 31.3.1985 was as under :—

Out of 7,632 maturity claims outstanding for over two years, 7,318 claims were pending for want of requirements from policyholders, such as age proof, discharge form, policy document, etc; 112 claims were pending for legal requirements and due to exchange control matters and the remaining 202 claims were pending for other reasons. Out of 3,218 death claims outstanding for more than two years, 1,717 claims were pending for requirements from claimants such as claim forms, age proof, discharge form, policy document, etc; 302 claims were pending for replies to the references made to the doctors, hospitals, etc; 758 claims were pending for legal requirements and due to exchange control matters; 148 claims were pending for completion of investigation and the remaining 293 claims were pending for other reasons.

(b) and (c). Yes, Sir. Although no interest is payable in terms of insurance policy, ex-gratia interest @ 7½ per cent per annum is paid wherever there is a delay on the part of the LIC in the settlement of maturity claims exceeding 30 days, non-early death claims exceeding 60 days and early death claims exceeding 6 months.

(d) The following are among the steps taken by the LIC to dispose of claims as expeditiously as possible :—

(a) issue of maturity claim discharge vouchers two months in advance for full force policies and four months in advance for paid-up policies.

(ii) issue of post-dated cheques wherever all requirements are received before the date of maturity.

(iii) decentralisation of the work of claims settlement to branch offices for expeditious disposal.

(iv) regular follow-up backed by personal visits by the field force to con-

tact the claimants to obtain requirements.

(v) Waiver of—

- (a) Legal evidence of title to the policy monies up to Rs. 1,50,000/-.
- (b) Age proof up to sum assured of Rs. 20,000/- for maturity claims and Rs. 15,000/- for death claims.
- (c) Investigation of early claims up to sum assured Rs. 10,000/-.

Seizure of narcotics

*240. SHRI ANAND SINGH :
SHRI HUSSAIN DALWAI :

Will the Minister of FINANCE be pleased to state :

(a) the quantum of charas, hashish and other such drugs seized by the customs, revenue enforcement authorities and the police during the past three months; and

(b) the specific steps taken to prevent the smuggling of these items and how far it has been possible to curb the smuggling as a result thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per reports received so far, the quantum of charas (hashish) and such other drugs seized by the customs, revenue enforcement authorities, the police and the Border Security Force during April to June, 1986 is as under :—

Sl. No.	Name of the drug	Quantity seized
		<i>kg.</i>
1.	Charas (Hashish)	326 + 2 hashish oil
2.	Ganja	4,315
3.	Heroin	266 + 40 litres of liquid containing heroin
4.	Mandrax tablets	86

(Note : Figures are provisional and rounded off to the nearest kilogram.)

(b) Appropriate anti-smuggling measures are taken in co-ordination with the Central and State Government authorities concerned. The field formations remain vigilant to check the smuggling of drugs. The Narcotic Drugs and Psychotropic Substances Act, 1985, which has been brought into force with effect from 14th November, 1985, provides for deterrent punishments for drug-trafficking offences. The intelligence machinery has been geared up.

A new organisation called, "Narcotics Control Bureau" has been set up for the purpose of effectively co-ordinating the action against illicit traffic in drugs and as a result of various measures taken and the comprehensive drive launched against drug-trafficking, increasing quantities of drugs have been seized, particularly of heroin and hashish, in the recent past. The quantities of these drugs seized in 1986 till now have already exceeded the quantities seized during the entire year of 1985.

Import of raw silk from China

*241. SHRIMATI BASVARAJESWARI:
Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of raw silk imported from China last year;

(b) whether this step has put the sericulturists of Karnataka and other silk producing States in distress; and

(c) if so, the reaction of Government ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) A total quantity of 25 tonnes of raw silk was imported from China during 1985-86 by Central Silk Board, Bangalore, under its price stabilisation scheme. Data regarding import of raw silk by exporters under Advance Licensing and Replenishment Schemes etc. during 85-86 is not yet available.

(b) No, Sir.

(c) Does not arise.

Tax evasion by builders of Bombay

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

(a) whether complaints against certain builders of Bombay involved in income tax evasion of about rupees twenty crores were received by the Commissioner of Income Tax, Central-II, Bombay in July, 1984; and

(b) if so, what steps were taken to investigate these complaints and what was the outcome of these investigations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). On the basis of information received, a search was conducted in the cases of Om Prakash Navani Group in February, 1985. For detailed and co-ordinated investigation the cases were centralised at Bombay. Substantial additions as under have been made in some cases :

Asstt. year	Returned loss Rs.	Assessed Income Rs.	Date of order
(1) O. P. Navani 1980-81 (—)	1,17,130	58,29,177	27.3.86
1981-82 (—)	1,12,610	64,93,490	31.3.86
1982-83 (—)	7,64,710	20,88,485	9.10.85
Assessment year	Additions made	Date of order	
(2) M/s West Coast Builders Pvt. Ltd.	1983-84	1.64 crores	27.3.86
(3) Crescent Builders Pvt. Ltd.	1981-82	11 lakhs.	

Provisional attachment of properties u/s 281B has been made. 186 prosecution complaints have been filed in the cases of this group.

Export of Permal Rice to Soviet Union

***243. SHRI SATYENDRA NARAYAN SINHA**
DR. V. VENKATESH :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have seen the reports appearing in the "Statesman" of Delhi dated 5 and 6 July, 1986 that instead of basmati rice, parmal rice is being exported to the Soviet Union;

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

(c) whether quality control by Government agencies would be compulsorily introduced to prevent such transactions; and

(d) whether enquiry would be held into the financial transactions behind such exports and the beneficiaries of these transactions identified ?

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) :
(a) Yes, Sir.

(b) Government has not received any complaint from the buyers in USSR in regard to the quality of basmati rice exported from India.

(c) Export of Basmati rice is subject to compulsory pre-shipment inspection. However in cases where the foreign buyers are Government Departments/Agencies, and have their own arrangements in India for getting the consignments prior to shipment inspected and the consignments conform to the buyer's requirements, Export Inspection Agencies issue Statutory Certificate on the basis of the inspection carried out by the inspecting agency nominated by the buying Government Departments/agencies, Export Inspection Agencies in such cases, however, keep watch through spot-checks.

(d) Does not arise.

Functioning of Bareilly Passport Office

2101. SHRIMATI GEETA MUKHERJEE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that a large number of passports had been issued from the Bareilly passport office to persons not even residing in U.P.;

(b) whether it is a fact that about 50 passport application forms were received alongwith police verification reports and on enquiry it was found that applicants were not residing at the given addresses;

(c) whether 13 blank passports application forms were also lost from the passport office;

(d) whether investigation and enquiry has been made into the functioning of the passport office and the local police who verified the application forms; and

(e) if so, the action taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Some cases have come to the notice of the Ministry where passports might have been issued to persons not normally residing in UP by the Passport Office, Bareilly on the basis of verification certificates recorded by some MLA's,

and clear police verification reports. Necessary inquiries are in progress.

(b) Yes, Sir. Police verification reports were received for 50 applicants who were not resident at the addresses given in their application forms. Consequently passports were not issued in these cases.

(c) No Sir. However, it came to the notice of the Ministry that 15 completed passports ready for despatch, were lost in the passport office Bareilly. A complaint was immediately lodged by the Passport Officer with the local police who have however not yet completed the investigations.

(d) Yes, Sir. Officers from the Ministry of External Affairs have inspected the Passport Office, Bareilly thrice after the above mentioned complaints were brought to the notice of the Ministry in order to investigate them by personnel verification of records.

The matter of doubtful police reports was duly reported to the local police authorities who have confirmed that some employees of their office had issued these police verification reports in an unauthorised manner, against whom they were proposing some administrative action.

(e) Necessary investigations and follow up action are in progress.

Proposal from Kerala Government for development of Tourist Centres

2102. SHRI K. MOHANDAS : Will the Minister of TOURISM be pleased to state :

(a) whether Government of Kerala has sent any proposals for development of new tourist centres during the next two years; and

(b) if so, the details thereof and the steps taken by Government in this regard ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). Yes, Sir. The Government of Kerala has forwarded several project proposals for centra

assistance from the Department of Tourism. already sanctioned which will be implemented during the next two years :
The following are the details of the projects

(Rupees in lakhs)

Name of the project	Year of sanction	Amount sanctioned	Amount released
1. Construction of way-side amenities with accommodation at Alleppy	85-86	10.28	4.00
2. Construction of way-side amenities with accommodation at Kottarakkara	85-86	10.28	4.00
3. Construction of way-side amenities with accommodation at Cannanore	85-86	10.28	4.00
4. Construction of way-side amenities with accommodation at Palghat	85-86	10.28	4.00
5. Construction of way-side amenities with accommodation at Wynad	85-86	10.28	4.00
6. Provision of boats for Cochin, Kumarakom, Quilon and Thekkady	85-86	50.78	25.00
7. Promotion of Fairs and Festivals in Kerala	85-86	2.56	2.56
8. Purchase of trekking equipments for Kerala	86-87	3.24	2.92

Study of Shrimp Catches on Eastern Coast

2103. SHRI GURUDAS KAMAT : Will the Minister of COMMERCE be pleased to state :

(a) whether any study has been made by the Marine Products Export Development Authority on the declining trend in shrimp catches and depletion of shrimp resources;

(b) the consequences of over fishing on the East Coast for shrimp resources;

(c) whether any projections have been worked out by MPEDA in this regard; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BHARAMA DUTT) : (a) No, Sir. However the Ministry of Agriculture has constituted a Committee to look into the declining trend in shrimp catches.

(b) No over fishing of shrimp resources on East Coast has been reported.

(c) MPEDA has not made any projections in respect of shrimp resources on Eastern Coast.

(d) Does not arise.

[Translation]

Setting up of Regional Rural Bank at Gazipur

2104. SHRI ZAINUL BASHER : Will the Minister of FINANCE be pleased to state :

(a) how many branches of rural bank should have as per Government policy;

(b) the number of branches of Joint Regional Rural Bank, in Azamgarh and Gazipur;

(c) whether keeping in view the present number of branches Government propose to set up a separate regional rural bank at Gazipur; and

(d) if so, the time by which it is likely to be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The branch network of a regional rural bank will depend upon the size of the area of operation of the bank, credit requirements and the licenses issued by the Reserve Bank of India in terms of its branch licensing policy etc.

(b) Samyut Kshetriya Gramin Bank had opened 154 branches upto 31.12.1985 in its area of operation comprising of Azamgarh and Ghazipur districts in Uttar Pradesh.

(c) and (d). With a view to streamlining the functioning of bigger regional rural banks and ensuring better branch control in such banks, the National Bank for Agriculture and Rural Development in consultation with the Government have permitted such banks to create posts of District Managers.

The Government, for the present, do not propose to set up a new regional rural bank at Ghazipur.

[English]

Violation of FERA Regulations

2105. SHRI SYED SHAHABUDDIN :
SHRI D. N. REDDY :

Will the Minister of FINANCE be pleased to state :

(a) the number of criminal cases filed by the Directorate of Enforcement against private businessman and/or their firms for violation of FERA regulations during 1985-86;

(b) number of FERA cases filed in earlier years and pending on 1st April, 1985; and

(c) the number of FERA cases in which the Directorate was successful in securing 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During 1985-86, a total number of 728 cases of prosecution were filed in the courts under Sec. 56 and 57 of F.E.R. Act, 1973 by the Directorate of Enforcement (FERA).

(b) Out of the cases filed before the courts, a total number of 565 cases were pending as on 1.4.1985.

(c) The Directorate of Enforcement was successful in securing conviction in 280 cases out of 313 cases decided during 1985-86.

Irregularities in New India Assurance Company

2106. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether Government have inquired into the working of New India Assurance Company Ltd., particularly Delhi Regional Office where many irregularities have been detected;

(b) if so, the nature of irregularities detected;

(c) the particulars of officers found involved; and

(d) whether any action has since been taken by Government to ensure that such irregularities do not recur in this organisation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government had received a complaint regarding alleged demand of bribe by an inspector of New India Assurance Company Ltd., New Delhi. The matter was enquired into but the allegations were not substantiated on enquiry.

There were also some other complaints regarding the functioning of the offices of the Company at Allahabad. These complaints were also thoroughly enquired into but could not be substantiated.

(d) There are various inbuilt checks within the organisation like Internal Audit/Vigilance Department which keep a strict watch on the working of the offices of the Company. Any financial or other irregularities which are either detected or brought to the notice of the management by any source whether from within or outside the Company, are thoroughly enquired and looked into by the concerned department and action taken as per the Company's rules. In addition to this, the Insurance Division of the Ministry of Finance has a system of obtaining quarterly progress reports and an annual programme of vigilance action. This involves regular follow up and all efforts are made to ensure that irregularities of any kind or corrupt practices are detected and prompt corrective action and where necessary punitive action, taken.

IFCI subsidy scheme for quality control in small scale sector

2107. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Industrial Finance Corporation of India has introduced a new promotional scheme for encouraging quality control measures in small scale sector; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Board of Directors of Industrial Finance Corporation of India (IFCI) have approved a new promotional scheme, called, 'Scheme of Assistance for Encouraging Quality Control Measures in Small Scale Sector'. The scheme envisages helping SSI units to equip themselves with proper and adequate testing as well as quality control equipments for improving quality and increasing competitiveness of their products. Assistance would be available under the scheme to SSI units in the form of soft loans carrying 11 per cent rate of interest per annum and the amount is proposed to be limited to 80 per cent of the cost of acquiring the testing and quality control equipments

subject to a maximum of Rs. 5 lakhs in each case.

Exports by STC

2108. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the total value and details of the export contracts concluded by the State Trading Corporation (STC) during 1985-86;

(b) the names of items and the countries to which these were exported;

(c) the total amount of foreign exchange earned during the current year as compared to last year; and

(d) the measures being taken by State Trading Corporation to locate more foreign markets to boost the export of Indian products ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) The total value of export contract concluded including those of STC's Associates (Account STC) during 1985-86 amounted to Rs. 380 crores (approx.).

(b) *Items exported*

Agricultural Commodities such as Coffee, tea, jute goods, extractions, castor oil, sugar, manufacturing items like Processed Foods, Engg. and Const. Material, Drugs and Pharmaceuticals, Sports Goods, Textiles, Leather and Leather manufactures, Consumer products etc. and also other items like meat and marine products etc.

Countries to which exported

USA, UK, France, Italy, West Germany, USSR, Poland, Canada, Middle East countries South East Asian countries, Bangladesh, Nepal, Sri Lanka, Australia, Newzealand etc.

(c) Foreign exchange earned including insurance and freight through exports, and

indirect export of associates during 1984-85 was Rs. 720 crores. Exports, STC during 1985-86 amounted to Rs. 378 crores (Provisional). Exports were lower during this period because STC discontinued the practice of indirect exports with effect from August, 1985.

(d) The measures undertaken by STC to locate more foreign market to boost the exports include introduction of several new export items entering into counter trade; undertaking bilateral trade, introduction of value added items, financial assistance to associates, enlarging supply base for exports etc.

Construction of two and three star hotels in big cities

2109. SHRI MURLIDHAR MANE : Will the Minister of TOURISM be pleased to state :

(a) the steps Government are taking for the construction of two and three star hotels in all cities of India;

(b) the allocation of funds for this purpose in the Seventh Plan;

(c) the allocation for construction of five star hotels in the Seventh Plan; and

(d) whether private parties will be encouraged to construct cheaper hotels for the benefit of Indian tourist ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The Seventh Plan of the Department of Tourism does not include any specific scheme for the construction of hotels in the public sector except for hotels for budget tourists. The basic object is to encourage the private sector through fiscal and financial incentives to construct hotels. However, the ITDC is constructing 3-star hotels at Guwahati, Puri, Bhopal and Ranchi and 1-2 star hotels at Pondicherry and Itanagar, as joint venture projects with the respective State Governments/Union Territories.

The Seventh Plan of the Corporation includes a provision of Rs. 5 crores for new

joint venture hotel projects subject to finalisation of collaboration arrangements and satisfactory feasibility studies.

(c) There is no specific provision for the construction of 5-star hotels in the public sector in the Seventh Plan.

(d) Private parties are being encouraged to construct more hotels including those of the 1 to 3-star categories by extending to them certain tax/fiscal reliefs; facility of institutional loan; priority consideration in the allotment of scarcity items like LPG (Cooking gas), telephone and telex connections; and grant of foreign exchange for imports and overseas advertising, publicity and promotion.

Loss in NTC

2110. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the National Textile Corporation has been incurring loss since its inception; and

(b) if so, the cumulative loss sustained by it as per latest information available with Government ?

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

(b) The total loss sustained by nationalised mills, including NTC (Holding Co.) since its inception i.e. from 1974-75 to 1985-86 amounts to about Rs. 767.07 crores.

Mills under NTC in eastern zone (WBABO)

2111. SHRI MANORANJAN BHAKTA : Will the Minister of TEXTILES be pleased to state :

(a) the total number and names of mills, under the National Textile Corporation (West Bengal, Bihar, Orissa, Assam);

(b) the total number of employees in each mill and the expenditure involved, mill-wise;

(c) the total outstanding amount of the Corporation;

(d) since when it is outstanding; and

(e) the action taken to recover the same ?

(iii) More than 1 year but less than 2 years 24

(iv) Less than 6 months on account of controlled cloth supplied to NCCF and subsidy. 179

663

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b).

At present, there are 18 nationalised and one Mananged textile mills under NTC (WBABO). A statement showing the names of these mills, with total number of employees on roll and expenditure involved on account of salaries/wages during 1985-86 is given below :

(c) to (e) The total outstanding, as on 31.3.1986, is about Rs. 663 lacs. The period-wise outstanding is as below :—

(Rs. in lakhs)

(i) More than 3 years 255

(ii) More than 2 years but less than 3 years 205

Out of the above outstanding amount of Rs. 663 lakhs, an amount of Rs. 213.37 lakhs is outstanding from NCCF. NTC (WBABO) has filed a civil suit for recovery of Rs. 143.37 lakhs on account of supply of non-controlled cloth. As regards the outstanding amount of Rs. 70 lakhs relating to controlled cloth supplies, the matter is being pursued vigorously with NCCF. For the balance amount pertaining to supplies made to Government agencies, co-operatives and other parties, NTC (WBABO) has already taken up the matter for recovery of the amounts with the parties concerned. A Recovery Cell is being created by the subsidiary corporation for expediting recovery of outstanding dues.

Statement

(Rs. in lakhs)

Sl. No.	Name of the Mills	Total No. of employees on roll as on 31.3.86	Expenditure involved on salaries/wages during 1985-86
1	2	3	4
1.	Bengal Textile Mills	543	76.08
2.	Laxmi Narayan Cotton Mills	1236	181.30
3.	Arati Cotton Mills	820	121.92
4.	Bengal Fine Spg. & Wvg. Mills No. 2	1163	58.06
5.	Kanoria Industries	440	64.12
6.	Sodepore Cotton Mills	493	70.68

1	2	3	4
7. Associated Industries		770	85.44
8. Bihar Co-op. Wvg. & Spg. Mills.		482	66.74
9. Orissa Cotton Mills		977	105.02
10. Central Cotton Mills		2879	380.87
11. Bengal Fine Spg. & Wvg. Mills No. 1		1163	156.70
12. Bengal Laxmi Cotton Mills		2056	294.86
13. Shree Mahalaxmi Mills		1739	252.20
14. Rampooria Cotton Mills		1999	269.93
15. Bangasri Cotton Mills		1089	147.57
16. Jyoti Weaving Factory		553	76.19
17. Gaya Cotton & Jute Mills		1194	161.53
18. Manindra Mills		562	81.25
	Total	19408	2650 46
19. Mohini Mills (Managed unit)		2337	278.96

Licences for setting up new branches of Himachal Gramin Bank

2112. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Himachal Gramin Bank, Mandi has applied for the sanction of licences for setting up new branches in any of the civil Sub-divisions of Kangra district, namely Dehra, Kangra, Palampur and Nurpur during the past three years including the current financial year;

(b) if so, the names of the places about which the licences have since been given alongwith names of places where the branches have actually been opened;

(c) the names of places for which the licences have been issued but branches are still to be opened; and

(d) the likely dates by which the remaining branches would be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) Himachal Gramin Bank (HGB) has reported that during the period from April 1983 to March 1986, it had applied for licences for opening branches at 15 centres namely (1) Pragpur (2) Chanaur (3) Ganoh (4) Ghugher (5) Sansarpur Terrace (6) Adhedi Hatti (7) Pir Saluhi (8) Rajana (9) Gupt Ganga (10) Lahru (11) Garli (12) Nehran-pukhar (13) Bhawarna (14) Upper Lambagoan and (15) Niazpur in Dehra, Kangra, Palampur and Nurpur civil Sub-Divisions of Kangra District. Out of these centres, licences were granted for five centres and branches have accordingly been opened at centres namely Pir Saluhi, Gupt Ganga, Bhawarna, Upper Lambagoan and Niazpur. At present no licence is pending with Himachal Gramin Bank.

Proposal for issue of treasury bills

2113. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state ;

(a) whether Government are considering the issue of treasury bills to the public in an effect to reduce reliance on the Reserve Bank for residual funds;

(b) if so, the broad details of the proposed measure and the new instruments proposed to be issued purely for public subscription; and

(c) how far this strategy will help to check the overall monetary inflationary trends ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) to (c). Even now public can invest in Government treasury bills. The Committee to review the working of the monetary system headed by Professor Chakravarty recommended that to make Treasury Bills attractive to the public, the interest rate on the treasury bills should be increased. While larger investment by public in treasury bills will reduce Reserve Bank credit to Government, it has also to be ensured that the interest burden on Government which is already high does not go up steeply. A concrete scheme reconciling these two objectives has to be worked out.

Economic Intelligence Bureau

2114. SHRI YASHWANTRAO GADHAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the Economic Intelligence Bureau has been reconstituted;

(b) if so, the details thereof and its new functions; and

(c) to what extent the organisation has become more efficient in dealing with economic offences ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Economic Intelligence Bureau has not been reconstituted. No new functions have been entrusted to it.

(c) Economic Intelligence Bureau has been created in the Department of Revenue, Ministry of Finance, inter alia, for coordinating and strengthening the intelligence-gathering activities, the investigation efforts and enforcement action by various agencies concerned with taking preventive and enforcement measures for the administration of economic laws. The Bureau is to maintain liaison with the concerned Department and Directorates both at the central and State Government levels and be responsible for the overall functioning of the investigative agencies within the Department of Revenue. It is to keep a watch on different aspects of economic offences and emergence of new type of such offences with a view to evolving counter measures required for effectively dealing with them. Its responsibility includes identifying the economic offenders operating in an organised manner or individually on a large scale, targetting of intelligence against them and taking action against them in course of time. In order to enable the Bureau to discharge its responsibilities in these fields and matters connected therewith, it was stipulated at the time of inception of the Bureau to vest in the Director General of the Bureau, on an all-India basis, the powers of a Collector of Customs, a Collector of Central Excise, Director of Enforcement (Foreign Exchange Regulations Act) and the Director of Inspection, Income Tax. In pursuance thereof, appropriate notifications under the relevant Acts have been issued.

Increase in drug traffic

2115. SHRI PRAKASH V. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that India has become the major transit Centre of drug traffic of heroin and hashish which are of South West Asia origin;

(b) steps being taken to further tone up communication network in collaboration with world agencies to increase the seizure of narcotics; and

(c) Government's estimate of the quantity of drugs leaking into India during transit which is endangering the health of the youth of the country and steps taken to check it ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). It is a fact that India has, for sometime past, been increasingly facing the problem of transit traffic in drugs, especially in heroin and hashish, originating in the near and Middle East Region.

The communication network facilities available are utilised to effectively curb drug smuggling. The need for effective communication links between drug law enforcement agencies to enhance inter-regional co-operation and co-ordination to fight illicit drug traffic has also been recognised by various international bodies.

(c) While an estimate of the quantity of drugs leaking into India during transit traffic is not available, Government is concerned about this situation and has been taking necessary steps to prevent illicit traffic in drugs. A new organisation *riz.* the 'Narcotics Control Bureau' has been set up for the purpose of effectively co-ordinating action against illicit traffic in drugs. As a result of various measures taken by the Government, the quantities of drugs seized have increased significantly in the recent past. Particularly, the quantities of heroin and hashish seized in the first six months of 1986 have already exceeded the quantities of these drugs seized in the entire year of 1985.

Reservation of items for Handloom sector

2116. SHRI SODE RAMAIAH : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the reservation of certain item for Handloom sector introduced in March 1986 has been stayed by the courts;

(b) if so, how it has affected the handloom workers; and

(c) steps taken by Government thereon ?

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

(b) and (c). The proviso under Section 5 of the Handlooms (Reservation of Articles for Production) Act, 1985 specifically provides for continuation of the production of three served items till the expiry of three months from the date of such reservation i.e., in this case upto 30th June, 1986. Hence, it is too early to estimate the effect of the stay by the Courts on Handlooms: However Government is taking suitable steps to contest these cases in the courts,

Implementation of DRI scheme in Banks

2117. KUMARI MAMATA BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that due to shortage of staff, the nationalised banks are unable to implement the D.R.I. scheme in the country; and

(b) if so, whether Government have any proposal to depute some more staff to the various banks for this purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The percentage of Differential Rate of Interest advances of the public sector banks as at the end of March, 1986 to their total advances outstanding at the end of previous year had exceeded the stipulated target of 1 per cent. Hence, it cannot be inferred that nationalised banks are not able to implement the differential Rate of Interest scheme.

Adoption of villages by State Bank of India

2118. SHRI A. CHARLES : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to the notice of the Union Government that Kerala has been neglected by the State Bank of India in the adoption of villages in the community development programmes;

(b) the number of villages adopted by the bank in the Tamil Nadu, Pondicherry and in Kerala; and

(c) the steps taken to implement the programme successfully in Kerala ?

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

Production of natural rubber

2119. SHRI T. BASHEER : Will the Minister of COMMERCE be pleased to state :

(a) the target of output of natural rubber during the Seventh Five Year Plan period; and

(b) the production of the same during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUIT) : (a) and (b) : Production of natural rubber during the last three years and tentative target of production for the remaining years of the VII Five Year Plan period is given below :

Year	Production (in tonnes)
1983-84	175280 (A)
1984-85	186450 (A)
1985-86	200465 (A)
1986-87	215000 (T)
1987-88	225000 (T)
1988-89	244000 (T)
1989-90	265000 (T)

A—Actuals

T—Targetted.

Assistance by public financial institutions for revival of sick units

2120. SHRI H. B. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have taken steps to seek co-operation of the

public financial institutions to shoulder the responsibility of reviving sick units which can function satisfactorily; and

(b) if so, number of such units which have started functioning State-wise and the efforts made by the financial institutions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Guidelines have been issued by Reserve Bank of India from time to time for revival of sick/potentially sick industrial undertakings. Financial institutions undertake diagnostic studies where units have become sick and work out suitable rehabilitation packages in consultation with the involved banks and other agencies in case of viable units. The affairs of sick units under nursing are periodically reviewed at the joint meeting of the institutions. A Standing Coordination Committee has been constituted by the Reserve Bank of India in which the chief executives of various financial institutions and some leading commercial banks are represented, to look into the matters pertaining to coordination between banks and financial institutions in the context of industrial sickness. The State-wise break-up of sick industrial units revived so far by Industrial Development Bank of India and Industrial Credit and Investment Corporation of India is given below :

Andhra Pradesh	12
Assam	2
Bihar	5
Gujarat	5
Haryana	4
Karnataka	12
Kerala	1
Madhya Pradesh	2
Maharashtra	23
Punjab	6
Rajasthan	4
Tamil Nadu	12
Uttar Pradesh	9
West Bengal	6
Union Territory	5

Total : 108

The Industrial Reconstruction Bank of India has informed that out of the 262 units assisted by it till the end of June, 1985, 108 units have been revived and another 95 units were put under nursing programmes. The Industrial Finance Corporation of India has reported that it has put 42 units under nursing programme during the last three years.

Import of coins

2121. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) the number of coins imported from foreign countries with their names, price-wise;

(b) the amount of coins yet to be imported;

(c) total cost of these imported coins as compared to the cost if they were produced in India;

(d) (b) the number of mints in the country with their location; and

(e) the capacity of these mints in the matter of manufacturing coins ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). A total quantity of 4000 million pieces of coins of denominations of Rs. 1, 50 paise and 25 paise is being imported during 1985-87 from U.K., South Korea and Canada. Out of this 4000 million pieces, about 2000 million pieces have been received and the balance is expected to be received before the end of 1987.

The total cost of import of these coins is Rs. 131.07 crores. The cost of manufacture of these coins in the Government of India Mints is estimated around Rs. 200 crores.

(d) and (e). The existing three Mints are located in Bombay, Calcutta and Hyderabad. The present estimated capacity of the three Mints is about 2600 million pieces per annum. A fourth Mint is being set up at

NOIDA, UP with a capacity of 2000 million pieces per annum.

Indo-Bangladesh trade talks

2122. SHRI UTTAM RATHOD : Will the Minister of COMMERCE be pleased to state :

(a) whether any talks were held in recent weeks between India and Bangladesh to increase the volume of trade between the two countries; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) It was decided inter alia, to extend the Trade Agreement between India and Bangladesh for a further period of three years; that India would import urea and newsprint from Bangladesh and Bangladesh would import a larger quantity of coal from India.

Introduction of National Leather Policy

2123. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to introduce a National Leather Policy;

(b) whether such Policy is proposed to be introduced during the current financial year; and

(c) the steps taken to implement the above proposal ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). A suggestion was made by the leather industry and trade in the Open House discussion held on 13.7.1986 by Commerce Minister at Madras to announce a National Leather Policy. The Council for Leather Exports, Madras, has invited suggestions from different segments of the industry to prepare blue-print to be submitted to the Government.

New policy for leather and leather goods

2124. SHRI ANANTA PRASAD SETHI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have recently finalised new policy for leather and leather goods with a view to reduce the incentives now available for finished leather export and to provide adequate incentives for the indigenous products, like garments, shoe-uppers and handbags;

(b) whether the Committee which went into the question of rationalising the incentives system for leather export had favoured weightage for export of leather products and discouraged export of finished leather by withdrawing the liberal incentives available now; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) The Review Committee on Leather and Leather Manufactures for Exports had, inter alia, recommended a graded system of incentives to push up exports of value added leather products.

(c) Export of finished leather including sole leather conforming to prescribed ISI standards, if exported by air, is eligible for cash compensatory support at the rate of 3 per cent.

Repayment of loan under IRDP

2125. SHRI NITYANANDA MISRA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the IRDP borrowers face difficulties as they are required to repay their loan long before the machines go into production and they make some profit to repay their loan; and

(b) whether Government would consider laying a five year period after which the loan will be repaid ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Banks have been advised to fix the repayment period for IRDP loans in a realistic manner keeping in view the fact that repayment has to be made from the income generated out of the assets created. Banks have also been advised that the repayment period of IRDP loans should not be less than 3 years having regard to all the relevant factors such as the repayment capacity, life of the asset, etc. As the repayment schedule will have to be fixed with reference to the income generating capacity of the economic activity undertaken by the beneficiary, it would not be desirable to fix a uniform period of 5 years for repayment of IRDP loans.

Export of oilseeds

2126. SHRI C. SAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware of the fact that the export of oilseeds has decreased; and

(b) if so, the measures taken to improve the export of oil seeds ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) Export of oilseeds is not normally allowed as per the present Export Policy as a result of domestic considerations where we are having a shortage of oilseeds. As such, it is not proposed to draw up measures for the export of oil seeds for the present.

Rural Insurance Corporation

2127. SHRI PARASRAM BHARDWAJ : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of Government for setting up Rural Insurance Corporation to implement the various schemes devised for the benefit of the rural people, especially weaker sections, particularly in Madhya Pradesh in remote areas where Adivasis are living; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Government have received a proposal in the Sixth Report of the Committee on Public Undertakings on General Insurance Corporation of India regarding setting up of a Rural Insurance Corporation for implementing the various Schemes devised for benefit of rural masses in general and weaker sections in particular, and have noted the above proposal for appropriate necessary action after examination of all relevant aspects.

Computer facility in custom houses in Kerala

2128. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to have computer facility in custom houses in Kerala to be linked with Delhi through a host computer; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). A pilot project on computerisation of customs assessments has been introduced in Bombay Custom House. On the basis of the experience gained, this arrangement would be extended to all the major custom houses. It is also proposed to link all the custom houses through a Host Computer. Cochin Custom House is also likely to be covered by this arrangement.

Instructions to encourage participation of minorities in banking service

2129. SHRI G. M. BANATWALLA : Will the Minister of FINANCE be pleased to state:

(a) whether any instructions have been issued to banks to encourage participation of minorities at all levels in banking service;

(b) if so, when these instructions were issued;

(c) the details of such instructions; and

(d) whether any districts in particular have been indentified for greater representation of minorities in services and if so, names of these districts and the basis of their selection ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). As part of the overall programme for welfare of Minorities regarding measures to be taken to facilitate full participation of Minorities in all aspects of national life and with a view to improving the economic condition of the Minorities, certain instructions were issued in 1983 to all the public sector banks and Banking Service Recruitment Boards (BSRBs) e.g., inclusion of a member from the Minority Community on BSRBs and the recruitment panels, providing assistance to State Governments/Educational Institutions in pre-recruitment training to candidates of minority communities. Recently, the matter was re-examined and fresh instructions have been issued in June, 1986 to the public sector banks and BSRBs. These instructions inter-alia, include :

(i) Lead Banks in the 10 districts (Names of these Districts are given in the Statement given below identified as having a very large concentration of the minority community will organise special recruitment training centres where candidates belonging to Minority Communities will be given fulfilled training to enable them to become successful in clerical tests conducted by BSRBs;

(ii) Establishment of centres in State Capitals for pre-recruitment training by Co-ordinating Bank for the state for recruitment of officers

(iii) The public sector banks have been asked to set up a small cell at their Head Office to monitor the intake of Minority Communities in Banks;

(iv) Inclusion of members belonging to minority community on the recruitment panels of BSRBs.

Statement

List of districts with very high Minority concentration and the names of lead parts operating in the districts.

Sl. No.	States	Name of the District	Lead Bank
1.	Uttar Pradesh	Aligarh	Current Bank
		Moradabad	Syndicate Bank
		Azamgarh	Union Bank of India
		Meerut	Syndicate Bank
2.	Bihar	Purnea	Central Bank of India
		Champanan	Central Bank of India
3.	Andhra Pradesh	Hyderabad	State Bank of Hyderabad
4.	Gujarat	Kutch	Dena Bank
5.	Haryana	Gurgaon	Syndicate Bank
6.	Assam	Goalpara	Uco Bank

Export of hank yarn

2130. SHRI SATYAGOPAL MISRA : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to export hank yarn to other countries; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Hank yarn is permitted to be exported within the overall ceilings fixed for the export of cotton yarn under the Cotton Yarn Export Policy announced by the Government.

Production of bulk diamond import licence turnover limit

2131. DR. G. VIJAYA RAMA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether diamond turn-over limit for being eligible to get bulk import licence has been reduced to Rs. 15 crores as reported in "The Economic Times" dated 10 July, 1986; and

(b) whether Government are aware that this is likely to affect prices of imported diamonds and exports of diamonds ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir. This bulk licensing facility is being allowed to private limited companies whose annual average exports of cut and polished diamonds over the preceding three licensing years has been a minimum of Rs. 15 crores.

(b) The facility of bulk licenses for import of rough diamond by Public Limited Companies and export houses/trading houses dealing in diamonds is likely to render our exports of cut and polished diamonds more

competitive in the international market, besides increasing availability of rough diamonds in India.

Production of natural rubber

2132. SHRI MANIK REDDY :
SHRI THAMPAN THOMAS :

Will the Minister of COMMERCE be pleased to state :

(a) whether there is a growing demand of rubber and increasing short supply is reported in the "Economic Times" dated 10 July, 1986;

(b) whether it has affected the price of natural rubber;

(c) whether the production of rubber has been on the increase;

(d) if so, the figures for the last three years;

(e) the quantity of rubber imported during the last three years with value thereof, year-wise; and

(f) the value of finished rubber products exported during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Production of natural rubber as well as its consumption is on the increase over the years. The gap between demand and supply has been fluctuating.

(b) Yes, Sir.

(c) Yes, Sir.

(d) Production of natural rubber in the last three years has been given below :—

Year	Production (tonnes)
1983-84	175280
1984-85	186450
1985-86	200465

(e) The quantity of natural rubber imported during the last three years and its value is given as below :—

Year	Quantity (tonnes)	value (Rs. Crores)
1983-84	32175	35.66
1984-85	32408	35.29
1985-86	38538	37.13

(f) The value of finished rubber products exported during last three years has been as given below :—

Year	Value of rubber products (Rubber manufactured, auto tyres and tubes and footwear exported)
1983-84	Rs. 60.80 Crores
1984-85	Rs. 88.10 Crores
1985-86	Rs. 100.00 Crores (Estimated).

Criteria for grant of financial assistance to Indian Consultancy Organisations

2133. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have notified the eligibility criteria for grant of financial assistance to Indian consultancy organisations for opening offices abroad; and

(b) if so, the criteria laid down in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). Eligibility criteria for according MDA grant for meeting the approved expenses to be incurred in opening and running of foreign offices by consultancy firms are inter-alia as follows :

(i) The applicant firm should be a registered Proprietor/Partnership/Private/Public Ltd. Company/Cooperative Society.

- (ii) The firm should be a member of the Consultancy Division of the Federation of Indian Export Organisation (FIEO).
- (iii) The firm should have adequate experience in field (s) for which competence is claimed.
- (iv) The firm should subscribe to the Code of Ethics for Consultancy Organisations approved by FIEO.
- (v) The firm should have obtained RBI's approval for opening overseas office.

Insurance coverage to bank security guards

2134. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

- (a) whether Government have made any provision for insurance coverage to security guards of banks; and
- (b) if so, the details thereof ?

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

- (b) Does not arise.

Opening of branches of bank of Maharashtra in Orissa

2135. SHRI HARIHAR SOREN : Will the Minister of FINANCE be pleased to state :

- (a) whether Bank of Maharashtra has opened any of its branches in Orissa;
- (b) if not, the reasons thereof;
- (c) whether it is a fact that almost all nationalised/commercial banks except Bank of Maharashtra have opened their branches in the State of Orissa; and

- (d) if so, whether Government propose to direct the Bank of Maharashtra to open its branches in Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India has reported that all nationalised banks except Bank of Maharashtra have branches in the State of Orissa.

Under the current branch licensing policy for the period April 1985 to March 1990, priority would have to be given to Regional Rural Banks in the matter of allotment of identified centres in the districts covered by them. Allotment to the commercial banks would be made on the basis of their present representation and presence in a particular district/area.

Government have no proposal to direct Bank of Maharashtra open branches in the State of Orissa, as it is for the bank concerned to apply for a licence to Reserve Bank of India in accordance with the criteria laid down under the current branch licensing policy and after taking into account the needs and requirements of opening branches in the State of Orissa.

Seizures by Economic Intelligence Bureau at Srinagar and Jammu

2136. SHRI P. NAMGYAL : Will the Minister of FINANCE be pleased to state :

- (a) whether his attention has been drawn to the news item captioned '51 crore worth assets unearthed in J & K' appearing in Times of India of 20 July, 1986; and

- (b) if so, the details of seizures and names and particulars of persons involved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. However, the value of assets unearthed by the Central Economic Intelligence Bureau is Rs. 30 crores and not Rs. 51 crores as reported in the news item.

- (b) A statement is given below.

Statement

Group Name	Name of persons involved	Cash seized	Jewellery seized	Stock found	Other valuable seized	Remarks
1	2	3	4	5	6	7
1. K. C. Group	(a) Ram Chand Mahajan, 56 A/D, Gandhinagar, Jammu.					
	(b) Ganesh Das Mahajan, K. C. Bhawan, Hari Market Jammu.	Rs. 55,555/-	12.5 kgs. of gold valued at Rs. 25 lakhs approxi- mately.	6,23,232 scants of timber.		
	(c) Girधारिल Mahajan, 30 A/B Gandhinagar, Jammu.					
	(d) Sh. Chander Sekhar, Hari Market, Jammu & their related concerns	...	...	...		One VCR valued at Rs. 14,000 and one Sony CTV Rs. 15,000/-
2. Trehan Group	(a) P. L. Trehan, 50 A/C Gandhinagar, Jammu.	Rs. 50,543/-	1.65 kgs. of gold valued at Rs. 3.5	70,255 scants of timbers.		Rs. 60,000/- (Fixed deposits
	(b) P. L. Sarof,					

1	2	3	4	5	6	7
	31 D/C Gandhinagar, Jammu & their related concerns.		lakhs approximately.		receipts)	
3. Trambooo Group	(a) Sh. Ghulam Rasool Trambooo Rajbagh, Srinagar.	Rs. 1,79,600	Rs. 8,31,760	...	Rs. 7000/- and 239 gold coins of foreign origin valued at Rs. 4,92,400/-.	
	(b) Sh. Mahmood Magbool Trambooo, Rajbagh, Srinagar.					
	(c) Akbar Joo Trambooo, Rajbagh, Srinagar, members and other concerns of the family					
4. Saifuddin Group	Shri Saifuddin, Satwara, Srinagar and other concerns of the family.	Rs. 55,000	...	...	One Toyota Car valued at Rs. 2 lakhs.	
5. Radha Krishan Group	(a) Shri Radha Krishan alias Krishan Lal Exchange Road, Srinagar	Rs. 40,000	...	...	Rs. 8,00,000 (Fixed deposits receipts)	

1 2 3 4 5 6 7

and other concerns of the family.

(b) Sh. Richmond (US citizen) paying guest of Sh. R. K. Kaul.

17 gold coins of foreign origin valued at Rs. 98,800/-
Electronics goods valued at Rs. 49,500/-
Foreign whisky
14 bottles, US currency—2,419\$
Dutch mark—40
Travellers' cheque
1,300\$

Arrested under the Customs Act.

(c) M/s. J. Holland US citizen. paying guest of Shri R. K. Kaul

20 bottles of foreign whisky and one electric typewriter.

(d) M/s. Christina and Mr. Robinson, paying guest of Shri R. K. Kaul

Foreign currency.

1	2	3	4	5	6	7
	(c) R. K. Kaul alias Kishan Lal.	...	...	...	4 whisky bottles valued at Rs. 1,600/- and video cassette re- corder valued at Rs. 3,000/-	
6. Jamal Siraj Group	(a) Shri Jamal Siraj, Jammalate, Nawakadal Srinagar.	...	...	...
	(b) Shri Mohmad Siddiqui, Kaksari Road, Karan Nagar, Srinagar.	...	Rs. 4,00,000	...	One Colt revolver, valued at Rs. 6,000.	
	(c) Dr. Mustaw Ahmed	...				
	(d) Shri Gulam Ahmed and (e) Shri Nazir Ahmed and their concerns.	...				
7. Ghulam Moh. Keel, Khan Group	Shri Ghulam Mohamed Khan, Bachpora, Soura, Srinagar and his concerns.	...	...	...	...

Note : (i) The valuation of jewellery, stock and other articles is only approximate current value.

(ii) The 6,93,487 scants of timber found as stock is valued at Rs. 20.8 crores approximately.

[*Translation*]

Alleged Misappropriation in State Bank of Indore, Delhi

2137. SHRI RAJKUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that mis-appropriation of about rupees one crore through L. C. Bills took place in the State Bank of Indore, Delhi during 1985;

(b) if so, the details thereof and the number of officials found guilty so far; and

(c) the departmental action taken against them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The State Bank of Indore has reported that the Chandni Chowk Branch of the bank had opened letters of credit of Rs. One crore on behalf of two importers. The documents under the letter of credit were not timely retired by the importers. Consequently, the total outstanding against the letters of credit amounted to Rs. 73.74 lakhs as on 31st March, 1986. One of the importers has taken up the matter to the High Court of Punjab and Haryana and the case is subjudice. The bank has served legal notices on the importers and guarantors for early payment of their dues. The bank has also examined procedural lapses on the part of staff and has called for their explanation which is under process.

[*English*]

Remunerative price for Jute

2138. SHRI AMAR ROYPRADHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that jute growers are not getting remunerative price of their products from the jute mills as well as Jute Corporation of India; and

(b) if so, the steps Government propose to take to ensure that remunerative price is given to the jute growers ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The Jute Corporation of India undertakes to purchase whatever quantity of raw jute offered to it by jute, growers at the minimum statutory price fixed by the Government.

(b) The following steps have been taken in the interests of jute growers :

(i) Statutory minimum prices of raw jute were announced in March, 1986 before the sowing season for the first time;

(ii) JCI and Cooperative, acting as agents of JCI have decided to operate through the same number of purchase centres as previous season;

(iii) JCI is giving wide publicity to its support operations and advising growers not to make any distress sale of raw jute to middlemen below statutory minimum price.

Economic, industrial and trade cooperation pact with Australia

2139. SHRI P. M. SAYEED : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether India and Australia have entered into a pact for economic industrial, trade and technological cooperation;

(b) if so, whether some concrete projects of cooperation have been worked out; and

(c) the details of the talks already held with the Australian Government as well as private Australian entrepreneurs ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) Yes, Sir. India and Australia have entered into the following Agreements;

(i) Agreement on Cooperation in Science and Technology-1975;

- (ii) Trade Agreement-1976;
- (iii) Memorandum of Understanding for Cooperation between Indian Council for Agricultural Research and Australian Centre for International Agricultural Research-1985.

(b) and (c). Various Ministerial as well as official level delegations have been exchanged. Under the Memorandum of Understanding between Indian Council for Agricultural Research and Australian Centre for International Agricultural Research, a list of projects for implementation during 1986-87 has been worked out, which includes projects in the field of genetics and breeding for rust resistance in wheat, pigeon pea improvement and research into technologies for increasing the efficiency of straw utilisation by cattle and buffaloes.

Persons detained under COFEPOSA

2140. SHRI E. AYYAPU REDDY : Will the Minister of FINANCE be pleased to state :

(a) the number of persons detained so far under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act since 1 January, 1986; and

(b) the number of persons out of these released by the various High Courts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The number of persons detained since 1st January, 1986 under the COFEPOSA Act, 1974 and, the number of persons, out of these, released by the various High Courts, are given below :

<i>No. of persons detained</i>	<i>No. of persons released by the various High Courts.</i>
496*	20*

496*

20*

*Figures upto 30.6.1986.

Representation of cotton growers of Gujarat on CCI Board

2141. SHRI RANJIT SINGH GAEKWAD : Will the Minister of TEXTILES be pleased to state :

(a) whether cotton growers have no representation on the Board of Directors of Cotton Corporation of India;

(b) whether till 1973 the Board comprised of Government officials, M.Ps and representatives of growers and the Mill industry;

(c) whether there has been widespread fear among cotton growers co-operatives in Gujarat that their interests will suffer if growers' representatives are not nominated on the Board; and

(d) if so, whether Government propose to consider giving representation to cotton growers of Gujarat on the Board ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). The appointment to the Board of Directors of Cotton Corporation of India is done under article 88 (1) of the Memorandum and Articles of Association of Cotton Corporation of India and no specific provision exists for appointment of representatives of growers thereon. The interest of growers thereon. The interest of growers is being adequately looked after by the existing Board of Directors.

[Translation]

Development of tourist spots in Bastar

2142. SHRI MANKURAM SODI : Will the Minister of TOURISM be pleased to state :

(a) the names of worth seeing places in Bastar district of Madhya Pradesh proposed to the Union Government for development as tourist spots under Seventh Five Year Plan; and

(b) the details of proposal sanctioned so far ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) On request of the Madhya Pradesh State Government, the Central Department of Tourism has sanctioned a way-side facility at Keskhal and a Tourist Complex at Jagdalpur in Bastar

District at a total cost of Rs. 36.76 lakhs.

(b) The following are the details of the projects the Central Department of Tourism has so far sanctioned to the Government of Madhya Pradesh.

(Rupees in lakhs)

Name of the Scheme	Year of sanction	Amount sanctioned	Amount released
1. Construction of Tourist Complex at Jagdalpur.	85-86	31.86	5.00
2. Construction of way-side facilities at Keskhal, Bastar district.	85-86	4.90	2.00
3. Provision of watersports facilities for Bhopal lake.	84-85	7.71	3.00
4. Construction of a cafeteria at Sanchi	85-86	8.32	2.00
5. Construction of way-side facilities with accommodation at Deori Village	85-86	13.71	2.00
6. Sound and Light Show at Man Mandir, Gwalior Fort	85-86	28.83	5.00
7. Tourist Village at Shivpuri	82-83	44.04	40.00
8. Transport facilities at Panna, Bandhavgarh, Kanha National Parks	84-85	5.32	5.32
9. Forest Lodge at Bandhavgarh	84-85	21.00	19.00
10. Construction of Chandela Cultural Heritage Centre at Khajuraho (implemented by Archaeological Survey of India)	85-86	22.00	5.00
11. Provision of toilet and drinking water facilities at Khajuraho (implemented by Archaeological Survey of India)	85-86	1.50	1.00

[English]

Decline in export of engineering goods

2143. **SHRI RAM DHAN** : Will the Minister of COMMERCE be pleased to state ;

(a) whether it is a fact that the exports of engineering goods, electronic items, automobile parts, live towers, sugar, machinery considered "Thrust Areas" have decline in 1985-86;

(b) the reasons therefor; and

(c) the steps being taken to reverse the trend ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). Yes, Sir. The reasons for decline in engineering exports during 1985-86 have been payment problems in a number of countries; protectionist tendencies in some developed countries, decline in purchasing power in West Asia because of fall in oil prices and inadequate domestic production base in certain areas;

(c) Government have taken a series of measures for promotion of export which, inter-alia, include—

- (i) Changes, in the area of industrial licensing policies and procedures including broad banding of industries, simplification of collaboration of procedures, expansion of list of Appendix-I industries open for investment to MRTP/FERA companies etc.
- (ii) Import—Export Policy has been announced, last year, for a period of three years to give a consistent long term policy framework.
- (iii) To provide, duty free easy access to imported raw materials, Import Export Pass Book scheme has been introduced with effect from 1.1.1986 for manufacturer-exporters to obtain their requirements of imported raw materials.

(iv) The international price Reimbursement Scheme for Steel has been extended to cover all varieties of steel including alloy steels. Procedural changes have also been incorporated to facilities quicker payments.

(v) The new scheme for CCS has been announced with effect from 1st July, 1986 for a period of three years.

(vi) To promote project exports, project assistance at the rate of 10 per cent has been introduced on the service part of the project.

(vii) Scheme for support of tender bids by project exporters has been announced.

Recovery of tax arrears

2144. SHRI S. M. GURADDI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2884 on 9 August, 1985 regarding income-tax defaulters and state the details of recoveries made so far from the persons mentioned in the reply ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The requisite information is given in the statement given below.

Statement

Sl. No.	Name of the Assessee	Gross Demand outstanding as on 31.3.1985	Demand Collected/ Reduced upto 31.3.1986 (out of Col. 3)	Balance Demand as on 31.3.1986 (Col. 3-4)
1	2	3	4	5
<i>(Rupees in lakhs)</i>				
1.	Vinod Kumar Dadwania	1595.47	0.07	1595.40
2.	Sukar Narain Bakhia	1205.74	1175.54	30.20

1	2	3	4
3. J. Dharam Teja (Dr.)	987.70	...	987.70
4. Hari Das Mundra	839.60	...	839.60
5. Kadar Ahmed Bhatti	3358.17	...	3358.17
6. Chhagan Lal Ganmalji	673.09	668.48	4.61
7. Vinod Rai Bhayani	615.70	615.70	NIL
8. Bhana Bhai K. Patel	399.35	41.74	357.61
9. Chander Nath Banik	257.84	...	257.84
10. T. M. Hyder Ali	285.48	0.35	285.13
TOTAL :	10218.14	2501.88	7716.26

Crisis in Powerlooms in West Bengal

2145. SHRI ATISH CHANDRA SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that the powerlooms in West Bengal are passing through a critical phase after Government's decision to reserve production of grey Dhoti, Sari and Markin only in the Handloom sector; and

(b) if so, the action Government propose to take in this regard so that thousands of powerlooms in West Bengal do not close down ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir. Only Sarees and Dhooties with woven borders/palavs of the specifications mentioned in the order dated 11.3.1986 issued by Government and having extra-warp or extra-weft in the border or palav or elsewhere are

reserved for production by handlooms. There is not such item as 'Markin' in the list of items reserved for production by handlooms.

(b) Does not arise.

Ratio of Foreign money to the Indian currency

2146. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state ratio of foreign money to the Indian currency in the country in form of debt, aid, investment etc. in the years 1961-62, 1971-72, 1981-82 and in 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : There is no meaningful relationship between Indian currency in circulation and the extent of debt outstanding, aid inflows and total investment. However; the required information is given below :

	End December 1961	March end 1972	March end 1982	March end 1985
(i) Loans on Government and Non-Government account as a percentage of currency with the Indian Public.	57.86%	166.29%	110.54%	109.2%
(ii) Net Aid as percentage of currency with the Indian Public.	10.83%	7.39%	6.58%	5.25%
(iii) Private investment as percentage of currency with the Indian Public.	28.25%	25.23%	...	...

Figures for private investment beyond March 1980 are not available. As on that date private investment from abroad was valued equivalent to Rs. 1293 crores.

Steps to promote Tourism in Orissa

2147. SHRI NITYANANDA MISRA : Will the Minister of TOURISM be pleased to state :

(a) whether Government expect to receive nearly one million tourists this year?

(b) whether it is a fact that due to lack of promotional efforts, Orissa gets only a very small share of this traffic and the tourists are directed only to traditional centres; and

(c) if so, whether Government would make vigorous efforts to attract more tourists to Orissa ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) On the basis of arrival trends during the first six months of this year, it is possible to reach the figure of one million tourists by the year end.

(b) and (c). No, Sir Statistics of foreign tourists arrivals are not compiled State-wise. However, as per the Foreign Tourists Survey 1982-83, about 158 per cent of the tourists spent at least one night in Orissa during that year. Also, in an effort to further increase

tourist traffic to Orissa the Department have taken specific steps to develop tourist attractions and augeumnt accommodation facilities. The recently launched Domestic Tourism Campaign features a special advertisement on Orissa's unique attractions. Important places of tourist interest in Orissa are adequately covered in the publicity material produced by the Department. A film entitled 'Orissa-A Land of Unforgettable Memories' has been recently purchased from the State Government and distributed to Department's offices in India and overseas.

Study on Danger from Terrorists

2148. SHRI BHATTAM SRIRAMA MURTY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware of an international study that the world faces growing danger from terrorists who themselves have nuclear devices;

(b) whether the study revealed the possibility of the theft of a nuclear weapon which might be detonated and also theft of nuclear materials and their threatened use;

(c) whether sabotage or threatened sabotage of a reactor is also indicated in the study; and

(d) if so, whether the matter is being taken up at international level?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) to (d). Government are aware of a study done by the Nuclear Control Institute in Washington, but have not seen the text of the report. However, according to reports, the study indicates the possibility of sabotage of nuclear reactors, theft of nuclear weapons and nuclear materials for manufacture of crude bomb by terrorists.

Exports to Soviet Union

2149. DR. PHULRENU GUHA : Will the Minister of COMMERCE be pleased to state :

(a) the names of the goods exported to Soviet Union in 1984-85 and 1985-86;

(b) the foreign exchange earned thereby during the last two years; and

(c) the efforts made by Government to increase exports to Soviet Union?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). Items exported from India to Soviet Union during 1984-85 and 1985-86 are agricultural products, minerals and Ores, chemicals and allied products, leather and leather manufactures, cotton and woollen textiles, engineering goods and miscellaneous goods like handicrafts. Indo-Soviet trade is being conducted in non-convertible Indian Rupees. Indian export to USSR during the last two years were as under :

	<i>(Rs. in Crores)</i>
1984-85	1985-86 (provisional) (April-Sept.)
1654.59	996.88

Data for export performance during October, 1985-March, 1986 is not available. Continuous efforts are being made to increase Indian exports to Soviet Union. These includes participation in trade fairs and exhibitions, exchange of commercial delegations convening of Inter-governmental Joint Commission Meetings, Working Group Meetings and conclusion of Annual Trade Protocols for exchange of commodities.

Improvement in functioning of NTC Mills

2150. SHRI DHARAM PAL SINGH MALIK :
SHRI SUBHASH YADAV :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government's attention has been drawn to the Press report appearing in the Economic Times of 18 June, 1986 wherein it has been stated that Government have created a Rs. 100 crore fund for the sick textile mills for their modernisation and better functioning;

(b) whether it has also been stated that NTC has decided to transfer six of its mills to subsidiaries;

(c) if so, how far it will affect the workers of these N.T.C. Mills; and

(d) the other measures taken by Government for the better functioning of NTC Mills for smooth running?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes Sir, but actually the amount is Rs. 750 crores.

(b) Yes Sir.

(c) There will be no change in the emoluments and other service conditions of the workers.

(d) Some of the measures taken/being taken by the Government for better functioning of the NTC mills are as under :—

- (i) arrangements are being made for timely procurement of cotton from different available channels;
- (ii) working capital has been replenished to make up for cash losses;
- (iii) to overcome the power shortage, self-generating capacity has been provided;
- (iv) selective modernisation programmes have been adopted for result-oriented gains making use of limited resources;
- (v) cost control methods have been introduced for reduction in cost at all levels;
- (vi) efforts are being made for reducing the non-operational administrative expenses;
- (vii) workers' participation scheme in the management is being encouraged to achieve higher productivity; and
- (viii) the performance of NTC is being monitored closely to reduce costs, improve efficiency and quality.

Working groups on Gold Policy

2151. SHRI K. V. SHANKARA GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether two working groups were set up by Government to study the gold policy and recommend any changes considered desirable;

(b) if so, whether the panels were asked to submit their recommendations by the end of June 1986;

(c) whether the panels have submitted their report; and

(d) if not, the reasons therefor ?

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

(c) and (d). Neither of the two Working Groups had submitted its report so far. They have been granted extension of time since a large number of representations received by them require scrutiny and detailed consideration and discussions with various Gold Trade Associations would be necessary.

Malpractices in Export of Molasses

2152. SHRI G. S. BASAVARAJU ;
SARI H. N. NANJE GOWDA :

Will the Minister of COMMERCE be pleased to state :

(a) whether he had promised an enquiry into the malpractices by State Trading Corporation in regard to export of molasses by M/S Indian Molasses Company and its sister concerns, while replying to the debate on Demands for Grants of his Ministry during the Budget Session, 1986;

(b) if so, the results of the enquiry held in this regard; and

(c) the action taken by Government against the STC ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). An enquiry is being conducted into the allegation of malpractices in the export of molasses by M/s. Indian Molasses Company and its sister concerns.

PM's visit to front-line African States

2153. SHRI VIRDHI CHANDER JAIN
Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Prime Minister visited some front-line African States in May, 1986; and

(b) if so, the countries visited by him and the results of the talks held with the leaders of those countries ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) Prime Minister visited four Frontline States viz. Zambia, Zimbabwe, Angola and Tanzania from the 14th to 19th May, 1986. Apart from giving an impetus to the struggle against apartheid and against the illegal occupation of Namibia the visit also strengthened bilateral relations. Economic, technical and cultural cooperation between India and these countries is expected to grow as a result of the visit.

Black money in circulation

2154. **SHRI I. RAMA RAI** : Will the Minister of FINANCE be pleased to state :

(a) the latest estimate of circulation of black money in the country;

(b) the estimated black money transaction through real estate dealings; and

(c) in what way Government propose to prevent the temptations for making easy money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (**SHRI JANARDHANA POOJARY**) : (a) to (c). There is no official estimate of circulation of black money in the country. The National Institute of Public Finance and Policy in their report on 'Aspects of Black Economy in India' have estimated the quantum of black income during 1983-84 to be between Rs. 31,584 to Rs36,785 crores. The National Institute of Public Finance and Policy in the above said report have identified real estate transactions as one of the sectors generating black income. Government is fully committed to combat the menace of black money. All possible steps, i.e. legislative, administrative and institutional, are taken to fight tax evasion.

Subsidy to Indian firms on overseas projects

2155. **SHRI BASUDEB ACHARIA** : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have decided to grant 50 per cent subsidy to Indian firms in submitting tenders on the approved list of items of overseas projects; and

(b) if so, the reason thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (**SHRI BRAHMA DUTT**) : (a) and (b). Yes, Sir. A scheme for grant of Market Development Assistance ranging from 50 per cent to 100 per cent of the cost of bidding for overseas turnkey/construction projects and consultancy projects has been approved. The scheme would provide incentive to Indian project exporters to increase their participation in international bids and projects and also to diversify the markets for export of Indian projects.

Trade deficit

2156. **SHRI VIJOY KUMAR YADAV** : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India has suffered a heavy trade deficit with Japan and Common market countries in 1985-86;

(b) whether it is also a fact that Japan-Common market countries have turned down request for lowering tariff on export to these countries; and

(c) if so, the steps proposed to be taken to meet this situation ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (**SHRI BRAHMA DUTT**) : (a) to (c). According to the latest available provisional data, the position of India's balance of trade with ECM and Japan during April-December, 1985 as well as April-December 1984 is as follows :

(Values Rs. Crores)

	1984 (P) (Apr.-Dec.)	1985 (P) (Apr.-Dec.)
ECM	(—) 1500.05	(—) 2018.70
Japan	(—) 32.01	(—) 293.23

(P—Provisional and subject to review).

There are some tariff as well as non-tariff barriers for our exports to EEC and Japan. In so far as tariff is concerned, we have been requesting both EEC and Japan for removal or reduction of duties on products of export interest to India. In recent years, we have been able to secure removal/reduction of duties on items such as tea, cashewnuts, certain spices, unmanufactured tobacco, mangoes, shrimps and prawns from EEC, and on items such as shrimps and prawns, mangoes, tea, cashewnuts, carpets and certain textile products from Japan. In regard to a number of products, the tariff concessions granted in the past have been under the Generalised System of Preferences (GSP) and often the duty has not been reduced to zero. We have been pursuing with EEC and Japan for reduction or complete removal of duties (e.g. Shrimps, certain tropical fruits, unmanufactured tobacco, granite, etc. in respect of EEC and shrimps and prawns, shellac, tea, certain tropical fruits, carpets, certain textiles products, etc. in respect of Japan). The advantage of tariff concessions given under GSP is considerably reduced on account of quantitative restrictions on some of the products.

[Translation]

Amount allocated to U.P. under
World Bank project

2157. DR. CHANDRA SHEKHAR
TRIPATHI : Will the Minister of FINANCE
be pleased to state :

(a) the amount allocated to Uttar Pradesh under World Bank project during 1980 and the purposes for which this was allocated;

(b) the works done in Basti district under this project;

(c) the details regarding the works yet to be undertaken and the unutilized amount so far; and

(d) the reasons for not completing the remaining works ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) The
details of assistance committed during the
period 1980 to 1985 by the World Bank
group, project-wise, is furnished in the state-
ment given below.

(b) to (d). Basti district has been
covered by the following projects :

(i) India Population Project-II

(ii) Second U.P. Public Tubewells

Since the Government of India only monitors
overall credit utilisation, district-wise details
are not available. This is being collected
from the Government of U.P.

Statement

(Amount in US \$ Million)

Sl. No.	Name of the project	Date of agreement	Amount of World Bank Loan/Credit	Cumulative disbursement as on 30th June, 1986.	Remarks
1	2	3	4	5	6
1.	U. P. Public Tubewells Project.	12.5.1980	18.00	—	Amount fully drawn and closed.
2.	Second U. P. Public Tubewells	31.3.1983	101.00	26.83	Basti District is included in the project.

1	2	3	4	5	6
3.	Upper Ganga Modernisation Irrigation Project.	29.6.1984	125.00	2.67	
4.	Second India Population Project.	14.4.1980	46.00	30.11	U. P. and Andhra Pradesh are participating states. Basti district is included in U. P.
5.	Kanpur Urban Development Project.	4.2.1982	25.00	12.38	
6.	Himalayan Watershed Management Project.	8.6.1983	46.2	2.40	
7.	Second N. C. D. C. Project.	21.7.1981	125.00	57.8	These are multi-state projects in which U. P. is also a participating state. Share of U. P. is not available separately.
8.	N. C. D. C. III Project.	12.10.1984	220.00	17.68	
9.	Inland Fisheries Project.	18.1.1980	20.00	9.4	
10.	National Social Forestry Project	24.9.1985	165.00	20.0	

[English]

LIC branch offices in Orissa

2158. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) the total premium collected from Orissa by Life Insurance Corporation during 1983-84, 1984-85 and 1985-86 year-wise;

(b) the total amount invested by L.I.C. in Orissa during the above period;

(c) the number of L.I.C. branch offices functioning in Orissa at present;

(d) the criteria adopted for opening L.I.C. branch office; and

(e) whether Government propose to open a branch office of L.I.C. at Sundergarh in Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The total premium collected from Orissa and the total amount invested in Orissa by Life Insurance Corporation of India during 1983-84, 1984-85 and 1985-86 are given below :

(Rs. in crores)

Year	Total premium	Total investment
1983-84	14.07	20.04
1984-85	17.73	25.58
1985-86	21.80	34.38

(c) Number of LIC branch offices functioning in Orissa at present is 28.

(b) ^(d) The criteria adopted for opening L.I.C. branch offices are viability of the new branch after taking into account various factors such as population to be covered, economic development of the area, number Development Officers and agents available, number of existing branches in a particular District and the distance of the proposed new branch from other neighbouring branches; and

(e) No, Sir. LIC does not propose to open a branch office at Sundergarh in Orissa in the current financial year. However, LIC has two branches already operating at Rourkela and Udit Nagar in this District.

Establishment of Zone of Peace in Indian Ocean

2159. SHRI KRISHNA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that China has also stressed the need for establishing a Zone of Peace in Indian Ocean and Mediterranean seas;

(b) if so, whether in the light thereof, the possibilities of establishment of a Zone of Peace in Indian Ocean have improved; and

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

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) People's Republic of China has voted in favour of Resolution 28/32 (1971) on the establishment of Zone of Peace in the Indian Ocean. China has reiterated this position in some of the recent statements made by the Chinese leaders and representatives.

(b) and (c). However due to the attitude of some Western Countries in the Ad-hoc Committee, there has been no forward movement. These countries are insisting on bringing in issues extraneous to the main focus of the Conference, i.e. militarisation and presence of great powers in Indian Ocean areas, These and other related differences

have been used as a justification for repeated postponement of the Conference. Under these circumstances, the possibility of holding the Conference at an early date, but not later than 1988, as called for in Resolution 40/153 appears remote.

Proposal to encourage automation of new textile units

2160. SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to encourage automation in textile industry in order to improve the quality of cloth; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Textile Policy announced by Government in June, 1985 has stressed the need for modernisation of textile industry. Modernisation in spinning, weaving and processing sectors shall be undertaken on the basis of carefully identified needs of each unit as to installation of balancing equipment, renovation of existing machinery, replacement and technology upgradation. For this purpose, Government have constituted a Modernisation Fund of Rs. 750 crores to meet the modernisation requirements for the next 5 years. The import of modern and sophisticated textile machinery not available indigenously is being liberally permitted. Textile machines namely rotor spinning machines, auto cone winder, two for one twistors are also allowed for import at reduced rate of import duty. A national level standing advisory committee on modernisation of textile industry has also been set up to advise Government on needs of modernisation and type of modernisation that the industry should adopt.

External assistance for development programme in Orissa

2161. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Orissa had sought external assistance for implementing development programme in the state;

(b) if so, the number of projects under implementation in Orissa with external assistance;

(c) the projects started in Orissa with World Bank assistance; and

(d) the steps taken by Union Government to help the state in getting World Bank

and external assistance for implementing major power projects ?

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

(b) to (d). A statement showing details of externally assisted projects in Orissa is given below.

Statement

Details of project in Orissa under implementation with assistance including the World Bank

Sl. No.	Name of the project	Name of the country/ agency.	Amount of assistance in million	Remarks.
1	2	3	4	5
1.	Mahanadi Barrages project	World Bank	\$ 83	
2.	Orissa Medium Irrigation II	"	\$105	
3.	Subernarekha Irrigation	"	\$127	The projects implemented by Bihar and Orissa States. Orissa's participation in the total cost is to the extent of 21 per cent.
4.	Upper Indravati Hydro-electric project	"	\$326.4	The project envisages construction of 4 × 150 MW power station and creation of irrigation potential of about 109,000 hectares in the vicinity of dam.
5.	Cashewnut project	"	\$22.0	Orissa is one of the four States participating in the project. Share of Orissa is not available separately.
6.	Inland Fisheries.	"	\$20.0	A multi-State project with the participation of Orissa. The share of Orissa is not available.
7.	National Cooperative Development Corporation.	"	\$220.0	This is a Central Sector project 9 States, including Orissa are participants. The share of Orissa is not separately available.

5

4

3

2

1

1	2	3	4	5
8.	National Agricultural Extension I	„	\$ 38.6	Orissa is one of the three participating States. The Share of Orissa is \$ 10.6 million.
9.	Hirakud Hydro Electric Project Stage III	Japan	Yen 1.5 billion	
10.	Social Forestry project	Swedish International Development Agency	SKR 135	
11.	Orissa Fisheries Project	U.K.	£ 3.9	
12.	Orissa Family Welfare project	U.K.	£ 12.34	
13.	Indo-British Fertiliser Education project	U.K.	£ 12.05	A multi-State project along with Orissa. The share of Orissa is not available.
14.	Integrated Agricultural Development	Italy	\$ 13	Orissa, Haryana and Madhya Pradesh are participating States. The share of Orissa is not available.
15.	Cyclone protection Shelters	East European Community.	ECU 1.5 (Approximately Rs. 1.95 crores)	
16.	Rural Drinking Water Supply	Danish International Development Association.	DKR 69.8 (Approximately Rs. 8.5 crores)	

Import of Russian looms for N. T. C:

2162. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of TEXTILES be pleased to state :

(a) whether any proposal has been finalised to import Russian looms for National Textile Corporation for greater efficiency and production;

(b) if so, the details thereof; and

(c) whether Central Cotton Mill, Howrah will be benefited by these looms ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). A contract has been signed by the National Textile Corporation, New Delhi, with M/s TECHMASH EXPORT, Moscow, for import of 200 shuttleless looms' at a cost of about Rs. 5.21 crores, on deferred payment basis, to be paid in Indian rupees. It is expected that 75 per cent of total production per year of fabrics on these looms will be exported to USSR from 1987 initially.

(c) No, Sir.

Cash Compensatory Support Scheme

2163. SHRI JAGANNATH PATTNAIK: Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Union Government have recently announced the Cash Compensatory Support Scheme which not only takes into account unrebated taxes but also their effect on various inputs going into export products; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). Effective from 1st July, 1986 a new Scheme of Cash Compensatory Support has been introduced which will remain in force for a period upto 31st March, 1989. The salient features of the new CCS Scheme are :—

(i) In respect of industrial products, reimbursement of un-refunded indi-

rected taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will also be taken into account.

(ii) Compensation for product/market development will be given only in a highly selective manner on the basis of a phased out programme.

(iii) For agricultural items, such as fruits and vegetables which are perishable in natural, a special element of compensation will be provided for the high cost of transportation within India.

(iv) For Handicrafts items, the value-added by labour will be one of the main factors to be considered for determining the CCS rates.

(v) The restriction regarding grant of CCS not being allowed to exceed 25 per cent of the value added i.e., f.o.b. realisation less REP entitlement (Under the Import Policy for Registered Exporters) will continue.

(vi) The present policy for granting CCS on certain categories of supplies within India treating them as deemed exports will continue.

(vii) The rates of CCS in respect of Cotton Textile items will be valid upto 31st December, 1988.

[Translation]

Losses in Regional Rural Banks

2164. SHRI SARFARAJ AHMAD :
SHRI TARIQ ANWAR :

Will the Minister of FINANCE be pleased to state :

(a) the number of rural banks running in losses in the country at present;

(b) whether the causes of the losses have been ascertained; and

(c) the steps taken to reduce the losses ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a). Out of the 173 Regional Rural Banks (RRBs) for which the working results have become available for the year ending December, 1985, 139 Regional Rural Banks have incurred losses. There were 188 RRBs in position as on 31.12.1985.

(b) The main reasons for the losses of Regional Rural Banks are :—

- (i) Since the RRBs extend credit only to a target group at a comparatively lower rate of interest the return on funds is low.
- (ii) Being district level banks with restricted clientele the level of business in Regional Rural Banks is low.
- (iii) A good number of branches are in remote rural areas where the business potential is low.
- (iv) The servicing cost on accounts maintained in RRBs is comparatively higher because of the low average amount per deposit/loan account.
- (v) Lack of adequately trained staff.

(c) The functioning of RRBs is being constantly reviewed by NABARD. The sponsoring banks have also been asked to review the performance of RRBs sponsored by them.

[*English*]

Export of coal by MMTC from Meghalaya to Bangladesh

2165. SHRI G. G. SWELL : Will the Minister of Commerce be pleased to state.

(a) whether the Minerals and Metals Trading Corporation has obtained no-objection from Government of Meghalaya for the export of coal from Meghalaya to Bangladesh;

(b) whether an agreement has been entered into with Bangladesh in this regard; and

(c) the amount of coal to be exported with rate thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b) Yes, Sir.

(c) A contract has been signed with a party in Bangladesh for export of 50,000 MT of Meghalaya coal, by Minerals and Metals Trading Corporation of India Limited, with delivery period upto December, 1986.

Submission of Returns by non-banking financial companies

2166. SHRI H. M. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has instructed the non-banking financial companies to submit their statutory returns relating to deposits held by them as on 31 March, 1986;

(b) if so, the number of non-Banking financial companies who have submitted their returns till 31st May, 1986; and

(c) whether Government have ordered prosecutions of those defaulters who have not submitted any returns so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). In terms of the directions issued by the Reserve Bank of India (RBI), all non-banking financial companies and miscellaneous non-banking companies are required to submit their statutory returns relating to deposits held by them as on 31st March, 1986 to RBI before 30th June, 1986. Failure to file the returns by the stipulated date of 30th June, 1986 is punishable with fine which is leviable on both the company and its directors. Since, under the directions of RBI, these companies have been given time upto 30th June, 1986 to file their annual statutory returns relating to deposits, failure to file returns by 31st May, 1986 would not amount to any contravention of the directions. Information relating to the number of the non-banking financial companies and miscellaneous non-banking companies which have submitted these statutory returns till 31st May, 1986 is not readily available with the RBI.

The question of taking action would arise only if any of these companies have not filed their returns by 30th June, 1986.

Rehabilitation package for sick Textile Mills

2167. SHRI ANIL BASU : Will the Minister of TEXTILES be pleased to state :

(a) whether the new textile policy announced in June, 1985 envisaged tackling of sick textile units on a case by case basis;

(b) if so, progress made in this direction during the last one year; and

(c) number of sick units provided with rehabilitation package ?

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

(b) and (c) A Nodal Agency to evolve and manage rehabilitation packages in respect of sick/closed textile mills have been appointed by the Government on 14/1/86. The Nodal Agency has so far considered 56 sick mills in Gujarat, Rajasthan, Madhya Pradesh, Orissa and Maharashtra. Rehabilitation packages of 22 mills have been formulated out of which 13 mills have accepted rehabilitation packages formulated by industrial Development Bank of India.

[Translation]

Small scale sick units

2168. SHRI BALWANT SINGH RAMOOWALIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a large number of small scale industrial units in our country are sick;

(b) if so, the amount of loans given to such units by nationalised banks during 1985 and 1986 so far;

(c) the number of such sick small scale industrial units in the country at present;

(d) whether Government have made efforts to increase the production in these units; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). As per the information furnished by the Reserve Bank of India (RBI) the number of small scale sick industrial units in the portfolio of public sector banks as at the end of December, 1984 and June, 1985 (latest available) was 90,968 and 97,890 respectively and the outstanding bank credit in these units was Rs. 844.5 crores and Rs. 954.5 crores. RBI has issued guidelines to the banks, from time to time, to catch early warning signals regarding sickness and to take timely preventive and remedial action for their revival. Banks work out rehabilitation programmes for viable sick units in consultation with the concerned financial institutions and other agencies. The rehabilitation programmes may include various concessions and reliefs including rescheduling of overdue liabilities, grant of need-based working capital, etc. These measures help to increase the production of rehabilitated units.

[English]

Loans by banks under IRDP in Orissa

2169. SHRIMATI JAYANTI PATNAIK Will the Minister of FINANCE be pleased to state :

(a) whether Government have reviewed the performance of commercial banks in extending credit under IRDP;

(b) if so, the physical target set by each commercial bank to advance loan under IRDP in Orissa during 1984-85 and 1985-86; and

(c) the amount of loan advanced to the IRDP beneficiaries as against the targets fixed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The per-

formance of commercial banks in the matter of extending credit to beneficiaries under the Integrated Rural Development Programme is periodically reviewed by the Government.

(b) and (c). Available data in regard to performance of the commercial banks in Orissa during 1984-85 and 1985-86 are furnished below :—

Year	No. of families Re-quired to be assisted	Acctually assisted	Term credit dis-bursed (Rs. in Crores)
1984-85	1,88,400	2,13,119	28.06
1985-86	1,14,400	1,71,069	17 05 (Upto Feb.)

Delay in issue of passports from RPO New Delhi

2170. SHRI TARIQ ANWAR : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that passport are not issued from the Regional Passport Office Shastri Bhavan, New Delhi even six months after necessary enquiry and completion of other formalities; and

(b) if so, the reasons for such delay ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) No, Sir. Passports are now being issued by the Regional Passport Office, Delhi within a period of ten days after receipt of clear police reports.

(b) Does not arise.

Insurance of cashiers of banks against shortage in cash

2171. SHRI HAFIZ MOHD. SIDDIQ : Will the Minister of FINANCE be pleased to state :

(a) whether in foreign countries the cashiers in the nationalised and private banks are insured against shortages in cash taking place genuinely while transacting bank business;

(b) if so, whether there is any proposal to introduce similar system in India; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government are not aware of Insurance Companies abroad providing insurance cover to cashiers for shortage in cash.

(b) and (c). The Reserve Bank of India have reported that their staff are covered by a floating fidelity guarantee insurance policy taken by their Issue Offices from the General Insurance Corporation (GIC).

Information relating to nationalised banks is being collected and to the extent available will be laid on the Table of the House.

[Translation]

Smuggling on Indo-Nepal Border

2172. SHRI DILEEP SINGH BHURIA: Will the Minister of FINANCE be pleased to state :

(a) the number of smugglers arrested on the Indo Nepal border from January, 1986 to-date;

(b) the goods seized from them; and

(c) the action taken by Government against them so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The total value of goods seized, number of persons arrested, prosecuted under the Customs Act and detained under COFEPOSA, in the Indo-Nepal border region, during the period January to June, 1986, is given below :

Value of goods seized (Rs. in crores)	Arrested	Number of persons	
		Prosecuted	Detained
3.37	133	49	16

COFE-
POSA

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

(c) whether during investigation it has been revealed that there is some foreign hand in production and circulation of such fake notes;

(d) if so, details thereof;

(e) whether some clues have hinted the possibility of other similar gangs in other parts of the country; and

(f) if so, details thereof ?

[English]

Schemes for development of Thakkedy and Munnar (Idukki) distt. as tourist resorts

2173. PROF. P. J. KURIEN : Will the Minister of TOURISM be pleased to state :

(a) whether Government are aware of the importance of Thakkedy and Munnar in Idukki district as tourist resorts;

(b) whether Government have any schemes for the further development of these places as tourist centres; and

(c) if so, the details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) Yes, Sir.

(b) and (c). The Central Department of Tourism has sanctioned two out-board engine boats at the cost of Rs. 1.58 lakhs for Thakkedy during 1985-86 in addition to the boating facilities already provided by the State Government. The State Government also has schemes for the construction of the watch tower in the forest, construction of guest houses and developing trekking route from Thakkedy to Mangladevi temple.

In Munnar a guest house is already available and the State Government have acquired 18 acres of land for the construction of additional guest house.

Circulation of fake ten rupee note

2174. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether an inter-State gang engaged in the production and circulation of fake ten-rupee notes was nabbed recently;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (f). According to the Central Bureau of Investigation, there has been no report of any Inter-State gang engaged in the production and circulation of fake ten rupee notes. However, in February, 86, Tamil Nadu Police authorities have reported the arrest of one person, who was found in possession of fifty-five fake notes of Rs. 10/- denomination.

[Translation]

Opening of branches of SBI at Chillyanaula and Bhairangkhal in Almora

2175. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal to open branches of State Bank of India at Chillyanaula and Bhairangkhal in Almora district during the current financial year; and

(b) if so, when these branches are likely to be opened ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India (RBI) has reported that State Bank of India and Oriental Bank of Commerce applied for opening their branches at Chillyanaula in February and April 1985 respectively. The applications

were not considered by RBI since the period of old policy expired on 31st March, 1985 and a new branch expansion policy for the Seventh Plan was under formulation. This centre has been included in the list of potential growth centres identified by Lead Bank Group and finalised by the Government of Uttar Pradesh. The question of allotment of the centre to Regional Rural Bank or commercial bank will be considered by RBI in due course in terms of new Branch Licensing Policy. As regards centre Bhairngkhal, no proposal has been received by RBI from any bank. This centre has not been included in the list of potential growth centres received by RBI through Government of Uttar Pradesh under the current Branch Licensing Policy.

Utilisation of gold for productive purposes

2176. SHRI K. N. PRADHAN : Will the Minister of FINANCE be pleased to state :

- (a) the quantity of gold in the country;
- (b) the quantity of gold out of that which is not being put to any productive use; and
- (c) whether Government propose to amend Gold Control Act with a view to utilising this gold for productive purposes ?

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

Suggestions for improving working of banks

2177. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

- (a) whether he had invited some suggestions from officers to improve the working of banks, in his first meeting at Talkatora Indoor Stadium, New Delhi in the first week of July, 1986;
- (b) if so, the salient features of the suggestions made; and
- (c) the initiative taken by Government to implement them ?

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

(b) and (c). The salient features of the suggestions made in the meeting are as follows :

1. Public sector deposits should not be taken into account in assessing the performance of banks.
2. Finance Minister should interact, at appropriate intervals, with representatives of Bank employees.
3. There should be better utilisation of human resources available in the banking system.

These suggestions have been accepted by Government. It has been decided to undertake a study of human resources management in banks through an expert body like NIBM.

[English]

Setting up of Industries in States/ Union Territories

2178. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

- (a) the promises, if any, for setting up industry or promoting any other type of economic activity or financial assistance made by the Prime Minister during his visits to States/Union Territories;
- (b) the amount of money involved in each such promise;
- (c) the source of funds for implementation of such promises and their respective stage of implementation; and
- (d) if the funds have been already budgeted for the relevant head of budget ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The emphasis of announcement by the Prime Minister during his visit to the States has been on restructuring of policies and programmes and on method of implementation to ensure better utilisation of available resources. A statement showing the various projects/assistance announced during the PM's visit is given below.

Statement

Sl. No.	Items	Cost of scheme/assistance (Rs. crores)	Source of funding and stage of implementation	Provision in the Budget
1	2	3	4	5
1.	Setting up of cultural Centre for the North East.	Rs. 5 crores during 7th Plan	Central Assistance	Sub-Head B. 1 (1) (8) (10) under Demand No. 61-Department of Culture.
2.	Establishment of Central University in Assam.	The views of the Govt. of Assam are awaited for taking further action.		
3.	Slum Development in Bombay.	Rs. 100 crores—spread over in four years.	Non-Plan Grant from the Centre	Provision will be provided after programmes are received from the State.
4.	Flood relief assistance to Punjab.	Rs. 15 crores during 1985-86	Part of flood relief assistance recommended by the HLCR	360-A-Grants-in-aid to State Govts. A. 1-Non-Plan grants A. 1 (5)-General Relief on account of natural calamities—other grants in Demand No. 38.
5.	Drought relief assistance to Gujarat	Rs. 35 crores	Advance Plan assistance to States. Works are in progress.	Under Head 360-A-Grants-in-aid and 760-AA-Loans and advances in Demand No. 39 of the Ministry of Finance.
6.	Drought relief assistance to Karnataka.	Rs. 50 crores		

1	2	3	4	5
7.	Drought relief assistance to Maharashtra.	Rs. 50 crores (during 1986-87)		
8.	Integral Coach Factory in Punjab	Rs. 180 crores	Work in progress	From the Railway Plan.
9.	Conversion of the meter-gauge railway connecting Murguagoa Port with Miraj.	M/s. Rail India Technical and Economic Services are evaluating the proposal of provision of the Broad gauge line. Study in progress and action will be considered on completion and examination of Report.		
10.	Railway line between Mankhurd and Balapur.	Rs. 150 crores.	Partly by Railways and partly through funds to be raised by State Govt.	Railway Plan
11.	Revision of oil royalties.	Rs. 190 crores	Will be paid in the current year by the Oil Companies.	
12.	Setting up of ancillary units for Bongaigaon Petrochemical industry.	The Bongaigaon Refinery and Petrochemicals Ltd. are in constant touch with the State Govt. for providing of possible assistance. No concrete proposal from the State Govt. is pending with B. R. P. L.		

Income tax defaulters

2179 : SHRI D. B. PATIL : Will the Minister of FINANCE be pleased to state;

(a) the number of income tax defaulters for more than rupees one lakh till March, 1986;

(b) the steps taken against these defaulters; and

(c) amount recovered till June, 1986 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The information regarding number of assessee against whom income-tax demand exceeding Rs. one lakh was outstanding as on 31.3.1986 is not readily available and the same has to be collected from the field formations which will involve huge efforts and time. Quarterly informations regarding assessee against whom income-tax demands exceeding Rs. 10 lakhs remained outstanding are gathered from the field formations. Based on these informations, there were 2232 assessee against whom income-tax demand exceeding Rs. 10 lakhs was outstanding as on 31.3.1986 and the total demand involved in these cases was Rs. 1374.86 crores.

(b) Depending upon the facts and circumstances of each case, according to law, appropriate steps are taken from time to time by the concerned income-tax authorities for recovery/reduction of outstanding demand. These steps include, inter-alia, requesting the appellate authorities for expeditious disposal of the pending appeals. These also include resorting to proceeding under section 226(3) and 179 of the Income-tax Act, and attachment of movable and immovable properties after issuing recovery certificate to the Tax Recovery Officer under section 222 of the Income-tax Act.

(c) The quarterly dossiers for quarter ending 30th June, 1986 containing informations regarding recovery/reduction of taxes in respect of the assessee mentioned in part (a) above, are due from the field formations by 31.7.1986. Therefore, the amount recovered/reduced till June, 1986 is not yet known.

Schools to train women for smuggling

2180. SHRI JANAK RAJ GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that schools are being run in the country to train women for smuggling;

(b) if so, the details thereof;

(c) the number of such schools in the country; and

(d) the action Government propose to take against these schools ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government has no information on the running of any school in the country to train women for smuggling.

(a) to (d). Does not arise.

Proposal to set up new mints

2181. KUMARI PUSHPA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have a proposal to set up some new mints in the country;

(b) if so, the places identified for the location of such new mints;

(c) the number of new mints proposed to be set up; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). A new mint is being set up at Noida, Distt. Ghaziabad (UP). The construction work at the site is in progress. The capacity of the Mint is about 2000 million pieces of coins of various denominations per annum and its capital cost is estimated at Rs. 30 crores (Rupees Thirty crores). No other proposal

for setting up of new mints are under consideration.

Interest on Provident Fund credits

2182. SHRI JAI PRAKASH AGARWAL : Will the Minister of FINANCE be pleased to state :

(a) whether he is aware of the hardships of the small institutions like schools in paying 12 per cent interest on Provident Fund credits while banks pay only 10 per cent interest on such deposits;

(b) if so, whether Government are considering some remedial measures in this regard; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) to (c). In the Budget Speech it was announced that the interest rate on General Provident Fund for Government employees would be raised to 12 per cent, and that interest on Provident Fund accretions invested in Special Deposits with the Government would also be 12 per cent. This Ministry has not issued any instructions on the interest that should be paid to the subscribers by non Government provident funds. It is also not clear whether the institutions referred to in the question are investing funds in bank deposits under any specific instructions from any Ministry.

Income from enhancement of service charges of Clearing up-country cheques and drafts

2183. SHRI DIGVIJAY SINH : Will the Minister of FINANCE be pleased to state :

(a) the additional income of all nationalised banks received due to enhancement of service charges of clearing up-country cheques and drafts; and

(b) how and where this additional income will be utilised by the banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The revised schedule of service charges has been adopted by all the public sector banks only recently. It is yet premature to assess the additional income to banks on this account.

(b) The additional income accruing to banks as a result of revision in service charges is likely to help them in covering to some extent the cost incurred by them in rendering these services to customers.

Issue of Residential Area Permit to foreign tourists

2184. SHRI ATAUR RAHMAN : Will the Minister of TOURISM be pleased to state :

(a) whether the Union Government have taken any special measures to facilitate issue of Residential Area Permit (RAP) to foreign tourists and also to foreign aid giving functionaries located in Delhi and other places in India in order to popularise tourism in Assam; and

(b) if so, details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The details of Restricted Area Permit to be obtained by foreigners visiting places of tourist interest in Assam are as follows :

Foreign tourists are granted Restricted area permits by the Central Government and FRROs at Delhi, Bombay, Calcutta and Madras for visiting Kaziranga National Park in Assam subject to the following conditions :

- (i) The visits are confined to Kaziranga.
- (ii) The Tourists travel to Gauhati and back by air and travel to Kaziranga by the following route :

Gauhati Jhalukbari National Highway diversion—Jorhat NH 37—Kaziranga road.

- (iii) The foreign tourists travel in groups.
- (iv) Maximum duration of visit does not exceed 7 days.
- (v) The tours are organised by the Indian Travel Agencies approved by the Government of India/State Government.
- (vi) The details of the groups, i. e. their names, dates of arrival and departure, etc. are intimated in advance to the representative of State Government by the Travel agency;
- (vii) On receipt of the intimation from Travel Agency the State Government will appoint a Liaison Officer to accompany the group right from Gauhati Airport and who will remain with the group during its stay in Restricted areas.

The issue of relaxing the existing restrictions in the light of changed circumstances is constantly under review.

Foreign visits of Chairman, MMTC

2185. PROF. SAIFUDDIN SOZ : Will the Minister of COMMERCE be pleased to state :

(a) the number of countries visited by the Chairman of Minerals and Metals Trading Corporation (M M.T.C.) during the current year so far and the duration of stay in each country; and

(b) the success achieved in building up business relationship and boosting exports from India as a result of these visits ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Chairman, MMTC has made three visits abroad during April to July, 1986. The countries visited and duration of stay abroad were as under :

<i>Countries visited</i>	<i>Duration of Stay</i>
1. Thailand	8 days.

2. Japan 5 days.
3. Romania/Bulgaria 7 days.

(b) The visit to Thailand was to participate in Annual Conference of the International Fertilizer Industry Association MMTC being one of the two largest buyers of fertilizers in the World, utilises the opportunity to participate in the conference to exchange views with most of the major producers, traders and consumers of various fertilizer items attending the conference, which is helpful in formulating its overall purchase strategy.

The visit to Japan was as a Member of the Government of India delegation for Indo-Japanese Trade Talks led by Commerce Secretary.

Chairman, MMTC's visit to Romania and Bulgaria was intended to discuss trade matters concerning MMTC and foreign trade organisations of these countries. The discussions were useful and are likely to result in increased bilateral trade, including additional export from India of traditional and non-traditional items.

[Translation]

Commodities imported and exported in 1985-86

2186. SHRI DAL CHANDER JAIN : Will the Minister of COMMERCE be pleased to state :

(a) the names of the commodities imported during the year 1985-86 and the extent to which their import has increased or decreased as compared to the import made during the last year and the reasons therefor; and

(b) the names of the commodities exported during the year 1985-86 and the extent to which their export has increased or decreased as compared to the export made during the last year and the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). The pro-

visional figures of India's imports and exports of principal commodities for April December 1985 alongwith comparative data for the corresponding peroid of the previous year are given Statement-I and II below.

Imports have been effected to meet the domestic demand for essential commodities, and to sustain higher levels of investment and industrial production. The increase in imports of items like non-ferrous metals, metal manufactures, machinery and transport equipment is a reflection of higher

capacity and technological upgradation taking place in the country.

In so far as the exports are concerned, the international trading environment continues to be difficult for exports of many of our manufactured products and commodities due to slow down in some of the major economies of the world, stagnation and increasing protectionist barriers by the developed countries. Besides, the international prices of important items like Tea, Jute manufactures Cardamom etc., declined over the year 1985-86 as compared with 1984-85.

Statement

India's Imports of Principal Commodities

(Value : Rs. Crores)

S.No.	Commoditiy	April- December 1984 (P) Value	April- December 1985 (P) Value	%change in April-Dec., 1985 over April-Dec., 1984
1	2	3	4	5
1.	Cereal and cereal preparations of which :	124.62	65.91	-47.1
	Wheat	70.48	33.34	-52.7
2.	Crude Rubber (incl. synthetic and reclaimed)	49.05	52.00	+ 6.0
3.	Synthetic and regenerated fibre	33.15	23.85	-20.9
4.	Pulp and Waste paper	94.01	165.69	+76.2
5.	Fertilizers crude	71.26	85.24	+19.6
6.	Sulphur and unroasted iron pyrites	77.38	107.73	+39.2
7.	Metalliferrous Ores and Metal Scrap	63.51	197.73	+211.3
8.	Petroleum, petroleum products and related products	3801.22	3864.44	+ 1.7
9.	Vegetable oils fixed (edible oil)	646.95	526.31	-18.6
10.	Organic and inorganic chemicals	508.18	524.99	+ 3.3
11.	Medicinal and pharmaceutical products	91.81	94.93	+ 3.4

1	2	3	4	5
12.	Fertilizers Manufactured	383.48	637.19	+66.2
13.	Artificial resins, plastic materials etc.	108.10	151.31	+40.0
14.	Chemical materials and products	81.88	73.99	- 9.6
15.	Paper, paper board and manufactures thereof	131.15	143.17	+ 9.2
16.	Textile yarn, fabrics and made-up articles	62.07	79.46	+28.0
17.	Pearls, precious and semi-precious stones	795.17	792.20	- 0.4
18.	Iron and Steel	479.95	748.06	+55.9
19.	Non-metallic mineral manufactures (excl. Pearls etc.)	43.10	44.77	+ 3.9
20.	Non-ferrous metals	266.90	311.69	+16.8
21.	Manufactures of Metals	91.37	131.09	+43.5
22.	Machinery, and Transport equipment	1754.94	2373.10	+35.2
	(a) Machinery, electric and non-electric	1579.53	2093.71	+32.6
	(b) Transport equipment	175.41	279.39	+59.3
23.	Professional Scientific controlling instruments, photographic and optical goods watches and clocks	159.48	232.37	+ 45.7
Grand Total (incl. other items)		11746.14	13866.57	+18.1

Note : (P) Commodity-wise figures are provisional/preliminary and subject to revision.

Source : DGCI&S, Calcutta.

Statement-II

India's Exports of Principal Commodities

(Value : Rs. Crores)

S.No.	Items	April-December 1984 (P) Value	April-December 1985 (P) Value	%change in April-Dec., 1985 over April-Dec., 1984
1	2	3	4	5
1.	Tea and Mate	535.04	487.47	- 8.9
2.	Coffee and Coffee substitutes	150.71	176.96	+17.4

1	2	3	4	5
3.	Tobacco unmanufactured and tobacco refuse	132.98	99.53	-25.2
4.	Sugar and sugar preparations	16.26	9.33	-42.6
5.	Cashew kernels	138.56	193.12	+39.4
6.	Vegetables and fruits (Other than cashew kernels)	105.14	131.38	+25.0
7.	Oil cakes	88.32	63.23	-28.4
8.	Spices	122.21	115.94	- 5.1
9.	Marine Products	238.01	279.46	+17.4
10.	Meat and Meat preparations	52.08	54.06	+ 3.8
11.	Rice	67.47	135.23	+100.4
12.	Cotton Raw	52.64	51.82	- 1.6
13.	Iron Ore	273.16	359.60	+31.6
14.	Manganese Ore	9.72	11.11	+14.3
15.	Mica (incl. splittings) mica waste	14.30	13.84	- 3.2
16.	Cotton Yarn	19.32	25.18	+30.3
17.	Cotton Fabrics	292.92	273.02	- 6.8
18.	Readymade garments	497.73	645.12	+29.6
19.	Made-up articles wholly or chiefly of cotton n.e.s.	60.32	76.92	+27.5
20.	Fabrics of man-made fibres	16.79	17.04	+ 1.5
21.	Silk fabrics	35.16	29.90	-15.0
22.	Jute manufactures (incl. twist and Yarn)	214.69	205.09	- 4.5
23.	Coir and coir mfrs.	16.76	22.70	+35.4
24.	Leather and leather mfrs. (Excl. footwear)	344.44	339.67	- 1.4
25.	Footwear	20.78	18.87	- 9.2
26.	Chemicals and Allied Products	275.82	226.55	-17.9
27.	Gems and jewellery	887.73	1059.92	+19.4
28.	Carpets handmade	159.02	157.46	- 1.0
29.	Works of Arts	101.62	96.14	- 5.4
30.	Metal mfrs. (excl. iron and steel)	145.85	121.41	-16.8

1	2	3	4	5
31. Machinery and transport		398.53	417.96	+ 4.9
32. Iron and steel (incl. mfrs.)		46.16	34.87	—24.5
33. Crude Oil		1194.44	135.15	—88.7
34. Mineral fuels, lubricants and related products (Petroleum products)		118.43	114.13	— 3.6
Grand total (including other items)		8146.17	7655.57	—6.0

Note : (P) Commodity-wise figures are provisional/preliminary and subject to revision.

Source : DGCI&S, Calcutta.

[English]

Nomination of Directors of Nationalised Banks

2187. DR. T. KALPANA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether the decision of nomination of Directors in the Nationalised Banks has been postponed;

(b) if so, the reasons therefor; and

(c) if not, the time by which the Directors are to be nominated ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The process of identifying suitable persons for their nomination as Directors on the Boards of nationalised banks is already under way.

[Translation]

Khokhrapar-Munabao Rail Route

2188. SHRI SHANTI DHARIWAL : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have decided to reopen rail route between Khokhrapar-Munabao near the Indo-Pak border;

(b) if so, by what time the said route via Rajasthan will be opened; and

(c) if not, the difficulties being faced in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes, Sir.

(b) and (c). At the meeting of the railway delegations of India and Pakistan held in Islamabad and Lahore from 29th to 30th July, 1986 it was decided that the Khokhrapar-Munabao rail route between India and Pakistan will be opened in October, 1986.

[English]

Proposal to produce film on Sikkim

2189. SHRIMATI D. K. BHANDARI : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that the Department of Tourism produces films of tourist attraction for the domestic and overseas markets;

(b) whether such films have been produced on Sikkim;

(c) if not, whether there is any proposal to do so in near future; and

(d) if not, the reasons thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (d). Yes, Sir. The Department of Tourism produces films, audio-visuals and tourist publi-

city literature on various places of tourist interest in the country. Sikkim is covered in the general destinational films produced by the Department on Eastern India. Further, the Department has produced tourist literature specifically on Sikkim. The Department's Production Programme for 1986-87 envisages the production of a Directory (informative booklet) and a folder (colourful leaflet) on Sikkim.

Purchase of raw jute by JCI

2190. SHRI BALASAHEB VIKHE PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the Jute Corporation of India proposes to begin commercial purchase of raw jute in West Bengal and whether it intends to procure 7 lakh bales of raw jute till October, 1986; and

(b) whether it is also a fact that its production in the State would be around 40 lakh bales this year ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Jute Corporation of India (JCI) has already commenced price support operations in some Districts of North Bengal, where jute has started arriving in small quantities. JCI will purchase whatever quantity of raw jute is offered to it by growers at the minimum statutory price fixed by the Government.

(b) As per tentative estimates of JCI, jute crop in West Bengal may be around 42 lakh bales during the current jute season 1986-87.

[Translation]

Textile Industry in Varanasi facing crisis due to rise in silk prices

2191. SHRI ZAINUL BASHER : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware of the fact that at present Textiles Industry of Varanasi is passing through critical period due to rising prices of silk;

(b) if so, the percentage increase in silk prices during the last three years; and

(c) the steps being taken by Government to supply good quality of silk at reasonable prices ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (c). Government is fully aware of the requirements of the Textile Industry of Varanasi and has taken suitable steps to ensure availability of quality silk at reasonable prices. The Central Silk Board has imported 25 tonnes of raw silk under its Price Stabilisation Scheme and has opened two sub-depots in Varanasi for supply of imported raw silk to handloom weavers. Central Silk Board is supplying the silk to handloom weavers at a rate which is lower than the prevailing market price. Besides this, at the request of Central Silk Board, Karnataka silk Marketing Board (KSMB) has opened 2 additional sales depots bringing the total number of its depots in Varanasi to 4. From supply of 7169 kgs. of silk yarn in 1984-85 to its Varanasi depots, KSMB has stepped up the supply in 1985-86 to 18,493 kgs.

(b) The percentage increase/decrease in prices of raw silk in Varanasi during the preceding three years is as under :

Year	Average Price of Mysore Filature 20/22 Denier Rs. per kg.	Percentage increase/decrease over the preceding year	Average price of Kashmir Filature 20/22 Denier Rs. per kg.	Percentage increase/decrease over the preceding year
1982	454		410	
1983	425	(—)6.3	334	(—)4.3
1984	466	(+)9.6	414	(+)6.0
1985	538	(+)15.4	461	(+)11.1

[English]

Nationalisation of textile mills

2192. SHRI HUSSAIN DALWAL : will the Minister of TEXTILES be pleased to state :

(a) number of sick textile mills taken over by Union Government so far, State-wise;

(b) the terms and conditions under which these mills have been taken over by the Union Government;

(c) whether there is any proposal for nationalisation of such taken over mills;

(d) if so, the details thereof; and

(e) if not, the alternate plans of the Union Government in regard thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Since 1974, Government of India have taken over 37 Cotton Textile Mills. State-wise breakup of these mills is given in the statement below.

(b) These mills have been taken over under the provision contained in Industries (Development and Regulation) Act, 1981, the Laxmi Rattan and Atherton West Cotton Mills (Taking over of Management) Act, 1976 and the Textile Undertakings (Taking over of Management) Act, 1983.

(c) and (d). The matter is under consideration of the Government of India in respect of 16 mills under the management of National Textile Corporation. In respect of two mills managed by the State Government, the decision would be taken by the State Governments.

(e) Out of 37 mills taken over so far, 11 mills have already been nationalised by various State Governments and 6 by Central Government. Notification under Industries (Development and Regulation) Act, 1951 for taking over the management in respect of two mills, namely, Cauvery Spinning and Weaving Mills, Tamil Nadu and Shree Durga Cotton Spinning and Weaving Mills, West Bengal, has not been extended. The period of take over of the remaining two mills viz. Somasundarm Super Spinning and Weaving Mills, Tamil Nadu and Mahadev Textiles, Hubli, Karnataka is valid upto 30th September, 1986 and 29th September, 1986 respectively. The respective State Governments are themselves quite competent to nationalise these sick textile mills, if they so desire.

Statement

S. No.	Names of undertakings
	Taken over under Industrial (Development and Regulation) Act.

1	2
1.	Vijay Manufacturing Co. Badnera, Maharashtra.

1	2	1	2
2.	Pulgaon Cotton Mills, Pulgaon, Maharashtra.	23.	Laxmirattan Cotton Mills, Kanpur (Uttar Pradesh).
3.	Western India Spinning and Manufacturing Mills, Maharashtra.	24.	Atherton West Mills, Kanpur (Uttar Pradesh).
4.	Swadeshi Cotton Mills, Kanpur (Uttar Pradesh).		<i>Names of undertaking taken over under the Textile Undertakings (Taking Over of Management) Act, 1983</i>
5.	Rae Bareilly Textile Mills, Rae Bareilly (Uttar Pradesh)		<i>Name of the undertakings of Bombay City.</i>
6.	Swadeshi Cotton Mills, Maunath Bhanjan (Uttar Pradesh).	25.	Elphinstone Spinning and Weaving Mills, Elphinstone Road, Bombay.
7.	Swadeshi Cotton Mills, Naini (Uttar Pradesh).	26.	Finlay Mills, 10/11, Dr. S. S. Rao Road, Bombay.
8.	Swadeshi Cotton Mills, Pondicherry.	27.	Gold Mohur Mills, Dadashab Phalke Road, Dadar, Bombay.
9.	Udaipur Cotton Mills, Udaipur, Rajasthan.	28.	Jam Manufacturing Mills, Lalbaug, Parel, Bombay.
10.	Shree Subhalaxmi Mills, Cambay, Gujarat.	29.	Kohinoor Mills (No. 1), Naigaum Cross Road, Dadar, Bombay.
11.	Priyalaxmi Mills, Baroda, Gujarat.	30.	Kohinoor Mills (No. 2), Naigaum Cross Road, Dadar, Bombay.
12.	Kanti Cotton Mills, Surendranagar, Gujarat.	31.	Kohinoor Mills (No. 3), Lady Jamshedji Road, Dadar, Bombay.
13.	Cauvery Spg. and Wvg. Mills, Pudukottai, Tamil Nadu.	32.	New City of Bombay Manufacturing Mills, 63, Tukaram B. Kadam Marg, Bombay.
14.	Somasundaram Super Spinning Mills, Mathanendal, Tamil Nadu.	33.	Podar Mills; N. M. Joshi Marg, Bombay.
15.	Kottayam Textile, Kottayam, Kerala.	34.	Podar Mills (Process House), Ganpat Rao, Kadam Marg, Bombay.
16.	Malabar Spinning and Weaving Mills, Malabar, Kerala.	35.	Shree Madhusudan Mills, Pandurang Budhkar Marg, Bombay.
17.	Prabhuram Mills, Changannor, Kerala.	36.	Shree Sitaram Mills, N. M. Joshi Marg, Bombay.
18.	Indore Textiles, Ujjain, Madhya Pradesh.	37.	Tata Mills, Dr. Ambedkar Road, Dadar, Bombay.
19.	Shree Durga Cotton Spinning and Weaving Mills, West Bengal.		<i>Investments in jute mills in Kishanganj, Bihar</i>
20.	Mohini Mills, Belgharia, West Bengal.		
21.	Mahadev Textiles Mills, Hubli, Karnataka.		
22.	Orissa Textile Mills, Chowdhar. Distt. Cuttack.		

Names of undertakings taken over under the Laxmi Rattan and Atherton West Cotton Mills (Taking over of Management) Act, 1976

2193. SHRI SYED SHAHABUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) the quantum of investment already made in the proposed jute mill in Kishanganj, Bihar;

(b) the share of the Union Government and the Bihar Government in the project;

(c) the additional investment required to be made for completing the project;

(d) the reason for the delay in the implementation of the project;

(e) whether Government have decided not to proceed with the project; and

(f) whether any incentive has been offered to transfer some jute mills from other parts of the country to the jute growing areas in Bihar including those under Union Government ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) According to M/s. Bihar State Textile Corporation Ltd., Patna, the implementing agency for this project, a sum of about Rs. 20 lakhs has been spent by them on this proposed jute mill project.

(b) The Union Government is not participating in this project.

(c) The implementation of the project has not yet begun. Hence the question of additional investment does not arise.

(d) Non-availability of term loan from financial institutions is one of the main reasons for delay in implementing this project.

(e) The State Government of Bihar is reportedly keen to implement this project.

(f) No, Sir.

Trade Delegation to Angola and Zimbabwe

2194. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether an official delegation recently visited Angola and Zimbabwe to explore new possibilities of trade and economic cooperation;

(b) if so, the areas of cooperation discussed by the delegation;

(c) the items which have been agreed to be supplied; and

(d) the names of other countries visited by the delegation during the period April-June, 1986 and the outcome of the visit ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). Yes, Sir. The Indian delegation discussed co-operation in trade and industry, including joint ventures.

(c) India has offered to export items like bicycles, kitchenware, agricultural implements; medical and survey equipment, rice, wheat, etc.

(d) The delegation visited only Angola and Zimbabwe.

Export of Jute

2195. SHRI MOHANBHAI PATEL : SHRI CHINTAMANI JENA :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that jute industry is facing crisis due to introduction of synthetic yarn;

(b) whether the jute exporting countries have formed an Association to locate jute market;

(c) if so, the names of the members of the Association; and

(d) steps taken so far by the Association to achieve their goal to save jute industry ?

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

(b) No, Sir.

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

Reducing responsibility of D. G. S. & D.

2196. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have taken a decision on the proposal to reduce the responsibility of the D. G. S. and D.; and

(b) if so, broad outlines thereof and if not, the stage at which the matter stands at present ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) A final decision on the proposal to progressively reduce the responsibility of the DGS&D is yet to be taken.

(b) The matter is under active consideration.

Tourism development programme for Andaman and Nicobar Islands

2197. SHRI MANORANJAN BHAKTA: Will the Minister of TOURISM be pleased

to state :

(a) whether Government have finalised the tourism development programme for the Union Territory of Andaman and Nicobar Islands; and

(b) if so, the salient features of the same and when will it be implemented ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The Tourism development plan finalised by the Ministry of Tourism for the Union Territory of Andaman and Nicobar Islands envisages development of essential infrastructure in the Union Territory for promotion of tourism. This will include additional accommodation, augmenting water and electricity supply, better telecommunications, acquisition of additional Ships, establishing of new air links, and development of water sports. Two Centrally assisted projects sanctioned in 1985-86 for the Union Territory of Andaman and Nicobar are as indicated below :

(Rs. in lakhs)

	Year	Sanctioned amount	Released amount
(i) Survey for the construction of Jetty on Cinque Islands	85-86	4.48	4.48
(ii) Construction of Yatri Niwas at Port-Blair	85-86	45.78	15.00

Separate LIC divisions for hill states/regions

2198. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have under consideration any proposal to create separate LIC divisions for those hill States/Union Territories which are recognised as special category States by the Planning Commission for liberal financial allocations;

(b) if so, the likely date by which it would be done; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government have no such proposal, at present, to create separate LIC divisions for hill States Union Territories. LIC, however, continually reviews the question of creation of new divisional offices taking into account economical viability, life insurance business, renewal premium and number of policies serviced by the branches covered by the respective divisions. It proposes to open 15 new divisions including Srinagar in Jammu and Kashmir and Goa in Union Territory of Goa in the current financial year 1986-87.

Opening of Gramin Banks in H. P.

2199. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received a proposal for opening of new Gramin Banks in Himachal Pradesh so as to cover the districts of Himachal Pradesh not covered by the existing Gramin Banks;

(b) if so, the decision taken by the Union Government in this regard; and

(c) if no decision has been taken so far, the likely date by which a decision would be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably, the reference is to the proposal made by the Hon'ble Member in his letter dated the 3rd April, 1986 for establishing two more regional rural banks in the State of Himachal Pradesh.

(b) and (c). A long-term policy regarding opening of more regional rural banks in the country will be formulated in the light of recommendations made recently to Government by the Working Group on Regional Rural Banks. The proposal made by the Hon'ble Member would also be considered after the new policy is finalised.

Cash Compensatory Support on export of mango slices

2200. PROF. MADHU DANDAVATE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Union Government are offering cash compensatory support on export of mango slices in Brine in consumer pack where as Cash compensatory scheme is denied to export of mango slices in Brine in bulk packing of plastic and wooden barrels from 19th May, 1981;

(b) if so, whether representation have been made to the Union Government bring-

ing to its notice the fact that such denial of cash compensatory support on export of mango slices in bulk packing harms the cottage industry from the backward Konkan areas of Ratnagir and Sindhudurg district of Maharashtra; and

(c) if so, whether Government would review the policy regarding cash compensatory support and prevent the ruin of indigenous cottage industry ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). Cash Compensatory Support (CCS) was available on export of mango slices in brine in consumer packs only upto 30th June, 1986. The scheme of Compensatory Support on export of various items, including mango slices in brine, is reviewed from time to time taking into consideration, *inter-alia*, the representations received by the Government. The last such review was conducted in June, 1986. Pursuant to that review, export of mango slices in brine in bulk packs or consumer packs—are not eligible for CCS with effect from the 1st July, 1986. Government would consider grant of CCS as and when specific proposals giving sufficient justifications based on production cost, unrebated taxes, product promotion/market development cost, etc., are made the Government.

Demand of decentralised powerloom industry

2201. PROF. MADHU DANDAVATE : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the decentralised powerloom industry has demanded that while reserving certain items of handlooms, the final decision should be taken through joint consultation with the representatives of Handloom and Powerloom industries so that reservation policy will benefit the Handloom Industry without harming the powerloom sector; and

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

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

(b) Two representatives of the powerloom sector have been included in the reconstituted Advisory Committee set up under the Handlooms (Reservation of Articles for Production) Act, 1985. The revised notification on the basis of the recommendations of the reconstituted Advisory Committee is being finalised.

Subscription, contributions and aid given in foreign exchange by India

2202. DR. A. K. PATEL :
SHRI C. JANGA REDDY :

Will the Minister of FINANCE be pleased to state :

The details of the subscriptions, contributions and aid given in foreign exchange by India during the Sixth Plan period and also thereafter showing; (i) names of the Ministry and State/Union Territory which dealt with the matter in each case; (ii) name of the foreign country to which it was given; (iii) reasons for giving the aid etc; (iv) the date from which the foreign exchange was given; (v) the number of cases where such contributions have been discontinued giving reasons therefore; and (vi) the names of new parties entertained or accepted during the last three years ?

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

I. T. D. C. Hotels

2203. DR. A. K. PATEL :
SHRI C. JANGA REDDY :
SHRI SYED SHAHABUDDIN :

Will the Minister of TOURISM be pleased to state :

(a) the number and names of 5-Star hotels with their city-wise break-up;

(b) the total number of beds in them and the average :

(i) daily charge of single and double bed-rooms;

(ii) occupancy rate; and

(iii) proportion of foreign tourists amongs their occupants; and

(c) total investment in the ITDC hotels and annual returns from them in each of the last three years ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). There are 6, I. T. D. C. hotels which have been classified as 5-star category hotels. A statement giving the required information in respect of these hotels is given below.

(c) The total equity investment in the ITDC hotels and the annual returns from them during the last three years are given below :

Year	Equity investment	Not profit (+)/ loss (-)	%age return on equity investment
		(Rs. in lakhs)	
1983-84	3067.03	(-) 87.09	...
1984-85	3148.05	(-) 55.47	...
1985-86	3086.04	(+) 167.36	5.4
(Provisional)			

Statement

Sl. No.	City	Name of 5-star & 5-star Delux Hotel	No. of beds	Daily charge		Occupancy rate during 1985- 1986	%age of foreign tourist guest- nights during 1985-86
				Single room (Rs.)	Double bed room		
1.	New Delhi	Ashok	943	800/-	900/-	57	55.0
2.	New Delhi	Qutab	224	405/-	515/-	83	69.0
3.	Calcutta	Airport Ashok	296	600/-	700/-	55	44.9
4.	Mysore	Lalit Mahal Palace	98	395/-	505/-	48	55.9
5.	Kovalam (Trivandrum)	Ashok Beach Resort	256	Hotel 550/- Cottage 550/-	605/- 605/-	47	44.3
6.	Bangalore	Ashok	368	385/-	465/-	46	36.7

**Funds to private corporate sector by
subscribing non-convertible debenture
issues**

2204. DR. B. L. SHAIKESH : Will the
Minister of FINANCE be pleased to state :

(a) whether there is at present a competi-
tion among the banks in offering funds to
private corporate sector by subscribing to
their non-convertible debenture issues;

(b) the particulars of these banks and
the corporate-sector companies which have
been benefited; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI JANAR-
DHANA POOJARY) (a) to (c). Information
is being collected and to the extent available
and permissible under the statute will be
laid on the Table of the House.

Issue of bonus shares by companies

2205. DR. B. L. SHAIKESH : Will the
Minister of FINANCE be pleased to state :

(a) whether Government are consider-
ing any proposal to relax the guidelines
governing the issue of bonus shares by com-
panies; and

(b) if so, the broad outlines thereof ?

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

(b) Does not arise.

**Offer for development of A & N
Island as international trade zone**

2206. DR. B. L. SHAIKESH : Will the
Minister of COMMERCE be pleased to
state :

(a) whether the Hongkong Indian Association has come out with an offer of Rs. 100 crores as financial assistance to develop Andaman and Nicobar Islands into an international trade zone;

(b) if so, whether Government are considering the offer; and

(c) the stage at which the matter stands to present ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) No specific proposal has been received in this regard.

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

Medical Insurance Scheme

2207. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether the General Insurance Corporation proposes to launch a Medical Insurance Scheme; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The General Insurance industry has already introduced a Medical Insurance Scheme called Hospitalisation and Domiciliary Hospitalisation Scheme w. e. f. 1st June, 1985. The Scheme covers various illnesses/diseases including Coronary, Artery diseases, Coronary By By-pass Surgery, Open Heart Surgery, T. B., Kidney Transplantation, etc. The overall benefits including additional benefits permissible under the above policy vary from Rs. 7,000/- for category V to Rs. 37,800/- for category I per annum. The premium including the optional cover for major diseases/illnesses ranges from Rs. 72/- for the lowest category of benefits to Rs. 378/- for the highest category of benefits per person per annum.

Following the recent Budget announcement to allow deductions in respect of the Medical Insurance Premium for Income-Tax,

General Insurance Corporation has undertaken a thorough review of the existing Scheme for introduction of a modified and revised Scheme to provide much wider benefits to take care of the present day costs of Medical treatment.

Issue of bank books, letters in Oriya

2208. SHRI NITYANANDA MISRA : Will the Minister of FINANCE be pleased to state :

(a) whether in Orissa persons coming from the poorer section find it difficult to operate their bank accounts in English and if so, whether Government would direct that bank books, letters etc. be issued or accepted in Oriya; and

(b) if so, when will this be implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). In pursuance to Official Language Policy of Government, public sector banks have been advised to prepare their cheques, pass books, account opening forms, loan application forms etc. both in Hindi and English and wherever necessary/feasible additionally in the Regional language also.

In the interest of better service to their customers, bank branches do endeavour to deal with them in local language wherever necessary.

Target of handloom sector for 1985-86.

2209. SHRI SODE RAMAIAH : Will the Minister of TEXTILES be pleased to state :

(a) how far the handloom sector has achieved the target of 140 million square metres for 1985-86 under the new Textile Policy; and

(b) to what extent the wages of handloom workers have gone up specially in the field of cheap Dhoti and Sarees ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The handloom sector was given a target of 420 million square metres for 1985-86 for production of janata cloth. The production was of the order of about 400 million square metres.

(b) The basic objective of the janata cloth scheme is to provide sustained employment, in order to ensure more earnings to the handlooms weavers engaged in the production of janata cloth. However, while working out the maximum selling prices, Government of India allows wages as per Minimum Wages Act, wherever Statutory Minimum Wages have been fixed.

Concealment of ownership in companies in Caribbean Islands

2210. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether any investigation had been ordered into the attempt to conceal the dominant ownership in companies in British Virgin Islands in the Caribbean, Isle of Man etc. in connection with their eligibility for investment under NRI investment scheme;

(b) if so, the outcome thereof; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Directorate of Enforcement carries out different enquiries pursuant to their responsibilities under the Foreign Exchange Regulation Act and after completion of such enquiries take necessary action under the provisions of that Act. It is not possible to disclose the details of such enquiries.

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

Dual pricing policy

2211. SHRI RAJ KUMAR RAI :
DR. CHANDRA SHEKHAR
TRIPATHI :

Will the Minister of FINANCE be pleased to state :

(a) whether the draft policy to extend dual pricing policy has been prepared by the Ministry;

(b) if, so, the outlines of the draft policy; and

(c) the time by which the same is to be presented in the Parliament ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). There is no paper on dual pricing policy. However, a paper on administered price policy is under preparation and will be presented to Parliament as soon as feasible.

Video film on plot of extremists to assassinate P. M. shown on American TV

2212. SHRI MAHENDRA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government's attention has been drawn to the reports that a secretly shot video film of Mr. Gurpartap Singh Birk and another Sikh plotting the assassination of the Prime Minister during his visit to USA in June last year, was shown on American TV on or about May 27, 1986;

(b) if so, the details of the plot exposed thereby; and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes Sir. This film was one of several video and audio recordings of conversations between Gurpartap Singh Birk and another conspirator on one hand and undercover FBI agent and mercenary camp operator on the other, which were used as evidence in the trial of Birk.

(b) During the conversation recorded in the film, Gurpartap Singh Birk referred to

several terrorist activities that were planned in India such as blowing up industrial installations and demolishing public cinemas, bridges, government buildings etc. with the intention to cause injuries. There was also some conversation about the possible assassination of Prime Minister.

(c) Gurpartap Singh Birk was tried in a US court and on May 23, 1986, he was sentenced to seven years imprisonment. Government remain fully alert to the activities of extremists and terrorists based abroad

Purchase of cotton by Cotton Corporation of India

2213. SHRI BALASAHEB VIKHE PATIL : Will the Minister of TEXTILES be pleased to state :

(a) how much cotton has been purchased by the Cotton Corporation of India this year, State-wise and its percentage to the total production of cotton in the country;

(b) the reasons for negligible low percentage; and

(c) the targets fixed for the purchase of cotton by the end of the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Cotton Corporation of India (CCI) has purchased 15.37 lakh bales of cotton from different States as follows :—

State	Quantity (in lakh bales of 170 kgs each)
Punjab	1.58
Haryana	1.05
Rajasthan	1.41
Gujarat	4.71
Madhya Pradesh	2.04
Andhra Pradesh	3.34
Tamil Nadu	0.19
Karnataka	1.05

The percentage of purchases to the total production of cotton, namely 107 lakh bales is 14.4 per cent as against, 6.4 per cent during 1984-85.

(b) The above quantity is the highest purchased by Cotton Corporation of India so far.

(c) No specific targets have been fixed for purchase of cotton by Cotton Corporation of India. The purchases are made by CCI whenever the prices of raw cotton tend to fall below the Minimum Support Prices fixed by the Government, apart from its normal commercial purchases.

Transfer of DCM and Escorts shares

2214. SHRI MANIK REDDY :
SHRI RAGHUMA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether London based Caparo Group of Industries transferred shares of Delhi Cloth Mills and Escorts to Indian businessmen;

(b) if so, whether prior permission of Government was obtained; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Reserve Bank of India has permitted the Caparo Group of Companies to sell 8,30,800 shares of Escorts Ltd. at Rs. 75/- per share to two Indian Companies, viz. M/s. Steelcrete Private Ltd. and M/s. Surrendra Overseas Ltd., Bombay. No permission has yet been given for sale of shares by the Caparo Group in DCM Ltd.

Banking facilities in hilly, backward and tribal areas

2215. SHRI P. NAMGYAL : Will the Minister of FINANCE be pleased to state :

(a) whether most of the schemes under IRDP, NREP, Desert Development Projects

and many other Projects/schemes under the 20-Point Programmes are largely dependent upon the availability of financial lendings from various nationalised banks.

(b) whether it is a fact that due to lack of banking facilities or stringent rules regarding stipulation of 15 km coverage radius of the banks, the majority of the population living in hilly, backward and tribal areas of the country have not been able to take benefits out of the above schemes;

(c) if so, steps taken by Government to remove the bottleneck by introducing mobile banks for such area; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Schemes and projects under IRDP, 20 Point Programme and other credit linked programmes generally have a component of bank credit also. Government sponsored scheme like NREP, Desert Development Project, etc. are not credit linked programmes.

(b) to (d). There is no stipulation of 15 kms. coverage radius for the bank branches for lending in hilly, backward and tribal areas of the country. All Scheduled Commercial Banks were advised by RBI in August, 1985 that where adequate supervision is possible on account of communication facilities and loans are sanctioned on a cluster basis, coverage of areas/villages within reasonable distance should be considered by banks particularly in the North-Eastern Region. Banks have also been advised that distance criteria would not be relevant in financing IRDP.

The New branch licensing policy for the period April, 1983 to March, 1990 also envisages the location of one bank office within a distance of 10 kms. from each village in addition to the population norm of one branch for 17,000 population in the rural and semi-urban branches in *each block*. The Lead Banks which are required to identify centres have been asked to keep in mind the requirements of hilly areas and

tribal areas while identifying such centres. Reserve Bank of India does not have any proposal for mobile banks under consideration for the present.

Construction of Air Strips at Badami in Bijapur

2216. SHRI V. S. KRISHNA IYER : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that Badami in Bijapur district in Karnataka is well known for cave temples of Chalukyan empire;

(b) if so, action taken to attract foreign tourists to the above place;

(c) whether Government propose to construct an air strip at Badami or Bijapur; and

(d) if so, when ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) Yes, Sir. The Central and the State Departments of Tourism have been giving publicity about the cave temples of Badami and necessary tourist facilities are also provided. The Central Department of Tourism has sanctioned the project for the provision of toilets and drinking water facilities at Badami, Bijapur, Hampi, Aihole and Pattadakal at a total cost of Rs. 7.50 lakhs. The Archaeological Survey of India is implementing this project.

(c) and (d). No such proposal has been received from the State Government.

[Translation]

Construction of Tourist Hostel in Jagdalpur

2217. SHRI MANKURAM SODI : Will the Minister of TOURISM be pleased to state :

(a) whether Government are considering a proposal for construction of a tourist Hostel at district Headquarter Jagdalpur in Madhya Pradesh;

(b) if so, the cost thereof; and

(c) when it is likely to be completed ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c). During 1985-86, the Department of Tourism has approved a scheme for construction of a Tourist Complex comprising of ten cottages with restaurant and toilet facilities, at Jagdalpur at an estimated cost of Rs. 31.86 lakhs. An amount of Rs. 5.00 lakhs has been released as advance. This complex is likely to be completed by March, 1988.

[English]

Tribunal for Disposal of Excise and Customs Cases

2218. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to set up a special tribunal for disposal of cases regarding classification in Customs and Central Excise Department; and

(b) if so, the time by which it is likely to be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). In the Long Term Fiscal Policy, the Government has proposed to establish an Appellate Tribunal under article 323 B of the Constitution to deal with all matters concerned with payment of Customs and Excise duties. The proposal has not yet been finalised.

Raids to unearth black money

2219. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) the total number of premises raided by Income Tax officials to unearth black money during the last years;

(b) the details of wealth and assets recovered as a result thereof; and

(c) whether Government propose to declare hoarding of black money a non-bailable offence ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The total number of premises searched by the Income Tax officials to unearth black money during the last financial year is 6431. The assets worth approximately Rs. 50.32 crores were seized during these searches.

(c) There is no such proposal under consideration by the Government.

Efforts for Independence of Namibia

2220. SHRI SHARAD DIGHE : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the efforts made by Government during the last three months to mount international pressure on the South African racist regime to immediately end apartheid and pave the way for independence of Namibia; and

(b) the response received by Government for such efforts ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) and (b). The Government has been in constant touch with the leaders of like-minded countries and has taken an active part in UN sponsored international meetings on Sanctions against South Africa and on the Granting of Immediate Independence to Namibia. Government of India also had President Sam Nujoma of the SWAPO as their guest in May this year. Government's efforts through the years to mobilise international opinion against apartheid and for the independence of Namibia have met with a great deal of success in as much as practically all countries, except South Africa, agree that these objectives must be achieved.

Suggestions of Dhar Committee to streamline working of NTC

2221. SHRI SHARAD DIGHE : Will the Minister of TEXTILES be pleased to state :

(a) whether the suggestions made by the Dhar Committee to streamline the working

of the National Textile Corporation have been implemented by Government;

(b) if so, the details thereof; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The report of Shri K. K. Dhar, Consultant, has not been accepted by the National Textile Corporation, as it is not based on indepth and objective study covering all aspects of the organisational set up of the N.T.C.

Sick Textile Mills

2222. SHRI SHARAD DIGHE : Will the Minister of TEXTILES be pleased to state :

(a) the amount set aside during the current financial year for reviving sick textile mills in the country;

(b) the amount used for the purpose so far and the details thereof;

(c) the amount earmarked for compensating the workers of those textile mills which are to be closed as the units could not be revived inspite of fresh investment; and

(d) the details of utilisation of such amount so far ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Government has created a Textile Modernisation Fund of Rs 750 crores to be operated by the Industrial Development Bank of India (IDBI) to meet the modernisation requirements of the industry over the next five-years. A part of the fund about a sum of Rs. 100 crores will be earmarked for providing special loan at concessional rate of interest to selected but viable units towards part of their promoters' contribution. The IDBI has initiated action of formulation of modalities for disbursement of this fund.

(c) and (d). The Government has announced a Rehabilitation Fund to provide

interim relief to workers rendered unemployed on account of permanent closure of non-viable textile mills. While initiating the scheme, the Government has earmarked Rs. 10 crores out of revenue collection under the Additional Duties of Excise (Textile and Textile Articles) Act, 1988 as amended in 1981. No disbursement out of this fund has taken place, since no sick mill has been allowed by Government to close down so far.

Appointment of Chairman in NTC

2223. SHRI SHARAD DIGHE :
SHRIMATI KISHORI SINHA :
DR. G. S RAJHANS :
SHRI SANAT KUMAR
MANDAL :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that in the National Textile Corporation appointments at the top have always been of ad hoc nature and in the past 12 years there have been nine persons at the helm of affairs of the Corporation;

(b) if so, the reasons therefor;

(c) whether it is a fact that even now the part-time Chairman is being asked to continue on weekly basis pending the appointment of another part-time Chairman; and

(d) if so, the steps taken to appoint a full time Chairman ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Since 1974, there have been 9 Managing Directors in National Textile Corporation (Holding Co.), out of which 6 were appointed on regular basis and 3 persons held the charge of M.D. in addition to their duties, pending appointment of a regular incumbent.

(c) The term of appointment of the present part-time Chairman of National Textile Corporation (Holding Co) expired on 16.5.1986. He is continuing in office pending a decision on the period of extension of his appointment, beyond 16.5.1986.

(d) Recently, a decision has been taken that there will be a Chairman-cum-Managing Director to head the NTC (Holding Co.) instead of a part-time Chairman and a full time Managing Director. Action has been initiated to appoint a Chairman-cum-Managing Director in NTC (Holding Co.).

Boost to Exports

2224. SHRI MAHENDRA SINGH :
SHRI ANAND SINGH :
SHRI KRISHNA SINGH :
SHRI NARAYAN CHAUBEY :

Will the Minister of COMMERCE be pleased to state :

(a) the expected increase in the export earnings during the current year as a result of measures taken by Government to boost the exports;

(b) whether any institutional arrangement exists to make a periodic review of the progress; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Export target for the year 1986-87 has been fixed at Rs. 12,203 crores.

(b) and (c). The export performance of various commodities is constantly reviewed both within the Ministry and with various Export Promotion Councils, Commodity Boards and Authorities

Reward for seizure of narcotics

2225. PROF. RAMKRISHNA MORE :
SHRI N. DENNIS :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently announced enhancement of the payment of rewards as an incentive for the informers and the officials for helping in the seizure of narcotics in the Country;

(b) if so, the details thereof;

(c) the amount of reward paid so far by Government to the informers/officials for helping in the seizures of narcotics, stating the quantity of narcotics (with value) seized in each case as a result thereof; and

(d) to what extent the enhancement of rewards is likely to help in curbing the smuggling of narcotics in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Yes, Sir. As part of the intensification of the anti-smuggling drive, the scheme of rewards and other incentives granted informers and department officials engaged in anti-smuggling work was reviewed by the Government in March, 1985. As a result of the review, apart from further strengthening of the anti-smuggling infrastructure, it was considered necessary to rationalise the reward policy and accordingly, the reward eligibility of informers and departmental officials was enhanced from 10 per cent to 20 per cent of the value of contraband goods seized, with provision for grant of part of the reward immediately after seizure.

In the interest of curbing the illicit drug traffic effectively and for the sake of uniformity in the reward admissible to the Central and State Government law enforcement officers and their informers, it has been decided to extend the liberalised reward scheme in respect of seizure made under the Narcotic Drugs and Psychotropic Substances Act, 1985 by the Central as well as the State Government authorities with effect from 13th May, 1986. The expenditure incurred in connection with the payment of reward to the enforcement personnel and informers of the State Governments at the revised rates and norms adopted by the Department of Revenue would be met by the Central Government.

(c) The information regarding the actual amount paid so far to informers and officials for helping in the seizure of narcotic drugs in the current financial year is not readily available with the Department as payment are made by various units/agencies all over

the country. The quantities of narcotics seized during the year 1986 (upto 30.6.86) are as under :

Name of drug	No. of Cases	Qunty. seized (in kgs.)
Heroin	89	1643.009+ 40 ltrs. liq Heroin
Opium	126	2227.253
Ganja	77	21195.165
Charas	82	10615.873+ 2.000 (h. Oil)
Morphine	18	39.240
Cocaine	3	11.700

No precise value of the Narcotics seized can be furnished as the illicit market price varies widely from place to place and time to time, depending upon the purity of the drug, local demand and supply position, place of origin, etc.

(d) While it is not possible to estimate the precise impact of the enhancement of rewards in checking smuggling of narcotic drugs, this coupled with various other measures taken by the Government have resulted in significant increase in the quantities of drugs seized in 1985 and till now in the current year. In fact, the quantities of heroin and hashish seized upto 30.6.86 have already exceeded the quantities of the drugs seized in the entire year of 1985.

Export of agricultural surplus

2226. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to export surplus agricultural commodities to minimise the trade deficit; and

(b) if so, the extent to which it will lower the deficit ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). The trade deficit is not account of various factors and an outcome of the total imports and exports in all sectors. With a view to vigorous reducing trade deficit vigorous promotional measures have been taken during the recent past, to increase export of all items including Agricultural commodities.

Tax evasion

2227. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) the number of cases of tax evasion detected by the Income Tax Department, Directorate of Intelligence and other concerned authorities since 1st May, 1986 so far;

(b) the details thereof, State-wise, including the amount of Income Tax evaded, the via media adopted for evasion, the number of persons involved, the number of persons taken into custody, the number thereof legally prosecuted, the number thereof put in the jails and the number thereof let free, case-wise; and

(c) whether any official collusion in tax evasion rackets has been detected and if so, the number of such cases and the number of officials with their designations involved in in the collusion and action taken against them in each case ?

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

Seizure of foreign exchange

2228. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether any case of seizure of foreign exchange has been made by the Directorate of Enforcement in the country since 1st May, 1986 so far;

(b) the details thereof;

(c) the administrative/legal action taken against the defaulters;

(d) whether the officials of the Directorate of Enforcement who have seized the foreign exchange in raids, have been encouraged/awarded in any way; and

(e) if so, the details thereof ?

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

(b) and (c). Directorate of Enforcement (FERA) seized foreign exchange amounting to Rs 51.03 lakhs during the periods from 1.5.86 to 30.6.86 and in that connection 39 persons were arrested. Appropriate action under the law such as departmental proceedings, prosecutions and preventive detention under the COFEPOSA Act, etc. as warranted by the result of investigations will be taken against the persons involved in unauthorised dealings in foreign exchange.

(d) and (e). The officials of the Directorate of Enforcement are entitled to get reward in a suitable case on completion of departmental adjudication proceedings and realisation of penalties.

Import of Viscose Staple Fibre

2229. SHRI RAM BHAGAT PASWAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to allow import of Viscose Staple Fibre under O.G.L. in view of its shortage and closure of a large number of small scale units; and

(b) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). The import of Viscose Staple Fibre is already allowed under Open General Licence to Actual Users (Industrial), subject to prescribed conditions.

Raids at premises of Central Government employees and business houses

2230. SHRI K. D. SULTANPURI :
SHRI DAL CHANDER JAIN :

Will the Minister of FINANCE be pleased to state :

(a) the number of raids conducted by Income-Tax and Excise authorities on the premises of Central Government employees during the year 1985-86 for unearthing black money;

(b) the amount seized in these raids;

(c) the number of business houses which were raided for concealment of income during the same period in the country;

(d) the amount seized in these raids; and

(e) the number of cases which have been field in the courts against Government employees and business houses separately ?

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

[Translation]

Setting up technological institute for development of sericulture in north India

2231. SHRI MADAN PANDEY : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that the development of silk industry in north India is not getting as much attention as is required because head office of Silk Board is situated in Bangalore in Karnataka;

(b) if so, whether Government propose to set up a technological institute and a full fledged office of the Board at some place in north India;

(c) if so, by when and if not, the reasons thereof; and

(d) the scheme proposed for development of sericulture and silk industry in north India ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Though the head office of the Central Silk Board is at Bangalore, it has got a network of its units in various parts of the country to supplement the efforts of the State Governments for development of sericulture. Central Silk Board's existing units in North India are in a position to meet the present requirements of this region, and commensurate with the pace of sericulture development in this region, Central Silk Board's units will be strengthened. The setting up of a Technological Institute in this region will be considered at the appropriate time.

(d) The Central Silk Board has proposed a Central Sericulture Project at a total cost of Rs. 263 crores. This Project, which aims at increasing silk production by 4900 M. tonnes, includes in its coverage North India also.

[English]

Shifting of regional office of Silk Board

2232. SHRI MADAN PANDEY : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to shift the regional office of the Silk Board from its present location;

(b) if so, where, by what time and the reasons therefor;

(c) whether the expenditure will not increase considerably as a result thereof;

(d) whether it will not affect adversely the facilities made available to silk exporters; and

(e) if so, the justification for shifting the said regional office ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Central Silk Board has proposed to shift its Regional Office from the present location to the World Trade Centre Connaught Place, New Delhi, for the reasons mentioned in reply to parts (d) and (e) of the Question. The proposal is under consideration of the Government of India.

(c) Yes, Sir. The expenditure will increase as the market rent in Connaught Place is higher than the present place.

(d) and (e) The present premises belong to a silk exporter and is in an industrial area which is considered not suitable for the location of Central Silk Board's Regional Office. It is proposed to shift the Regional Office to Central Place where other Government organisations are also located.

[Translation]

Separate trade cell for Gulf countries

2233. SHRI MADAN PANDEY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have taken a decision for setting up a separate trade cell for promotion of trade with Arab and Gulf countries;

(b) if so, the outline thereof; and

(c) the time by which this cell is likely to be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) No, Sir. A separate division to look after exports to West Asia and North Africa is already in existence.

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

[English]

Export of electronic goods by Trade Development Authority

2234. SHRI THAMPAN THOMAS : SHRI AMARSINH RATHAWA :

Will the Minister of COMMERCE be pleased to state :

(a) whether the Trade Development Authority has planned to increase export of electronic goods;

(b) if so, whether the Trade Development Authority sought assistance of the United Nations Development Programme (UNDP) in this regard;

(c) if so, the response from UNDP; and

(d) whether steps have been taken to maintain the prices of electronic goods in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) Yes, Sir.

(c) The United Nations Development Programme (UNDP) has agreed in principle to provide assistance.

(d) Yes, Sir.

Loss to state due to treating Provident Fund investment as special deposits

2235. SHRI THAMPAN THOMAS :
SHRI AMAR ROYPRADHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the amount mopped by Post Office from Provident Fund is considered as special deposit;

(b) whether the States are entitled to two-thirds of all funds mobilised by the Post Offices;

(c) whether the States have lost several crores of rupees due to this move of Government; and

(d) if so, the details thereof and the loss sustained by each State during the past three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per the pattern of investment by provident/superannuation/gratuity funds in force upto 31.3.1986, forty per cent were required to be invested in Post Office Time Deposit. From 1.4.1986, this amount should be invested in Special Deposit with Central Government.

(b) States are entitled to loans equal to two-thirds of net small savings collections in their States.

(c) The question of compensating the State Government for the shortfall in their small savings loans attributable to the change in investment pattern is under consideration.

(d) As the revised pattern of investment is in force from 1.4.1986 only, States were not sustaining any loss during the last three years on this account.

Falling prices of rubber and coconut

2236. SHRI THAMPAN THOMAS :
Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that prices of rubber and coconut have drastically fallen in the recent times; and

(b) if so, the steps taken to arrest their falling prices ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). There has not been any drastic fall in prices in respect of rubber in the recent past.

Coconut price fell in 1985-86 on account of good crop. NAFED, Government of Kerala and Lakshdweep Administration introduced a market intervention scheme in January, 1986 to ensure a minimum price of Rs. 1200 per quintal of FAQ Copra.

Import of gold to check smuggling

2237. SHRI V. S. KRISHNA IYER :
Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any suggestion for allowing import of gold by certain categories of Indian passport holders to check its smuggling; and

(b) if so, reaction of Government thereto ?

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

(b) The suggestions received in this regard have been referred to the Working Group on Gold Policy set up by the Government of India whose report is awaited.

Loan for construction of houses to bank employees

2238. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that sufficient amount is not sanctioned by the nationalised banks in Karnataka to their employees for construction/purchase of houses;

(b) if not, the amount sanctioned for the purpose during last 3 years;

(c) the number of loan applications for house construction/purchase received by the nationalised banks in Karnataka from their employees which are still pending; and

(d) the number of employees who will be granted loans ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government do not appear to have received any representation in this regard from the employees of any of the nationalised banks in Karnataka.

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

(d) The number of employees who could get Housing Loan in any year would depend on the quantum of funds available, the quantum of funds sought by each applicant

and also the number of employees fulfilling the eligibility conditions.

Production of silk in Karnataka

2239. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of silk produced in the country;

(b) the percentage of the total quantity of silk produced in Karnataka State;

(c) whether there was a proposal to double the production of silk in Karnataka and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The total quantity of silk produced in the country during 1985-86 (both mulberry and non-mulberry) is estimated to be 7855 Millions tonnes.

(b) The percentage of mulberry silk produced in Karnataka State during 1985-86 is estimated to be 61.3 per cent of total quantity of mulberry silk produced in the country.

(c) Yes, Sir.

(d) The Government of Karnataka during the VIth Plan period implemented a Sericulture Development Project with World Bank assistance at a cost of Rs. 79.85 crores. The project aimed at doubling the production of raw silk during the VIth Plan period. Year wise production figures of mulberry silk produced in Karnataka during the VIth Plan are as given below :

Year	Mulberry silk (production in M. Tonnes)
1980-81	2878
1981-82	3000
1982-83	3200
1983-84	3345
1984-85	4509

Need to ban import of raw silk yarn

2240. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the Minister of Sericulture of Karnataka called on both the Union Minister of Commerce and Deputy Minister of Commerce last year to impress upon the impending need to put an end to the import of raw silk yarn; and

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

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

(b) The import of silk by exporters is allowed under the ALS/REP Schemes only for or against exports, and for indigenous consumption only as a canalised item through Central Silk Board. It is not considered feasible to ban the import of Silk under the ALS/REP Schemes as these are export incentive scheme, to ensure availability of raw material to exporters at international prices. Imports by Central Silk Board are also not generally resorted to unless it becomes absolutely necessary to do so as a measure of price stabilisation. The fact that silk production in the country has been steadily increasing and prices of silk in the local market continue to be remunerative reveal that import of raw silk under these schemes does not have an adverse effect on domestic production.

Steps to increase demand for Indian silk in international market

2241. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Indian Silk ruled the international market once upon a time;

(b) whether it is also a fact that at present there is not much demand for Indian silk in the international market;

(c) if so, the reasons therefore; and

(d) the steps being taken to retain the same position of supremacy which was held by India long ago in the international market ?

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

(c) Does not arise.

(d) The Government is encouraging promotion of exports of silk goods by providing export incentive facilities such as the import of silk under Advance Licensing Scheme (ALS) Replenishment Scheme (REP) and providing of cash compensatory support on the export of silk goods. Besides this, the Government has set up the Indian Silk Export Promotion Council exclusively for the promotion of silk exports.

Tax, Customs and Excise relief to industrialists after presentation of budget 1986-87

2242. SHRI RAM DHAN :
SHRI K. RAMAMURTHY :

Will the Minister of FINANCE be pleased to state :

(a) the total amount of Tax, Customs and Excise relief given and proposed to be given to industrialists after the presentation of the budget for 1986-87 to the Parliament; and

(b) the reasons therefore ?

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

Pending criminal proceedings under Direct Tax Laws

2243. SHRI MOOL CHAND DAGA : Will the Minister of FINANCE be pleased to state :

(a) the number of criminal proceedings pending in the Courts under Direct Tax Laws for (i) over five years and (ii) over ten years; and

(b) the number of cases resulting in conviction for tax evasion and concealment of income, yearwise during the last three years ?

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

[Translation]

Irregularities in import of plastic raw material

2244. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state :

(a) the various types of plastic raw material permitted for import under Open General Licence (OGL) during the past three years and the purpose of these imports;

(b) the terms on which raw material was imported and the amount of foreign exchange spent on it;

(c) whether it is a fact that Customs Officers fail to make distinction between different kinds of imported plastic as a result of which dealers deceive Government by importing costly raw material in the name of inferior type of raw materials;

(d) if so, the number of such cases detected by Government and the action taken thereon; and

(e) the reasons for which Government do not channelise the import of plastic raw material through State Trading Corporation ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). The major plastic raw materials which have been allowed to be imported by eligible importers on OGL

under the current import policy, are L D P.E., HDPE, PVC Resin, Polystyrene, etc. The import is allowed to meet the requirements of processing units which are mostly in small scale sector. Statistics on OGL imports are not separately maintained.

(c) No, Sir.

(d) Does not arise.

(e) These plastic items are the raw materials for a large number of users in the small scale sector. The main reason for not canalising the import of these materials is to ensure easy availability of raw materials to these small users.

[English]

Occupancy of hotels under ITDC at Metropolitan cities

2245. SHRI MOOL CHAND DAGA : Will the Minister of TOURISM be pleased to state :

(a) the details of the room capacity of the hotels under India Tourism Development Corporation in Metropolitan cities during 1983-84 and 1984-85 respectively; city-wise;

(b) yearly occupancy percentage of rooms in each of these hotels during last three years;

(c) the percentage of the visitors or occupiers concerned who made cash payments during the said period; and

(d) the number of parties who have got reservations for periods over (i) six months (ii) one year, during 1983-84 and 1984-85 at each of these hotels ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The information is given in Statement I below.

(c) This information is not maintained by ITDC.

(d) The information is given in Statement II below.

Statement-I

S.No.	Name of the Hotel	Room Capacity		Room Occupancy Percentage		
		1983-84	1984-85	1983-84	1984-85	1985-86 (Prov.)
<i>New Delhi</i>						
1.	Ashok Hotel	576	576	43	47	57
2.	Janpath Hotel	210	212	86	79	82
3.	Lodhi Hotel	207	207	66	65	66
4.	Kanishka Hotel	278	318	56	45	58
5.	Qutab Hotel	97	94	54	57	83
6.	Samrat Hotel	242	262	32	43	80
7.	Ranjit Hotel	118	188	55	59	58
8.	Ashok Yatri Niwas	440	440	88	66	72
9.	Akbar Hotel	318	318	44	34	65
<i>Calcutta</i>						
1.	Hotel Airport Ashok	150	148	50	54	55

Statement-II

S. No.	Name of the Hotel	No. of parties who got reservation for periods over			
		1983-84		1984-85	
		Six Month	One Year	Six Month	One Year
<i>New Delhi</i>					
1.	Ashok Hotel	...	3	...	8
2.	Janpath Hotel	...	9	2	11
3.	Lodhi Hotel	1	2	...	3
4.	Kanishka Hotel	...	3	...	3
5.	Qutab Hotel	...	28	...	28
6.	Samrat Hotel	...	3	...	9
7.	Ranjit Hotel	...	2	...	7
8.	Ashok Yatri Niwas	...	2	...	5
9.	Akbar Hotel* .	...	...	...	...
<i>Calcutta</i>					
1.	Hotel Airport Ashok	...	1	1	1

*Since closed down w.e.f. 7th April, 1986.

[Translation]

**Loss on textile mills taken over
by Government**

2246. SHRI MOOL CHAND DAGA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government had to take over 140 textile mills in the interest of labourers as a result of which Government have been suffering a loss of Rs. 120 crores every year;

(b) whether it is also a fact that wage element in these mills exceeds the selling price;

(c) if so, to what extent; and

(d) the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) At present, there are 125 textile mills (109 nationalised and 16 managed mills) run by the National Textile Corporation. During the year 1985-86, the nationalised mills suffered net losses amounting to about Rs. 147.77 crores and the managed mills suffered net losses amounting to about Rs. 36.03 crores.

(b) During the year 1985-86, the sales realisation per kg. of spindle point production was Rs. 47.87 as against wages of about Rs. 16.37 paid per kg.

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

[English]

**Relaxation to hill States/regions
under branch licensing policy**

2247. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the branch licensing policy of the Reserve Bank of India takes into account the difficult geographical terrain and the sparse population in the hill areas recog-

nised as such by the Planning Commission and ensures adequate relaxation in the existing norms of distance and population for the opening of new branches in such areas;

(b) if so, the exact relaxation allowed in the case of hill States/regions under the new branch licensing policy announced in 1985; and

(c) the average area and population served by a bank in each of the hill States/Union Territories ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Under the current branches licensing policy for the period April 1985 to March 1990 of the Reserve Bank of India, branch expansion in hilly/tribal areas is given a special consideration and branch expansion in such areas is allowed on a comparatively liberal basis, taking into account the existing gaps in the availability of banking facilities, the need for meeting the banking requirements of identified groups, growth of economic activities etc. The lead banks who have to identify centres for opening new bank offices have been asked to keep special features of such regions in view.

(c) The information is being collected and will be laid on the Table of the House to the extent possible.

Murshidabad Gramin Bank

2248. SHRI ATISH CHANDRA SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Murshidabad Gramin Bank in the Murshidabad District (West Bengal) has started functioning and disbursing loans to various categories of people ; and

(b) if not, the reasons therefore ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). As on March 1986 Murshidabad Gramin Bank has opened one branch with a deposit

of Rs. 97 thousands in 95 accounts and loan outstanding of Rs. 44 thousands in 11 Accounts. Though the pending licenses with Gaur Gramin Bank for opening branches in Murshidabad district have been transferred to Murshidabad Gramin Bank, it could not open branches mainly due to stiff resistance by the staff of the Gaur Gramin Bank.

**Maintaining register of students,
doctors and engineers by Indian
Embassies**

2249 SHRI E. AYYAPU REDDY :
Will the Minister of EXTERNAL AFFAIRS
be pleased to state :

(a) whether Indian Embassies are maintaining registers of Indian students, doctors and engineers working or studying in their respective countries; and

(b) if so, their number in 1985 ?

THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. R. NARAYANAN) : (a) and (b).
Indian Missions maintain a register of Indian nationals. Indian citizens resident abroad are advised that they should register their names and addresses with the nearest Indian Missions at the earliest opportunity. Efforts are also being made to compile lists of students,

doctors and engineers. Accurate and upto date information is not however readily available.

**Development of tourist spots in
Gujarat**

2250. SHRI MOHANBHAI PATEL :
Will the Minister of TOURISM be pleased
to state :

(a) the details of tourist spots developed in Gujarat so far and the facilities being given to foreign tourists;

(b) the programme of Government to develop more tourist spots in Gujarat during the Seventh Five Year Plan and the amount earmarked for the purpose; and

(c) whether there is any proposal to have a sanctuary in the area of Kutch and if so, the details thereof and steps being taken by the Government to develop it ?

THE MINISTER OF TOURISM
(MUFTI MOHD. SYED) : (a) to (c). The schemes sanctioned at the tourist spots in Gujarat by the Central Department of Tourism to create facilities for the tourists during the 7th Five Year Plan and the amounts sanctioned are given below :

(Rupees in lakhs)

Name of the Scheme	Year of sanction	Amount sanctioned	Amount released
1. Construction of Haveli Cottages at Ahmedpur Mandvi Beach	85-86	21.02	10.00
2. Construction of 25 cottages at Nargol, Bulsar District.	85-86	30.17	5.00
3. Construction of a cafetaria at Beyt Dwarka	85-86	6.28	2.00
4. Construction of way-side amenities with accommodation at Limbidi	85-86	6.458	2.00
5. Construction of a cafetaria at Somnath	85-86	5.00	2.00
6. Forest Lodge at Anjal (Rann of Kutch)	84-85	19.05	12.00
7. Yatri Niwas at Dakor	85-86	41.22	5.00

The Government of Gujarat is implementing the above projects, in addition to their own schemes to develop tourist facilities to cater the requirements of domestic and foreign tourists. Government of India have given funds for construction of a Forest Lodge (vide item 6 above) at Anjal in Kutch which is being developed by Government of Gujarat as a Sanctuary for wild asses. New schemes submitted by the State Government will also be considered favourably according to their merits, and available funds.

Textile policy

2252. DR. V. VENKATESH : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the New Textile Policy has failed to boost up the production of cheap and usable cloth for the poorer sections of the society; and

(b) if so, whether Government propose to recast the textile policy ?

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

(b) Does not arise.

Occupancy of ITDC Hotels

2253. DR. V. VENKATESH : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that several Hotels/Motels under ITDC have been losing business since the beginning of this year (1986); and

(b) if so, the details of the occupancy in Ashoka, Samrat, Kanishka, Janpath Hotels in New Delhi and ITDC Hotels in Bangalore, Tamil Nadu, Kerala and Andhra Pradesh during the first six months of 1986 ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). In 17 out of 24 hotels operated by ITDC, the occupancy position has improved during the first six months of 1986 as compared to the same period during 1985. The details of occupancy during the first six months of 1986 in ITDC

Hotels in New Delhi, Bangalore, Tamil Nadu, Kerala and Andhra Pradesh is as under :

	Occupancy from Jan. to June 1986 (%)
I. New Delhi	
(a) Ashok	65
(b) Samrat	89
(c) Kanishka	72
(d) Janpath	83
II. Ashok Bangalore	
	52
III. Tamil Nadu	
Temple Bay Ashok Beach Resort, Mahabalipuram	56
IV. Kerala	
Kovalan Ashok Beach Resort, Kovalam	52
V. Andhra Pradesh	
No ITDC Hotel is located in Andhra Pradesh.	

NRI's Investment in Textile Industry

2254. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of Non-Resident Indians have invested in mills/companies using 'Man Made Fibre' in the production of cloth under NRI Portfolio Investment Scheme; and

(b) if so, the amount invested by NRIs in Reliance Textile Industries up to 31st March 1986 ?

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

Guidelines for issue of bonds by public sector undertakings

2255. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to issue fresh guidelines for issue of bonds by the public sector undertakings; and

(b) if so, the details thereof and in what respect these are different from the earlier guidelines ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government has issued a Press Release on 15th July 1986 announcing its decision to allow Government Corporate bodies to issue another series of Public Sector Bonds with a tax free return.

(b) The difference between the new series allowed to be issued as per Press Release of 15th July, 1986 and the bonds allowed to be issued by Public Sector Undertakings in the Telecommunications and Power Sectors earlier is as follows :

New Series	Earlier Series for Telecommunication Power Sectors only
(i) Rate of interest upto a maximum of 10%.	Rate of interest upto a maximum of 14%.
(ii) Period of redemption will normally be upto 10 years.	Non-redeemable before a period of 7 years but not later than 10 years.
(iii) Income from these bonds shall be completely free from Income Tax.	Income from these bonds will be entitled to exemption under Section 80L of the Income Tax Act, 1961.

Aid to Nicaragua

2256. SHRI C. MADHAV REDDI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that India has donated 2,000 tonnes of wheat to Nicaragua; and

(b) if so, whether any other Government aid is also proposed to be given to Nicaragua ?

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

(b) A techno-economic team visited Nicaragua in April 1986 and based on the evaluation of its recommendations, areas of assistance will soon be finalised.

Import of Sugar

2257. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased to state :

(a) the foreign exchange value of sugar so far imported in the year 1986-86; and

(b) whether there is any possibility of cutting down import during the remaining part of the financial year in view of good prospects of sugar production in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) During the period 1st April, 1986 to 21st July, 1986, payments of about Rs. 70.59 crores have been released to foreign suppliers for import of sugar.

(b) Total imports in 1986-87 would depend upon production, consumption and

availability of sugar in the country. However, on account of encouraging trends in production, the need for import may not be on the same scale as in 1985-86.

Response to special deposit scheme

2258. SHRI C. MADHAV REDDI : Will the Minister of FINANCE be pleased to state :

(a) the public response to the special deposit scheme of Government; and

(b) the extent of the amount mobilised so far in 1985-86 and 1986-87 under this scheme ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) and (b). The Special Deposit Scheme is meant for investment by Employees' Provident Funds and other non-Government provident, superannuation and gratuity funds in terms of the investment pattern prescribed by the Government. The Scheme is thus not open to public in general. The estimated amount of mobilisation under the scheme in 1985-86 (Revised estimate) was Rs. 1450 crores while in 1986-87 (Budget estimate) it is Rs. 1500 crores.

Charter plane service for promotion of tourist traffic

2259. SHRI RANJIT SINGH
GAEKWAD :
SHRI K. S. RAO :

Will the Minister of TOURISM be pleased to state :

(a) the number of foreign tourists who visited different parts of the country during the first six months of the current year as compared to first six months of 1985;

(b) the amount of foreign exchange the country earned from tourists traffic in 1984-85 and in 1985-86; and

(c) whether the Union Government propose to introduce charter plane service, similar to the systems operational in other parts of the world, for promotion of tourists traffic ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The number of foreign tourists, excluding the nationals of Pakistan and Bangladesh, who visited India during the first six months of 1986 was 443,100 as compared to 386,489 tourists during the same period of the previous year.

(b) The latest provisional estimate of tourism earnings available from the Reserve Bank of India is for the year 1984-85 and the estimate is Rs. 1300 crores. The estimated earning during 1983-84 was Rs. 1225.0 crores.

(c) The Government has already liberalised its policy regarding charter flights with a view to attracting more tourists to the country. Airports at Bombay, Calcutta, Delhi, Madras, Trivandrum and Dabolin (Goa) are presently open for charter flights.

Proposal to shift existing currency mint in West Bengal

2260. SHRI RANJIT SINGH
GAEKWAD : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to shift the existing Currency Mint located in West Bengal border;

(b) whether Government consider it advisable to shift the said Mint from security point of view;

(c) if so, when and where the Mint is likely to be shifted; and

(d) if not, reasons thereof ?

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

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

[Translation]

Export of garments by Delhi based firms

2261. SHRI RAJ KUMAR RAI : Will the Minister of TEXTILES be pleased to state :

(a) the names of Delhi based firms exporting readymade garments to various countries and earning foreign exchange; and

(b) the facilities made available by Government to these firms ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) According to the information furnished by the Apparel Promotion Council there were 4061 Delhi based firms registered with the Council as on 30.4.1986, for export of readymade garments. Exporter wise exports are not maintained,

(b) A statement indicating facilities made available by Government to all exporters of readymade garments is given below.

Statement

The following facilities have been made available to exporters of garments :

- (i) Sophisticated garment manufacturing machines not manufactured indigenously are allowed to be imported on OGL. As many as 114 machines for garment manufacture have been placed under OGL, 97 of them enjoying concessional import duty.
- (ii) CCS rates have been rationalised with effect from 1.7.86. These rates have been extended upto 31.12.88 for cotton garments and upto 31.3.89 for other garments. Slow moving items under quota which were earlier not eligible for CCS have also now been made eligible. Higher rates of CCS have been announced for exports to non-quota countries and man-made fibre garments.
- (iii) Cotton garments have been brought under the Scheme of Contract Registration with a view to provide an element of certainty to exporters in the matter of CCS.

(iv) It has been decided to set up a Fashion Technology Institute in Delhi for education, research and training in the areas of fashion design for garment manufacture.

(v) The duty drawback rates for cotton garments have been increased.

(vi) The number of days of pre-shipment credit has been increased from 90 days to 180 days,

(vii) Import entitlements and REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-86.

(viii) Many items of raw material/fabrics are permitted to be imported under the Advance Licensing Scheme under Appendix 19 and duty free REP Scheme under Appendix 21 of the Import-Export Policy, 1985-88.

(ix) The Import-Export Pass Book Scheme for manufacturer-exporters has also been introduced.

(x) Additional assistance is given for new products and new markets.

(xi) Under 100 per cent Export Oriented Units and Free Trade Zones Schemes, facilities for liberal import of capital goods and raw materials along with many other concessions are given.

(xii) Government has been giving liberal assistance for sponsoring and funding promotional activities such as market studies, Buyer-Seller-Meets, participation in international fairs and exhibitions, etc.

Implementation of agriculture marketing scheme of World Bank in Eastern Uttar Pradesh

2262. SHRI RAJ KUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) whether he has received a representation for the implementation of World Bank's scheme of agriculture marketing involving five hundred crore rupees for Uttar Pradesh;

(b) if so, the money out of the said amount provided for Eastern Uttar Pradesh; and

(c) if not reasons thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) No project proposal for World Bank financing for developing agricultural markets has been received from the Govt. of Uttar Pradesh by this Ministry. However, a letter from the Hon'ble Member has been received.

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

[English]

Quarterly budgeting system for plan projects

2263. SHRI K. V. SHANKARA GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether Government had decided to introduce a system of quarterly budgeting for certain Union Government plan projects and schemes;

(b) if so, the extent this decision will ensure that the Union Ministries and Departments spend money on plan schemes according to schedule which should be checked on a quarterly basis;

(c) whether a three-member Cabinet Committee has been formed to take a decision on diverting the unutilised funds;

(d) if so, details thereof; and

(e) whether this system of quarterly budgeting will help the plan projects and schemes ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) and (b). Yes, Sir. It will apply to all departmentally executed schemes costing more than Rs. 50 crores and scheme implemented through public enterprises and State and Union

Territory Governments where the budget provision is more than Rs. 100 crores.

(c) and (d). Yes, Sir. The Cabinet Committee will be headed by the Finance Minister and include Minister for Programme Implementation and Deputy Chairman, Planning Commission.

(e) Yes, Sir.

Scheme for Development of International Tourism

2264. SHRI K. V. SHANKARA GOWDA : Will the Minister of TOURISM be pleased to state :

(a) whether the Department of Tourism is launching a new scheme called assistance for development of international tourism;

(b) if so, the main features of the scheme and to what extent the scheme will boost tourism; and

(c) when the scheme is likely to be implemented ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c). Yes, Sir. The scheme of Assistance for Development of International Tourism is being launched from the current financial year. Under this programme, assistance would be available for schemes/projects with special reference to the following activities :

1. Research/study of tourist markets abroad.
2. Publicity, advertising and other means of promoting tourism to India from foreign countries.
3. Cost of publicity material including printed material and films.
4. Participation in tourism exhibitions, fairs, festivals and similar activities in foreign countries.
5. Promotional delegations.
6. Organising travel to India by travel agents, tour operators, media people or TV films including fam tours.

7. Public relations/promotional activity relating to tourism to India.
8. Setting up of show rooms/display centres (not overseas offices).
9. Assistance to Air charter operators.
10. Organisation of seminars/workshops in India and abroad to project tourism to India.
11. Survey/assessment of tourist facilities in India relating to foreign tourist arrivals.

The assistance would be available only to approved hotels/restaurants, approved travel agents/tour operators, IATA Airlines and domestic airlines and other approved/recognised entities and would be in the form of reimbursement in Indian currency. The programme, when fully in operation, will appreciably increase tourism to India.

Centrally administered Sales Tax and Octroi Duty

2265. SHRI K. V. SHANKARA GOWDA : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have decided to initiate a dialogue with the State Governments to explore the possibility of Centrally administered sales tax and octroi collection;

(b) if so, whether he had met the Chief Ministers of the various States and had discussions on the subject with them; and

(c) if so, how many Chief Ministers were consulted and what are their views and by what time the final decision is likely to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). There has been a demand from certain sections for the abolition of Sales-tax and its replacement by additional Excise Duty. As Sales-tax is a State subject of taxation, the matter was considered in a Conference of Chief Ministers held in 1980 and again in February, 1981.

In terms of the resolution adopted in the Conference of Chief Ministers held in February, 1981, an Expert Committee was set up to study the financial implications of the extension of the scheme of additional excise duty in lieu of Sales tax on Vanaspati, drugs and medicines, cement, paper and paper board and petroleum products and the manner in which the financial interests of the States could be safeguarded. The Expert Committee under the Chairmanship of Shri Kamalapati Tripathi, submitted its report on 29.1.1983 which was considered in a Conference of Chief Ministers held on 2-11-1983. A large number of Chief Ministers indicated their acceptance of the the scheme suggested by the Tripathi Committee. Some of the chief Ministers, however, indicated that they were not in a position to accept the scheme recommended by the Tripathi Committee. As Sales-tax is mainly a State subject of taxation, any reform in the Sales-tax system can be undertaken only in consultation with and with the cooperation of the States.

In regard to Octroi Duty, no dialogue has been initiated with the State Governments for Centrally administered Octroi collection.

Inter-Ministerial Committee for watching tariff and import policy

2266. SHRI P. M. SAYEED : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that an inter-Ministerial Committee has been constituted to keep a watch on important issues relating to harmonisation of the tariff and the import policy; and

(b) if so, the details of the objects for which the Committee has been constituted ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Yes, Sir, An inter-Ministerial Committee has been constituted by the Government for regular interaction among concerned Ministries on issues relating to harmonisation of import licensing with tariffs,

(b) The Committee has been constituted :

- (i) to evolve a mechanism for harmonising the structure of tariffs and import licensing policy; and
- (ii) to lay down principles for moving over, to the extent possible, from a regime of quantitative restrictions on imports towards a system of controls based on tariffs,

Tax raids on bussiness houses

2267. SHRI P. M. SAYEED : Will the Minister of FINANCE be pleased to refer to the reply given to part (b) of Starred Question No. 573 on 4 April, 1986 regarding protests against tax raids on business houses and state the final decision taken and punishments awarded in each case ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Information to the extent possible is being collected and will be laid on the Table of the House.

Facilities at tourist spots in Bangalore increase to tourist traffic

2268. SHRI G. S. BASAVARAJU
SHRI H. N. NANJE GOWDA

Will the Minister of TOURISM be pleased to state :

(a) whether the Union Government are planning to put Bangalore on the international tourist map in a big way;

(b) if so, by when a decision in this regard is likely to be taken; and

(c) the amenities Government propose to provide at Bangalore to increase the tourists visiting South ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). Bangalore is already prominently shown on the "Right Place" Map of India produced by the Department of Tourism;

(c) Several projects have been sanctioned by the Central Government for the development of tourism in Karnataka including Bangalore. Specifically during the 7th Plan a provision of Rs. 1.23 lakhs has been made for the purchase of boats and a windsurfer the Ulsoor Lake in Bangalore. The Yatri Avas Vikas Samiti have indentified Bangalore for the construction of a Yatrika. India Torism Development Corporation (ITDC) have a hotel (Ashok Bangalore) and a Transport Unit in the city. The feasibility of setting up of convention facilities at Bangalore is being examined.

Permission to Government undertak- ing to raise bonds in the public market

2269. SHRI I. RAMA RAI :
SHRI R. M. BHOYE :

Will the Minister of FINANCE be pleased to state :

(a) the name of the Government Undertakings which are permitted to raise bonds in the public market;

(b) the amount so collected, Unit-wise with details thereof;

(c) whether Government are considering to exempt investment on bonds in public sector units from provisions of Income Tax Act and Capital Goods; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The name of the Government undertakings which are permitted to raise bonds from the public are as under :

1. M/s. Indian Telephone Industries Ltd.
2. M/s. National Thermal Power Corporation Ltd.
3. M/s. Rural Electrification Corporation Ltd.
4. M/s. Neyveli Lignite Corporatino Ltd.

5. M/s. National Hydroelectric Power Corporation Ltd.

(b) The amount raised on the basis of information available is as follows :

1. M/s. Indian Telephone Industries Ltd. Rs. 116.45 crores
2. M/s. Indian Thermal Power Corpn. Ltd. Rs. 163.37 crores
3. M/s. Rural Electrification Corpn. Ltd. Rs. 73.87 crores

In the case of Neyveli Lignite Corporation Ltd. the subscription is still open and in the case of National Hydroelectric Power Corporation Ltd. the issue is yet to open.

(c) A copy of the Press Release issued by Government on 15th July, 1986 is laid on the table of the House.

[Placed in Library No LT-2879/86]

Policy to unearth black money

2270. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have formulated a new policy to unearth black money in the country; and

(b) if so, the details thereof and progress made so far to unearth black money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). "Combating black money is a continuous process. As a result of fiscal policies of the Government, revenue collections have gone up. The liberalisation of Summary Assessment Scheme, reduction in the rates of direct taxes and the Amnesty Scheme in operation till 30.9.1986, is however, only one limb of the policy. The other limb is intensive scrutiny and searches and seizures in the remaining cases so as to leave no doubts in the minds of tax-payers that they cannot get away with anything they declare in their returns of income. Enforcement machinery is being strengthened and the number of searches have substantially increased."

Purchase of Jute from West Bengal

2271. SHRIMATI GEETA MUKHERJEE : Will the Minister of TEXTILES be pleased to state :

(a) arrangements made by the Union Government purchasing raw jute West Bengal during the ensuing jute season;

(b) the total quantity of raw jute crop expected in West Bengal in the ensuing season; and

(c) the quantity of the said crop in the last season and how much was actually bought by the Jute Corporation of India ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Jute Corporation of India and Cooperatives will operate through 152 purchase centres and 43 sub-centres.

(b) Final estimates of raw jute production in West Bengal during the current jute seasons 1986-87 are not yet available. However, as per tentative estimates made by Jute Corporation of India, jute crop in West Bengal is presently assessed at about 42 lakh bales.

(c) Jute Crop in West Bengal during the previous season 1985-86 is estimated at 65.00 lakh bales and Jute Corporation of India alongwith Cooperatives, purchased about 17.16 lakh bales.

Loan for modernisation of textile industry

2272. SHRIMATI GEETA MUKHERJEE : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have decided to extend loan on easier terms for modernisation of the textile industry;

(b) if so, how much loan has already been disbursed for the said purpose and on what terms; and

(c) whether Government are contemplating to extend loan to the jute industry also on similar terms for the same purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Government has created a Textile Modernisation Fund of Rs. 750 crores to be operated by Industrial Development Bank of India (IDBI) to meet the modernisation requirements of the industry. Under this scheme, a special loan will be granted to weak but viable textile units towards a part of their promoters' contribution. IDBI has initiated action on modalities of disbursement of this Fund.

(c) There is already soft loan scheme available.

Evaluation of new textile policy

2273. **SHRIMATI GEETA MUKHERJEE :**
SHRI SODE RAMAIAH :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have evaluated the new textile policy enunciated last year;

(b) if so, the results thereof particularly in respect of production of cloth of all varieties and prices; and

(c) how far it has improved the sickness of mills ?

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

(b) After announcement of the textile policy in June, 1985 the overall production of cloth increased from 12,014 million metres in 1984-85 to 12,498 million metres in 1985-86. There was increase in the prices of cotton (mill) cloth and handloom (cotton) by 2.3 per cent and 1.4 per cent respectively between May, 1985 and May, 1986. These were, however, below the level that had taken place prior to announcement of new textile policy, which

were 5.1 per cent and 3.1 per cent respectively. The prices of blended cloth dropped by 10 per cent during this period.

(c) In order to tackle the sickness in the Textile industry, Government have designated a Nodal Agency to evolve and mango rehabilitation packages in respect of potentially viable textile mills. The nodal agency has so far examined 56 mills in the States of Gujarat, Rajasthan, M. P., Orissa and Maharashtra. A Rehabilitation Fund has also been created to give relief to the workers rendered unemployed on account of permanent closure of unviable textile units.

Tax holiday for free trade zones

2274. **SHRIMATI GEETA MUKHERJEE :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the five year tax holiday currently being enjoyed by units in the free trade zones. (ETZs) is proposed to be extended for another three years; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. However the present tax holiday of five consecutive years has been permitted to be chosen out of the initial eight assessment years commencing from the assessment year relating to the previous year in which such concerns commence manufacture of production.

(b) Does not arise.

[Translation]

Proposal to cover all manufactured commodities under MODVAT scheme

2275. **DR. CHANDRA SHEKHAR TRIPATHI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to cover all the manufactured Commodities under the MODVAT scheme;

(b) if so, the time by which it is likely to be so extended and whether consultations have been held with State Governments in this regard; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Extension of MODVAT to the remaining commodities and the time-frame would depend on the experience of the working of the MODVAT scheme and other relevant considerations. Trade associations have also been asked to give detailed information regarding commodities for which they would like MODVAT to be extended. Since MODVAT relates only to the credit of duties levied by the Central Government, consultations with the State Governments are not considered necessary.

Export target for 1986-87

2776. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is fact that target of exports for the year 1986-87 has not yet been laid down;

(b) if so, the reasons therefore; and

(c) if not, the details of the export target ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) No, Sir.

(b) Does not arise.

(c) The export target for the current financial year 1986-87 has been fixed at Rs, 12,203 crores.

[English]

Exoneration of large industrial house netted under FERA

2277. SHRI KRISHNA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether some of the large Industrial Houses earlier netted under FERA and other such provisions by Revenue Intelligence authorities have been lately exonerated by the courts;

(b) if so, the details of cases in which such parties have been exonerated during the past four months;

(c) whether this exoneration is attributable to certain flaws or weak links in the law or rules/regulations etc., and

(d) if so, the details thereof ?

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

(b) In a recent case, the Chief Judicial Magistrate, Pune, has acquitted M/s. Kirloskar Oil Engines Ltd. and its directors, by his order dt 14.5.86, of the charge framed for raising the non-resident interest more than 49 per cent in a German Company i e. F. H. Schule, owned by M/s. Kirloskar Oil Engines Ltd., in violation of Sec. 26(3) of the F. E. R. Act, 1973. Appeal against the above judgement has been filed by the Government.

(c) No, Sir.

(d) In view of part (c) above, the question does not arise.

U. S. aid for India

2278. SHRI KRISHNA SINGH :
SHRI GURUDAS KAMAT :

Will the Minister of FINANCE be pleased to state :

(a) whether US aid worth Rs. 55 crores (\$ 44.65 million) has been agreed upon under 4 agreements signed in May this year; and

(b) if so, the details of the agreements and the projects and schemes to be financed therewith ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The details of the agreements are as under :

- (i) Hill Areas Land and Water Development Project—for improvement of irrigation system in Himachal Pradesh—loan of Rs. 29.6 crores (equivalent to \$ 24 million).
- (ii) National Social Forestry Project—to raise income and employment among the rural poor by planting small trees on marginal land for timber, fuelwood and fodder in Uttar Pradesh, Rajasthan, Gujarat and Himachal Pradesh—loan of Rs. 18.4 crores and grant of Rs. 1 crore (equivalent to \$ 15.7 million).
- (iii) Agriculture Research Project—to upgrade scientific and Technological research and development on high priority agricultural problems—grant of Rs. 3.7 crores (equivalent to \$ 3 million).
- (iv) Programme for the Advancement of Commercial Technology—to accelerate the pace and quality of technological innovation in India by promoting and funding Indo-US research and development of joint ventures through India's private sector—of Rs. 24 crores (equivalent to \$ 1.95 million). These are on-going projects and the assistance now provided is in addition to the amounts earlier agreed to by US AID.

The US loans are repayable over a period of 40 years including a grace period of 10 years and carry interest at the rate of 2 per cent for the first 10 years and 3 per cent thereafter.

Extension of moratorium on nuclear tests by USSR

2279. SHRI KRISHNA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Soviet Union has extended in May, 1986 its unilateral moratorium on nuclear tests;

(b) if so, what was the response of the USA and other nuclear powers thereto; and

(c) the Government's assessment about the possibilities of an agreement being reached amongst different nuclear powers to stop further nuclear tests and a ban on production of such weapons ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes Sir. In May, 1986, the Soviet Union extended its unilateral moratorium on nuclear testing upto August 6.

(b) So far, no other nuclear weapon State has joined in the moratorium.

(c) The Government of India hope that the nuclear weapon States would soon be able to reach an agreement to stop further nuclear tests and ban the production of nuclear weapons.

Export of Tea by TTCI

2280. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of COMMERCE be pleased to state :

(a) the reason why Tea Trading Corporation of India (TTCI) is not getting any business from the State Trading Corporation during the last few years;

(b) the year-wise details of export of TTCI for the last three years; and

(c) whether Government are encouraging private sector in the matter of export of tea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). The State Trading Corporation of India makes use of its marketing strength, expertise and foreign offices to obtain export orders for various products, including tea, which it executes with the help of associates. With the con-

version of TTCI into a subsidiary of STC, tea operations of both the companies are in the process of being rationalised.

Exports of tea by TTCI during the past three years have been as under :

	(Rs. in Crores)
1983-84	25.19
1984-85	26.04
1985-86 (Provisional)	27.08 (including exports through associates)

The major part of the tea trade is in the private sector.

Handloom unit at Howrah

2281. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that a Government institution "TANTUJA" is now a prime unit of handloom in West Bengal having wide ranging activities in Howrah, Nadia and Hooghly districts; and

(b) whether Government propose to start a handloom unit at Howrah, West Bengal to utilise the capacity of skilled weavers there ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. However, Tantuja is the apex Handloom Cooperative Society of West Bengal.

(b) No, Sir. The State Government does not have any proposal to start a handloom unit at Howrah. However, there are already 18 Primary Handloom Cooperative Societies in Howrah district.

Allotment of funds for modernisation of Textile Industry through IOBI

2282. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Textile Industry modernisation programme envisaged Rs. 750 crores fund through Industrial Development Bank of India;

(b) if so, how will it be monitored;

(c) how much amount will be spent for West Bengal units, Central Cotton Mill, Howrah in particular; and

(d) whether this will include import of machinery from abroad ?

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

(b) and (c). The Textile Modernisation Fund Scheme will be operative with effect from 1st August, 1986 for a period of 2 years to be reviewed thereafter. The Industrial Development Bank of India have initiated action on modalities for disbursement of this fund and its monitoring mechanism. The case of West Bengal Textile Units including Central Cotton Mill, Howrah, will be considered under the terms and conditions of this Scheme as and when their applications are submitted.

(d) Import of textile machinery in respect of cotton textile industry would be limited to the extent of those types of machines, which are not available indigenously.

Relief to Indian exporters to Gulf countries

2283. SHRI G. M. BANATWALLA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering any scheme to provide relief to Indian project exporters to the Gulf countries especially in view of slackening of construction work there, as also difficulties arising from delay in securing payments from some of these Gulf countries; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). With a view to providing support to project exports to Gulf countries and other destinations, it has been decided to :

- (i) grant project assistance to the tune of 10 per cent of the net foreign exchange earnings from the service portion of the contracts in respect of industrial turnkey and civil construction projects as well as for export of consultancy services; and
- (ii) grant Market Development Assistance for reimbursement of cost of bids for turnkey/construction projects and consultancy services on a graduated scale. Generally, no payment difficulties vis-a-vis the Gulf countries have been reported. In the case of Iraq an arrangement for payment through crude oil supplies has been worked out.

Procurement of rubber by STC from domestic sources

2284. SHRI G. M. BANATWALLA : Will the Minister of COMMERCE be pleased to state :

(a) whether any decision has been taken to authorise the State Trading Corporation to procure rubber from the domestic market;

(b) if so, when is it proposed to start the operation;

(c) details of target, norms and policies that would govern the operation especially to help arrest the declining prices of rubber in domestic market; and

(d) whether it is a fact that there is no effective machinery modality for price support in the event in the event of market decline and if so, steps being taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) and (c). The objective is to stabilize the prices of domestic natural rubber around Rs. 16500/Tonne for RMA-4 grade. STC will intervene in the domestic market when the prices for RMA-4 rubber touch the floor level of Rs. 16200/Tonne.

(d) Does not arise.

Legislation for non-payment of deposits with companies

2285. SHRI H. M. PATEL : Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 281 on 9 August, 1985 regarding legislation for non-payment of deposits with companies and state :

(a) whether the legislation to make non-payment of deposits with companies after a notice period of two months to the company in writing as a punishable offence under the Indian Penal Code is being proposed during the current Session of Parliament; and

(b) if not, the reasons therefor ?

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

(b) The Law Commission has not proceeded with the further consideration of its working paper in view of certain proposals for amendment of the Companies Act, 1956 under consideration of the Government.

Piracy of rubber and palm oil

2286. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) the action taken by Government with regard to the reported piracy of goods like dry rubber and palm oil meant for India which is said to have ended up in China;

(b) the value of goods thus pirated; and

(c) the details of the persons/nations involved in the piracy ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT): (a) and (b). STC entered into a contract with the Malaysian Rubber Development Corporation for import of 2500 metric tonnes of natural rubber for a value of Rs. 221.81 lakhs. The vessel carrying the cargo left Port Kelange (Malaysia) in July, 1985 but was later reported to have disappeared. STC lodged their claim for total loss with the Insurers and the Shipper. A part payment has been received by STC and the recovery of balance amount of claim is being vigorously pursued.

A Panamanian ship named 'Tropical Queen' carrying Malaysian consignment of palm fatty acid distillate for supply to STC also disappeared in July, 1985. Since STC had not made any payment to the suppliers in this case, they did not incur any loss due to disappearance of the vessel.

(c) It has not been established as to who were the persons/nations involved in the disappearance of these vessels.

Pak's move to set up facilities for producing/upgrading Chinese F-7 Interceptor aircraft

2287. SHRI MULLAPPALLY RAMA-CHANDRAN: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether Government are aware of the Pakistan's move to set up facilities for producing and upgrading the Chinese F-7 interceptor aircraft using American weapons and avionics technology; and

(b) whether Government have lodged a protest with Pakistan Government against the intended Chinese—American defence production collaboration on Pakistani soil?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN): (a) Government have seen some media reports in this regard.

(b) No, Sir. However, Government continue to maintain a constant vigil on all

developments having a bearing on the country's security.

Profits/loss of ITDC Hotel at Kovalam

2288. SHRI MULLAPPALLY RAMA-CHANDRAN: Will the Minister of TOURISM be pleased to state:

(a) the number of ITDC Hotels in India;

(b) how many of them are South India and where are they located; and

(c) whether the ITDC Hotel at Kovalam, Trivandram is running at a profit and the details of its profit and loss for the last three years?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED): (a) and (b). Out of 23 hotels presently run by ITDC in India the following six are located in South India:

Bangalore, Mysore, Hassan, Manallapuram, Madurai, and Kovalam.

(c) The Kovalam Ashok Beach Resort of ITDC has been running at a profit. During the last three years the profits earned are indicated below:

Year	Net profit (Rs. in lakhs)
1983-84	1.35
1984-85	3.62
1985-86 (Prov)	3.50

Production of synthetic bags

2289. SHRI ANIL BASU: Will the Minister of TEXTILES be pleased to state:

(a) whether Government have issued any directions to the State of West Bengal to reduce jute production;

(b) if so, the details thereof;

(c) whether it is a fact that huge quantity of synthetic granules is being imported for production of synthetic bags;

(d) if so, the quantity imported upto June, 1986 with the names of the importing agencies; and

(e) whether it is also a fact that different Government Undertakings have been asked to use synthetic bags instead of gunny bags and if so, the details thereof ?

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

(c) and (d). The import details of 'Synthetic Granules' are not available as this item is not separately classified in the Indian Trade Classification, Revision-2 on the basis of which Foreign Trade Statistics are maintained and compiled.

(e) No, Sir. On the other hand the Government has been persuading user Departments to encourage use of more jute bags instead of synthetic bags.

Statement

In view of the difficult situation faced by the jute growers due to exceptionally high production of raw jute during 1985-86 seasons, it was inter alia decided to restrict the area under jute so as to achieve the Seventh Plan production target of 95 lakh bales in full, raising alternative crop like deep water paddy, improvement in quality of jute fibres, extension of adequate retting facilities and issue of identity cards to genuine jute cultivators. These decisions were communicated to major jute/mesta growing States including West Bengal.

Indo-G.D.R. trade ventures

2290. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether India is exploring with the German Democratic Republic (GDR) the possibilities of setting up joint ventures for exports to third world countries;

(b) if so, the main areas in which the India GDR ties have explored;

(c) whether the GDR has offered to set up industries in India under the 100 per cent export-oriented scheme or in Free Trade Zone; and

(d) if so, whether any such industry will be located in West Bengal.

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (d). While both India GDR are aware of the need to promote such joint ventures for exports, no concrete proposal has so far matured.

Decline in consumption and export of cotton

2291. SHRI AMAR SINH RATHAWA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the consumption of cotton in the country is declining year after year and there is also decline in export;

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

(c) Government's policy in regard to purchase of cotton from the growers to save them from being ruined ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The consumption of cotton in the country has been marginally increasing since 1981-82, while the exports have been fluctuating.

(b) The reasons for fluctuation in exports was that till last year, the production of cotton in the country was only marginally surplus to domestic requirements.

(c) Cotton Corporation of India purchases all raw cotton of fair average quality of support prices without any quantitative limit, whenever the prices of kapas tend to fall below the support prices announced by the Government, except in

Maharashtra where Maharashtra State Cooperative Cotton Growers' Marketing Federation purchased cotton in that State at their guaranteed prices under the Monopoly Procurement Scheme.

Delay in clearance of outstation cheques

2292. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is under delay in clearance of outstanding cheques;

(b) if so, the reason therefor; and

(c) steps proposed to be taken to improve the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). It is the endeavour of the banks to effect clearance of cheques as speedily as possible. However, sometimes delays do occur due to human failures and situations out of control of banking authorities, such as delays/misplacement in transit etc.

(c) Introduction of Magnetic Ink Character Recognition (MICR) technology and computerisation of Clearing Houses is being effected in a phased manner to quicken the process of clearing of cheques. To cut down delays in the collection of outstation cheques, banks have been advised to make use of courier service, determine internal work norms for clearance of outstation cheques and strengthen their despatch sections. Setting up of National Clearing House would also speed up inter city clearance of cheques.

Production and import of natural rubber

2293. SHRI K. MOHAN DAS : Will the Minister of COMMERCE be pleased to state :

(a) the annual amount spent on import of natural rubber;

(b) the annual allocation for the Rubber Board for increasing the production of rubber; and

(c) the details of programme for augmenting the production of rubber so as to eliminate its import ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) The expenditure incurred towards imports of natural rubber in the last three years has been as follows :

Year	Value of imported rubber (Rs. in lakhs)
1983-84	3566
1984-85	3529
1985-86	3713

(b) and (c). VII Plan allocation made for rubber is Rs. 53.43 crores out of which plan allocation for 1986-87 is Rs. 14.78 crores. Rubber Board has been implementing rubber plantation development scheme, distribution of high yielding plantation material and popularisation of scientific cultivation for augmenting the production of rubber.

Foreign exchange remittances from Non-resident Indians

2294. PROF. P. J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that remittances from non-resident Indians are on the decline;

(b) if so, the reasons thereof; and

(c) steps Government propose to take in this regard ?

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

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

Crisis in cardamom industry due to low prices

2295. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state

(a) whether Government have received representations that the cardamom industry is facing a crisis due to low prices;

(b) if so, whether Government have any programmed to assist cardamom growers; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (c). Prices of cardamom which were ruling high during 1982-83 to 1984-85, due to fall in production on account of droughts reached reasonable level when production increased beyond normal level in 1985-86. Growers represented when the fall in prices took place Government have been assisting cardamom growers through various developmental programmes of the Cardamom Board like replanting, extension advisory support, research and development etc, which aim at increasing productivity and reducing cost of production.

Payment of better prices to growers of cardamom

2296. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of cardamom exported during the last year and the foreign exchange earned therefrom;

(b) the average price available to the growers;

(c) how does it compare with the previous year; and

(d) the steps Government propose to take to ensure better price to the growers ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Export of small cardamom during 1985-86 was 3272 tonnes valued Rs. 53.46 crores.

(b) and (c). The average unit value realisation in auctions available to the growers in the past has been as given below :

1984-85	Rs. 202.79
1985-86	Rs. 142.45

(d) Government have been assisting cardamom growers through various developmental programmes of the cardamom Board like replanting, extension advisory support, reasearch and development etc., which aim at increasing productivity and reducing cost of production. This would ensure better returns to the growers.

Parallel banking system in Bombay

2297. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether a parallel banking system has been detected recently in Bombay for remittances of Indian workers in Dubai and Saudi Arabia;

(b) if so, the details thereof and since when it is operating;

(c) whether some arrests have been made in this regard and if so, the details thereof and the amount including cheques/drafts etc. seized;

(d) whether similar checks are being conducted in other parts of the country; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Directorate of Enforcement had searched certain residential and business premises in Bombay on 17.6.86 resulting in the seizure of Demand Draft for Rs. 29,500, Rs. 3,000 and highly incriminating documents revealing compensatory payments over Rs. 1 crores. In addition, 21 Demand Drafts amounting to Rs. 2,10,000, suspected to be involved in the compensatory payments, were also taken over. In this connection two persons were arrested on 18.6.86 and remanded to judicial custody upto 2.7.1986 by Chief Metropolitan Magistrate, Bombay.

(d) and (e). The Enforcement Directorate, which remains vigilant regarding 'Hawala' or Compensatory payment' racketeering have detected a number of cases of such unauthorised transactions in other parts of the country and have taken/are taking appropriate action

under the Foreign exchange Regulation Act and also for preventive detention under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act.

Passport applications pending in Cochin passport office

2298. SHRI VAKKOM PURU-SHOTHAMAN: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the number of passport applications pending in Cochin passport office as on 30th June, 1986; and

(b) the steps taken by Government to expedite the disposal of these applications ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Number of passport applications pending in the Regional Passport Office, Cochin as on 30.6 1986 was as follows :

Within three months	:	10565
Over three months	:	2060
Over six months	:	60

Total	:	12685

(b) Passport are generally issued within a week after receipt of clear Police reports from the State Police Headquarters and Dist. Police authorities. Delay in issue of passports is mainly due to non-receipt of police clearance reports. The Regional Passport Officer, Cochin has been instructed to remind the concerned police authorities in case the reports are pending for over three months. The Passport Officer has also been advised to keep close liaison with the State and District police authorities to expedite police clearance reports in respect of pending passport applications.

[Translation]

Setting up of head office of Allahabad Bank in Uttar Pradesh

2299. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to set up a head office of Allahabad Bank at some place in Uttar Pradesh;

(b) if so, where and by what time it is likely to be set up; and

(c) if not, the reasons therefor ?

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

(b) Does not arise

(c) The Head Office of Allahabad Bank has been functioning at Calcutta from 1923 onwards. Government are of the view that shifting of the Head Office to a place in Uttar Pradesh is not likely to result in any perceptible improvement in the functioning of the bank.

U. P. Government request for increased allocation of funds

2300. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Uttar Pradesh Government has asked for increased percentage of its share in allocation of funds to the State;

(b) if so, Government's reaction thereto; and

(c) the total amount of short term deposit of savings mobilised through various sources in Uttar Pradesh during 1985-86 and the percentage out of that amount allotted to Uttar Pradesh for carrying out developmental works ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE (SHRI B. K. GADHVI) : (a) The State Government wrote in November, 1984 to the Prime Minister requesting for a change in the distribution of Central assistance being provided under the Gadgil Formula.

(b) Decision on this has to be taken by the National Development Council and they

have not recommended any change in the existing formula of Central assistance to States, during the Seventh Plan period.

(c) A total amount of Rs. 471.69 crores was collected through small savings in Uttar Pradesh during 1985-86. 79.96 percent of this amount has been released to Uttar Pradesh during 1985-86.

Facility of helicopter service for viewing ranges of Himalayas

2301. SHRI HARISH RAWAT : Will the Minister of TOURISM be pleased to state :

(a) whether the Ministry has taken a decision to provide facility of helicopter service to those who are interested in having bird's eye view of mountain ranges of Himalaya; and

(b) if so, the details thereof and the time by which this scheme is likely to be introduced ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) No, Sir.

(b) Question does not arise.

Proposal to amalgamate small banks

2302. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether any proposal has been received from the U. P. Government for amalgamation of certain small banks into one bank; and

(b) if so, when this proposal was received and the steps proposed to be taken by Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Presumably the Honourable Member is referring to certain proposals made by the then Chief Minister of Uttar Pradesh in January, 1985 one of which was that a U. P. based bank

be set up by amalgamating the private sector banks operating in the State. The proposal was examined by the Government. Setting up of a bank by amalgamating the U. P. based private sector banks was not considered to be a viable proposition.

[English]

Illegal transfer of foreign exchange

2303. SHRI NARAYAN CHAUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to a report appearing in the weekly "New Age" dated 6th July, 1986 under the caption "Illegal outflow" according to which 10,000 million dollars have gone out of India in the last 10 years through illegal transfer; and

(b) if so, reaction of Government thereto and the steps taken by Government to combat illegal transfer of capital ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government is alive to the problem of foreign exchange racketeering. It is, however, not possible to ascertain the exact amount of capital which has gone out of India through illegal channels. The Enforcement Directorate (FERA) remains vigilant in this regard and takes appropriate action under the F. E. R. Act and also for preventive detention under the COFEPOSA, against such racketeers. The drive against such unauthorised transactions is a continuous process and the matter is kept under constant review for taking appropriate administrative/legislative measures with a view to curbing the same.

Credit camps in West Bengal

2304. SHRI NARAYAN CHAUBEY : Will the Minister of FINANCE be pleased to state :

(a) the number of credit camps held in West Bengal during 1985 and 1986 so far.

(b) the names of places where the credit camps were held; and

(c) whether the State Government, the local M. L. As. and MPs. are associated with credit camps ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The public sector banks organise credit camps in different parts of the country as a part of the overall measures taken to increase the flow of credit to the weaker sections. These camps are generally organised by the field functionaries of banks, depending on local initiative and response. Since no central monitoring of such credit camps is considered feasible or necessary by the Reserve Bank of India—the present data reporting system does not yield separate information in respect of the number of credit camps held by public sector banks, places at which held and amount of loans disbursed etc. in these camps. The bank staff, responsible for organising credit camps, also takes necessary cooperation from the local official of the State Government, and also generally inform the people's representatives/local dignitaries of the particular locality, including M. Ps. and M. L. As. about the credit camps.

Proposals for development of tourism in West Bengal

2305. SHRI AMAL DATTA : Will the Minister of TOURISM be pleased to state :

(a) whether any proposals received from Government of West Bengal for development of tourism in the State are pending with Government;

(b) is so, since when and details thereof; and

(c) the reasons for delay in sanctioning the proposals ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The following proposals received in the Department of Tourism, are under processing -

1. Provision of boats/equipments and construction of shelters for introduction of river rafting in Rangeet

and Teesta rivers at an estimated cost of Rs. 26 00 lakhs.

2. Floating accommodation in Sunder Bans at an estimated cost of Rs. 50.00 lakhs.
3. Yatrika at Gangasagar.
4. Yatri Niwas at FALTA at an estimated cost of Rs 49.59 lakhs.

(c) Proposals 1, 2 and 3 have been agreed on principle. The State Government has been requested for some details about 1 and 2. Land has been identified and taken possession of for the Yatrika at Gangasagar.

As regards the proposal 4, the sponsors have been requested to route it through the State Government with detailed particulars.

Proposals for promotion of tourism

2306. SHRI AMAL DATTA : Will the Minister of TOURISM be pleased to state :

(a) State-wise list of the proposals received during the last three years from the various State Governments for promoting tourism in their respective States setting out their highlights, estimated value;

(b) State-wise list and value of proposals cleared/sanctioned by Government during the last three years including Central Schemes; and

(c) the main features and estimated value of each proposal and the steps taken for implementation of each ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). The State/Union Territory-wise projects sanctioned by the Central Department of Tourism along with amount sanctioned and advance released during the last three years are given in the statement below.

(c) The projects sanctioned by the Central Department of Tourism are implemented by the concerned State/Union Territory Government. The Department

reviews the progress of the implementation State/Union Territory Governments have work from time to time and the last review been requested to expedite the implementation meeting was held on 16th July, 1986. The tion of the projects.

Statement

List of projects sanctioned during the last three years

(Rupees in lakhs)

Sl. No.	Name of the Project	Amount sanctioned	Amount released
1	2	3	4
Andhra Pradesh			
1	Provision of boats for Hussainsagar, Ramappa and Pakhal lakes	5.30	4.75
2	Way-side facilities with accommodation at Lepakshi	16.08	4.00
3	Construction of a cafeteria with accommodation at Nagarjunasagar	23.70	5.00
4	Additional Accommodation at Ramappa	20.81	5.00
5	Additional Accommodation at Pakhal	2.33	1.00
6	Construction of beach cottages (12) at Rishikonda	20.80	5.00
7	Celebration of Golconda Festival	0.50	0.50
Assam			
1	Boat for use at River Brahmaputra	13.00	6.50
2	Forest Lodge at Kaziranga	7.32	5.59
3	Forest Lodge at Manas	26.55	10.00
4	Transport Facilities for Manas and Kaziranga Wild Life Sanctuaries	6.08	5.48
Bihar			
1	Acquisition of land at Bodhgaya	28.56	8.35
2	Tourist Complex at Bodhgaya	20.00	3.00
3	Cafeteria at Rajgir	5.04	2.50
4	Cafeteria at Manar Sharif	3.43	3.00
5	Kala Chakra Festival at Bodhgaya	4.00	4.00
6	Celebration of Vaishali Mahotsav	0.38	0.38
7	Forest Lodge at Betla	46.76	27.00

1	2	3	4
8	Toilets and Drinking water facilities at Bodhgaya, Nalanda, Rajgir (Implemented through Archaeological Survey of India)	4.50	3.00
Gujarat			
1	Kuba Huts at Wild Ass Sanctuary	19.05	12.00
2	Yatri Niwas at Dakor	41.22	5.00
3	Construction of Haveli Cottages at Ahmedpur Mandvi Beach	21.02	10.00
4	Cafeteria at Beyt Dwarka	6.28	2.00
5	Way-side Amenities at Limbidi	6.46	2.00
6	Cafeteria at Somnath	5.00	2.00
7	25 Beach Cottages at Nargol, Bulsar District	30.17	5.00
Haryana			
1	Yatri Niwas at Kurukshetra	31.65	10.00
Himachal Pradesh			
1	Trekkers' Huts at Sarahan	18.00	9.00
2	Construction of Sarai at Chamundadevi	8.26	3.00
Jammu & Kashmir			
1	Provision of facilities at Bagh-e-Bahu	47.93	35.25
2	Purchase of trekking equipments	4.10	2.55
3	Floodlighting at Hari Parbat	4.23	3.81
4	Provision of toilets and drinking water facilities at Martand, Avantipur and Pandrathan (Implemented through Archaeological Survey of India)	4.50	3.00
5	Institute of Skiing and Mountaineering, Gulmarg (Central Scheme)	175.30	20.00
Karnataka			
1	Provision of boats for Ulsoor lake	1.23	1.00
2	Way-side facilities at Thalkadu	1.37	1.00
3	Way-side facilities at Jogfalls	4.25	2.00
4	Restaurant and Toilet Facilities at Shringery	6.00	2.00
5	Way-side facilities with accommodation at Mulbagal	14.00	5.00

1	2	3	4
6	Construction of Hoysala Cultural Centre at Halebid (Implemented by Archaeological Survey of India)	33.00	5.00
7	Provision of toilets and drinking water facilities at Aihole, Badami, Pattadakal, Hampi and Bijapur (Implemented by Archaeological Survey of India)	7.50	5.00
8	Redoing of Illumination at Brindavan Gardens	40.00	40.00
9	Floodlighting of Srikanteswara Temple at Nanjangud (Implemented through Archaeological Survey of India)	1.86	1.50
Kerala			
1	Way-side facilities with accommodation at Alleppey	10.28	4.00
2	Way-side facilities with accommodation at Kottarakkara	10.28	4.00
3	Way-side facilities with accommodation at Cannanore	10.28	4.00
4	Way-side facilities with accommodation at Palghat	10.28	4.00
5	Way-side facilities with accommodation at Wynad	10.28	4.00
6	Provision of boats for Cochin, Kumarakom, Quilon and Thekkady	50.78	25.00
7	Celebration of fairs and festivals	2.56	2.56
8	Trekking Equipments for Kerala	3.24	2.92
Madhya Pradesh			
1	Boat for Bhopal lake	0.53	0.53
2	Sound and Light Show at Man Mandir, Gwalior	28.83	5.00
3	Tourist Village at Shivpuri	34.00	30.00
4	Mini Bus for Panna National Park	3.21	2.89
5	Forest Lodge at Bandhavgarh	21.04	19.50
6	Mini Buses for Kanha National Park/Bandhavgarh	2.49	2.43
7	Provision of toilets and drinking water facilities at Sanchi, Khajuraho (Implemented through the Archaeological Survey of India)	3.00	2.00
8	Bhopal lake watersports	7.71	3.00
9	Construction of Cafeteria at Sanchi	8.32	2.00
10	Way-side facilities at Keskul, Bastar District	4.90	2.00
11	Way-side facilities with accommodation at Deori Village	13.71	2.00

1	2	3	5
12	Tourist Complex at Jagdalpur	31.86	5.00
13	Construction of Chandela Cultural Heritage Centre at Khajuraho (Implemented through Archaeological Survey of India)	22.00	5.00
Maharashtra			
1	Floodlighting of Bibi-ko-Maqbara, Aurangabad	5.12	2.56
2	Nag Panchimi Festival	1.50	1.35
3	Development of Ajanta Foot Hills	13.20	10.35
4	Strengthening of Shet Bunder Jetty at Elephanta	10.50	8.00
5	Provision of toilets and drinking water facilities at Elephanta, Ajanta and Ellora (Implemented through Archaeological Survey of India)	4.50	3.00
Manipur			
1	Tourist Guest House for INA Memorial Complex at Moirang	14.98	7.50
Meghalaya			
1	Celebration of festivals in Meghalaya	0.50	0.50
2	Provision of watersports equipments at Umiam Lake	29.00	10.00
Nagaland			
1	Provision of mini bus for Itanki Wild Life Sanctuary	3.29	2.96
2	Way-side amenities at Wokha	5.23	3.00
3	Way-side amenities at Piphema	4.65	2.50
4	Cultural Centre at Kohima	16.59	4.00
Orissa			
1	Purchase of boats for Chilka lake	2.00	1.80
2	Masterplan for Chilka lake	8.25	2.00
3	Construction of Toilet Block near the Sun Temple at Konarak	3.49	2.61
4	Purchase of Podal boats for Nandan Kanan Zoological Park, Bhubaneswar.	1.50	1.35
5	Chilka Lake Boat Festival	2.14	2.14
6	Cruise Boat for Chilka lake	3.97	3.54
7	Forest Lodge at Simlipal	36.76	20.80

1	2	3	4
8	Lion Safari Park, Nandan Kanan	21.01	1.50
9	Yatri Niwas at Satpada	26.50	5.00
10	Transport facilities at Simlipal	4.04	3.64
11	Floodlighting at Khandagiri-Udaigiri	8.10	7.29
12	Provision of toilets and drinking water facilities at Bhubaneswar and Konarak (Implemented through Archaeological Survey of India)	3.00	2.00
Rajasthan			
1	Purchase of Boat for Ramgarh lake	2.09	1.67
2	Expansion of Moomal Tourist Bungalow, Jaisalmer	10.50	4.00
3	Midway facilities at Pokhran	9.74	5.00
4	Boat for Fateh Sagar lake	3.97	1.00
5	Pushkar Festival	3.99	3.99
6	Festivals in Rajasthan (Pushkar Festival/Mewar Tribal Festival)	9.00	8.80
7	Floodlighting at Mehrangarh Fort	5.80	5.24
8	Desert National Park at Jaisalmer	15.51	8.00
9	Purchase of Mini Bus for Bandhavgarh and Ranthambore	4.77	4.29
10	Forest Lodge at Ranthambore	16.52	5.00
11	Tourist Bungalow at Ranakpur	8.38	4.50
Sikkim			
1	Trekkers' Huts at Sikkim	15.86	7.00
2	Purchase of trekking equipments for Sikkim	3.88	3.49
Tamilnadu			
1	Construction of 8 beach cottages at Kanyakumari	13.36	10.00
2	Way-side amenities at Thirukallundram	3.92	1.96
3	Way-side amenities at Thiruthani	3.92	1.96
4	Tourist Reception Centre with accommodation at Rameswaram	18.45	7.00
5	Tourist Amenities at Chidambaram	7.86	4.00
7	Provision of 26 boats for Ooty lake	4.14	3.60
7	Provision of boating facilities for Pulicat lake	2.85	2.50

1	2	3	4
8	Pallavapura Tourist Complex at Kanchipuram	20.00	5.00
9	Restaurant Block at Courtallam	5.44	2.00
10	Restaurant Complex at Pichavaram	5.91	2.00
11	Development of watersports at Muttukadu	6.39	5.75
12	Landscaping at Mamallapuram	15.32	10.00
13	Floodlighting of Rock Fort at Trichy	5.05	4.54
14	Transport for Madumalai Wild Life Sanctuary	2.52	1.26
15	Yatri Niwas at Kanchipuram	35.00	5.00
16	Toilets and drinking water facilities at Mamallapuram (Implemented by Archaeological Survey of India)	1.50	1.00
17	Jalli Katu Festival	0.60	0.54
18	Provision of trekking equipments	4.19	4.19
Uttar Pradesh			
1	Purchase of trekking equipments for Uttar Pradesh	6.26	0.63
2	Boring of Tubewell at Fatehpur-Sikri	10.15	9.07
3	Acquisition of land at Sravasti	2.00	2.00
4	Acquisition of land at Fatehpur-Sikri	22.00	22.00
5	Construction of Tourist Complex at Fatehpur-Sikri	69.17	20.00
6	Development of Varanasi Ghats	64.50	43.00
7	Raslila Stage at Goverdhan Parikrma	1.15	1.00
8	Tourist Complex at Sravasti	63.00	20.00
9	Lucknow Mahotsav	2.00	1.99
10	Supply of Sails for Nainital Boat Club	0.53	0.53
11	Purchase of trekking equipments	4.65	4.18
12	Transport facilities for Corbett, Dudhwa and Chilha Wild Life Sanctuaries	5.14	4.63
13	Provision of toilets and drinking water facilities at Kushinagar, Sravasti, Fatehpur-Sikri and Sarnath (Implemented through Archaeological Survey of India)	6.00	4.00
14	Construction of Huts and Restaurant at Auli-Joshi- math (Central Scheme)	20.00	10.00
West Bengal			
1	Purchase of boats for Mirik lake and Rabinder Sarovar	1.71	1.54

1	2	3	4
2	Trekkers' Huts in Sandbakphu and Phoulat Region	7.87	4.00
3	Construction of Cottages at Ayodhya Hills	8.52	2.13
4	Floating Accommodation at Sunderbans	7.00	3.50
5	Floodlighting of Vishnupur Terracota Temple	3.42	3.40
6	Sound and Light Show at Rabindra Bharati University, Calcutta	15.50	3.00
7	Mini Bus at Jaldapara	2.32	0.26
8	Yatri Niwas at Darjeeling	47.39	10.00
Andaman and Nicobar			
1	Conducting of survey and investigation for construction of Jetty at Cinque Island	4.48	4.48
2	Yatri Niwas at Port Blair	45.78	15.00
Delhi			
1	Spring Festival	0.50	0.50
2	Yatri Niwas at Palam	45.00	5.00
3	Provision of toilets and drinking water facilities at Delhi monuments (Implemented by Archaeological Survey of India)	1.50	1.00
Goa, Daman and Diu			
1	Floodlighting of six monuments	6.50	6.50
2	Yatri Niwas at Goa	28.69	10.00
3	Provision of toilet and drinking water facilities at Goa (Implemented by Archeological Survey of India)	1.50	1.00
Lakshadweep			
1	Accommodation facilities at Kavaratti, Minicoy and 8 other Islands	37.38	5.00
Mizoram			
1	Way-side facilities at Thingdwal	6.63	2.00
Social Tourism Scheme			
1	Bhartiya Yatri Avas Vikas Samiti	...	40.00

[Translation]

Cash Compensatory Support

**2307. SHRI KALI PRASAD PANDEY :
SHRI SIMON TIGGA :**

Will the Minister of COMMERCE be pleased to state :

(a) whether in the light of the recommendations made by Abid Hussain Committee, Government propose to introduce a scheme to give cash compensation with a view to increasing export;

(b) if so, the details of the scheme and the rate of cash compensation fixed so far for various exportable items; and

(c) the estimated amount likely to be given under the scheme as cash compensation upto December, 1986 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). Effective from 1st July, 1986 a new Scheme of Cash Compensatory Support has been introduced which will remain in force for a period upto 31st March, 1989. This new CCS Scheme has been formulated taking into account the recommendations made by the Abid Hussain Committee on Trade Policies also. The salient features of the new CCS Scheme are :

- (i) In respect of industrial products, reimbursement of un-refunded indirect taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will also be taken into account.
- (ii) Compensation for product/market development will be given only in a highly selective manner on the basis of a phased out programme.
- (iii) For agricultural items, such as fruits and vegetables which are perishable in nature, a special element of compensation will be provided for the high cost of transportation within India.

(iv) For Handicrafts items, the value-added by labour will be one of the main factors to be considered for determining the CCS rates.

(v) The restriction regarding grant of CCS not being allowed to exceed 25 per cent of the value-added i.e., f.o.b. realisation less REP entitlement (Under the Import Policy for Registered Exporters) will continue.

(vi) The present policy for granting CCS on certain categories of supplies within India treating them as deemed experts will continue.

(vii) The rates of CCS in respect of Cotton Textile items will be valid upto 31st December, 1988;

The product groups covered under the new CCS Scheme are Engineering goods, Chemicals and Allied products, Plastic goods, Agricultural products and Processed Food items, Leather goods, Sports goods, Textiles and Handicrafts. Approximately 230 items have been granted CCS in the above mentioned product groups. Seven levels of CCS rates viz., 5 per cent, 8 per cent, 10 per cent, 12 per cent, 15 per cent, 18 per cent and 20 per cent have been prescribed for the various export items. Exception has been made in respect of two items where levels of 3 per cent and 22 per cent have been prescribed.

(c) As against a provision of Rs. 500 crores made in B.E. 1986-87, the estimated expenditure likely to be incurred under the CCS Scheme during April-December, 1986 is Rs. 450 crores.

[English]

RBI guidelines to relax conditions in working capital loans to industries

2308. SHRI JANAK RAJ GUPTA :
Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has issued guidelines to commercial banks to relax conditions in

working capital loans to industries in Punjab in the month of June, 1986;

(b) if so, whether Government propose to extent all those concessions/facilities to the industries in Jammu and Kashmir also; and

(c) if not, the reasons therefor ?

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

(b) and (c). No, Sir. The above guidelines of Reserve Bank of India are applicable to the borrowers in Punjab only, in view of the prevailing conditions in that State.

Import of stainless steel coins

2309. SHRI SHANTARAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to import stainless steel coins to meet the coin shortage;

(b) if so, the country from where these coins are going to be imported;

(c) denominations and quantity of the coins that are proposed to be imported; and

(d) details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government have recently taken a decision to introduce stainless steel coins in the denominations of 10 paise, 25 paise and 50 paise. As the production process and techniques in the Mints will have to be modified, it will take some time for the minting of stainless steel coins to commence in the existing Mints. Meanwhile, it is considered that in order to familiarise the public with stainless steel coins in new shapes and sizes, it may be necessary to import some quantity of stainless steel coins. No decision has yet been taken in the matter.

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

Construction of five star hotels

2310. SHRI HUSSAIN DALWAI : Will the Minister of TOURISM be pleased to state :

(a) the number of five star hotels run by India Tourism Development Corporation and their break-up, State-wise; and

(b) State-wise break-up of five star hotels proposed to be constructed by I.T.D.C. during Seventh Five Year Plan ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The information is given below :

- (i) Hotel Ashok, New Delhi : (Delhi)
- (ii) Hotel Samrat, New Delhi : (Delhi)
- (iii) Hotel Qutab, New Delhi : (Delhi)
- (iv) Hotel Ashok, Bangalore : (Karnataka)
- (v) Hotel Airport Ashok, Calcutta : (W. Bengal)
- (vi) Lalitha Mahal Palace Hotel, Mysore : (Karnataka)
- (vii) Kovalam Ashok Beach Resort : (Kerala)

(b) Presently, no 5-Star hotel is proposed to be constructed by ITDC in the VIIth Five Year Plan period.

Upkeep and maintenance of tourist centres in Kashmir

2311. SHRI HUSSAIN DALWAI : Will the Minister of TOURISM be pleased to state :

(a) the number of Tourist centres under direct supervision and management of India Tourism Development Corporation in the valley of Kashmir; and

(b) the total expenditure incurred by the Corporation for the upkeep and maintenance of these tourist centres in Kashmir ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b). Presently, ITDC is managing on behalf of

Department of Tourism, Government of India, a Sound and Light show at Shalimar Garden in Srinagar, besides operating its Hotel Jammu Ashok at Jammu. The total expenditure on their 'Upkeep and maintenance' during the last 3 years has been Rs. 8.01 lakhs.

Training women in smuggling business

2312. SHRI E. AYYAPU REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether a school is run in Bombay train women recruits to the smuggling business in the art of concealing gold;

(b) whether gold pellets were recovered from the stomach in the case of 5 passengers who landed at Calcutta; and

(c) whether unofficial estimate about the unauthorised gold inflow is of the order of 60 to 70 tonnes a year and whether during 1985, the figure exceeded 120 tonnes, resulting in loss of about Rs. 1600 crores to the country in foreign exchange ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government has no information the running of any school in Bombay where women recruits are trained in smuggling.

(b) The officers of Customs (Preventive) Collectorate, West Bengal, Calcutta, intercepted 5 Indian nationals at Calcutta airport on their arrival from Bangkok by flight No. TG-313, on 2.7.1986. One of them concealed gold inside his rectum whereas other 4 persons carried gold inside their stomach.

(c) No reasonable estimate of the quantum of gold smuggled into the country is feasible. Smuggling being a clandestine activity, does not, by its very nature, lend itself to any quantification.

Demands of coffee growers

2313. SHRI G. S. BASAVARAJU :
SHRI H. N. NANJE GOWDA :

Will the Minister of COMMERCE be pleased to state :

(a) whether it has come to the notice of the Union Government that coffee growers have staged an indefinite agitation from 29th March 1986;

(b) if so, the details of their demands; and

(c) reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) Yes, Sir.

(b) and (c). The major demands made by the coffee growers relate to revision of Minimum Release Price, waiver of export duty, more representation to growers in the Board, a growers Member should be the Chairman of the Coffee Board, payment of first instalment equal to minimum Release Price to growers.

Decision regarding revision of Minimum Release Price (MRP) is expected to be taken soon. While imposing export duty it is ensured that the growers remunerative return and exporters profit margin is kept intact and only half of the windfall gain beyond a base price so arrived is charged as export duty.

The composition of Board was reviewed as recently as in August, 1984 to provide more balanced representation. Chairman Coffee Board has to be a Government official with administrative experience who could take an overall view on an issue keeping in mind the various interests involved in coffee Industry.

First payment to growers equal to Minimum Release Price may not be in the interest of coffee growers because the Board will have to arrange for payment through over-drafts at a higher rate of interest which will reduce the payments to growers considerably.

Growth of sericulture in Karnataka

2314. SHRI SHRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken to promote the sericulture in the country; and

(b) if so, the specific steps taken for the growth of sericulture in Karnataka during last three years ?

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

(b) The Government of Karnataka is implementing the Karnataka Sericulture Development Project with World Bank Assistance at a total cost of Rs. 101.13 crores with the R and D component of the project being implemented by the Central Silk Board. With the implementation of the project, the production of mulberry silk has risen from a level of 2878 million tonnes in 1980-81 to 4300 million tonnes (provisional) in 1985-86.

Purchase of jute by JCI in Orissa

2315. **SHRI NITYANANDA MISRA :** Will the Minister of TEXTILES be pleased to state :

(a) the estimated produce of jute in Orissa; and

(b) whether Jute Corporation of India will move into the procurement operation in the State ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) As per tentative estimates made by Jute Corporation of India, jute crop in Orissa is presently assessed at about 2.50 lakh bales during the current jute seasons 1986-87.

(b) Yes, Sir. Jute Corporation of India will purchase whatever quantity of raw jute is offered to it by jute growers at the minimum statutory prices fixed by the Government.

U. S. assurance to Pakistan

2316. **SHRI SOMNATH RATH :**
SHRI NITYANANDA MISRA :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the attention of Government has been drawn to the news item appearing in Hindusthan Times' dated 14th July, 1986 that "U.S. assured Pakistan" in 1971 that if Pakistan was attacked, the U.S. army will fight for Pakistan;

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

(c) whether India has drawn the attention of the U.S. Government in this regard; and

(d) if so, reaction of U.S. Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes, Sir.

(b) Government have noted the contents of the press reports. Government are aware that under Section 620 E of the US Foreign Assistance Act, USA has reaffirmed its commitment made in its 1959 bilateral agreement with Pakistan relating to aggression from a Communist or Communist-dominated state.

(c) No Sir.

(d) Does not arise.

Procurement of jute by JCI

2317. **SHRI SOMNATH RATH :** Will the Minister of TEXTILES be pleased to state the targets set by Jute Corporation of India for procurement of jute in the ensuing season in different states, State-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : Jute Corporation of India will purchase whatever quantity of raw jute is offered to it by jute growers at the minimum statutory price fixed by the Government.

Service charge for clearing up country cheques and drafts in nationalised banks

2318. **SHRI DIGVIJAY SINH :** Will the Minister of FINANCE be pleased to state :

(a) the factors leading to the increase in service charge for clearing up-country cheques and drafts in nationalised banks from 6 np to 20 np for transaction;

(b) whether there is any proposal to meet the enhanced cost of clearing cheques from out of the increasing turnover and if not, the reasons thereof; and

(c) to what extent this enhanced service charge will give a momentum to the inflationary spiral?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The public sector banks have revised their service charges with the objective of covering to some extent the cost incurred by them in rendering these services to customers. The revised service charges are related to cost inputs of the banks in relation to specific services including the cost of clearing of up-country cheques/drafts.

The revised service charges are still in the process of stabilisation and their impact cannot be assessed at this stage.

Expenditure on administration and staff in nationalised banks

2319. SHRI DIGVIJAY SINH : Will the Minister of FINANCE be pleased to state :

(a) what percentage is utilised for administration and staff expenses out of the profit of nationalised banks;

(b) out of all such expenditure incurred what percentage is provided towards clients facilities such as service charges for clearing up country cheques, drafts and guarantee fees; and

(c) the percentage of this type of expenditure in proportion to administrative and staff expenditure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Reserve Bank of India has advised that administra-

tion and staff expenses are judged in relation to total expenditure instead of profit. Profit is computed after meeting all expenditure including administration and staff expenses. According to the available information the percentage of administrative and staff expenses to the total expenses for nationalised banks is worked out to be 22.5 per cent for the year 1985. RBI has further advised expenditure incurred for clearing of up-country cheques, drafts and guarantee fees is included in the administration and staff expenses and break-up of expenditure on clearing of up-country cheques, drafts and guarantee fees is not maintained by banks.

Inter-zone transfers in Punjab and Sind Bank

2320. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to refer to the reply given to Starred Question No. 666 on 11 April, 1986 regarding transfer of officers of Punjab and Sind Bank and state :

(a) whether Punjab and Sind Bank have laid down any guidelines for inter-zone transfers of their officers;

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Punjab and Sind Bank have advised that in accordance to their Officers' Service Regulations, 1982 every officers is liable for transfer to any office or branch of the Bank or to any place in India. In accordance with administrative convenience, Government guidelines, and in order to rotate the officers working in Eastern, Western and Southern parts of the country as also in Central States, the Bank has framed a transfer policy for officers.

Charging of interest by financial institutions on term loan from export-oriented units

2321. PROF. SAIFUDDIN SOZ : Will the Minister of FINANCE be pleased to state :

(a) whether all financial institutions are charging interest at the rate of 14 per cent

on term loan from 100 per cent Export-oriented units;

(b) if so, whether as a result thereof they are being deprived of a rebate of 1.5 per cent; and

(c) whether Government would lay on the Table an upto-date copy of the directions issued for financial institutions in regard to the interest charged on term loans from 100 per cent Export-oriented units situated in backward areas and other places in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Financial Institutions, namely IDBI, IFCI and ICICI extend a rebate of 1.5 per cent on the applicable interest rate to 100 per cent Export-oriented units during the first 5 years of their operation on the basis of their actual export performance each year. A similar rebate of 1.5 per cent is also extended under refinance scheme in respect of term-loans granted to Export-oriented units in the small and medium sectors. The rebate is not allowed on foreign currency loan.

The rates of interest charged by the Export-Import Bank of India from 100 per cent Export-oriented units are 9 per cent per annum for acquisition of plant and machinery from Indian suppliers and 12½ per cent per annum for acquisition of other assets.

Government have not issued any directions to financial institutions regarding the interest rates in this regard.

Review of working of 100 per cent export-oriented schemes

2322. PROF. SAIFUDDIN SOZ : Will the Minister of COMMERCE be pleased to state :

(a) whether the Indian Institute of Foreign Trade which was asked by Government to go into the working of 100 per cent Export-Oriented Scheme has submitted its report; and

(b) if not, by what time it is expected ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) and (b). The Indian Institute of Foreign Trade has submitted an interim report to the Government. The Institute has been requested to furnish its final report as early as possible.

[Translation]

Guidelines regarding advancing of loans against shares of companies

2323. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be please to state :

(a) whether it is a fact that Reserve Bank of India had issued guidelines to banks regarding advancing of loans against the shares of companies;

(b) if so, the number of banks which did not follow the guidelines issued by the Reserve Bank of India indicating the names of those banks and the number of the companies to which loans were advanced;

(c) whether the Government have so far taken any action against the banks concerned; and

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

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

(b) According to a recent quick scrutiny carried out by Reserve Bank of India, nine banks have advanced loans to sixty three companies against the security of shares/debentures of Reliance Industries Ltd. (RIL) in 1985. According to Reserve Bank of India, the banks have, prima-facie, not followed spirit of guidelines in this regard.

(c) and (d). A Committee has since been appointed by Reserve Bank of India to look into all the relevant aspects in the matter in detail. The Committee has been asked to submit its report within two months and necessary action will be taken thereafter.

[English]

Remunerative price to growers of cardamom in Sikkim

2324. SHRIMATI D. K. BHANDARI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that Sikkim produces the largest quantity of big cardamom but the farmers have to suffer a lot due to fluctuation of price; and

(b) if so, steps Government propose to take to ensure remunerative prices to the growers ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTTI) : (a) and (b). Sikkim is the biggest producer of large cardamom in the country. There were fluctuations in prices of large of cardamom till 1984-85. With a view to ensure remunerative return to growers and to stabilise prices Cardamom Board started conducting auctions in Gangtok from October, 1985. Thereafter, the prices of big cardamom remained more or less steady around Rs. 40 per Kg.

Export of wool and woollen products

2325. SHRIMATI D. K. BHANDARI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the export of wool and woollen products was Rs. 88.20 crores in 1984-85; and

(b) the names of States which exported these products ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. According to Wool and Woollen Export promotion Council, the exports of wool and woollen products during 1984-85 were of the order of Rs. 88.20 crores.

(b) These exports were made mainly from Punjab, Maharashtra, Gujarat, Uttar Pradesh and Jammu and Kashmir.

Pending proposals for development of tourist centres in Maharashtra

2326. SHRI D. B. PATIL : Will the Minister of TOURISM be pleased to state :

(a) the proposal which were sent by the State Government of Maharashtra for development of tourism centres in Maharashtra and are pending with Government;

(b) since when these proposals are pending; and

(c) the reasons thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The Central Department of Tourism has received two project proposals from the Government of Maharashtra for construction of Beach Cottages at Ganpatipule and Way-side Facilities at Khopoli during June, 1986.

(b) and (c). Since the detailed proposals have been received only in mid June, 1986, these are under examination.

Performance of handloom export production projects

2327. SHRI SYED SHAHABUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) whether Government had reviewed the performance of handloom export production projects;

(b) if so, the results of the review, and

(c) the steps taken to improve their performance project-wise ?

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

(b) The projects are being implemented by State Governments who are required to periodically monitor and evaluate them. In a recent review conducted by Central Government it was found that against the targets of 19,000 looms to be covered under the projects, a total of 22,797 looms have been

covered upto March, 1984. The projects were also able to export 17.2 per cent of their production.

(c) The performance of these projects is being reviewed from time to time and corrective steps taken by the State Governments where-ever necessary, to further improve the performance of these projects.

Loans advanced by Commercial Banks in Karnataka

2328. SHRI H. B. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the total amount advanced by the commercial banks in Karnataka during the years 1983-84, 1984-85 and 1985-86:

(b) the credit-deposit ratio of the bank in Karnataka during these three years, year-wise;

(c) whether ratio conforms to the all-India; and

(d) if not, the reasons therefore ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The advances of all scheduled commercial banks in Karnataka stood at Rs. 2505 crores, Rs. 3118 crores and Rs. 3310 crores as at the end of December 1983, December 1984 and June, 1985 respectively.

(b) Credit, deposit ratio (per cent) of scheduled commercial banks at all India level and in Karnataka during the first three years is set out below :—

Year	Karnataka	All-India
December 1983	80.1	67.1
December 1984	84.4	68.8
June 1985	86.6	68.6

(c) and (d). Credit deposit ratio of all scheduled commercial banks in Karnataka was higher than that of all-India during each of the last three years.

Indo-Bangladesh discussion

2329. SHRI SOMNATH RATH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that Indo-Bangladesh discussions was held recently; and

(b) if so, the nature of discussions held and the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : (a) Yes, Sir. The Bangladesh President Lt. Gen. Hussain Mohammad Ershad, accompanied by a high-level delegation visited India from July 14 to 16, 1986. Although he came primarily in his capacity as the current Chairman of SAARC, the occasion was utilised for extensive discussions between the two sides on a whole range of issues.

(b) In addition to matters concerning SAARC, bilateral issues including the sharing of Ganga waters, the early return to Bangladesh of Chakma refugees now in Tripura and measures to increase economic cooperation between the two countries were also discussed. The discussions were held in a cordial atmosphere in a spirit to resolve the problems and with a desire to further improve cooperation between the two countries.

Concessions to exporters of leather gloves

2330. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the exporters of leather gloves in the eastern region are in the grip of an acute financial crisis;

(b) if so, the reasons therefor;

(c) the steps taken by Government to remove the financial crisis in leather industry; and

(d) whether more concessions are proposed to be granted to the leather glove exporters ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) to (d). Cash Compensatory Support (CCS) on exports of industrial leather gloves, where at least 60 per cent outer and visible surface area is of leather, has been increased to 18 per cent for exports by air and 12 per cent for exports by other means, with effect from 1st July '86 against CCS of 10 per cent and Air Freight Subsidy of 7 per cent admissible 1.7.1986.

Landing of International Chartered Flights at Dabolin Airport

2331. SHRI SHANTARAM NAIK : Will the Minister of TOURISM be pleased to state :

(a) the number of International Chartered Flights landing at the Dabolin Airport in Goa, per month;

(b) whether a study of traffic with respect to these flights has been made, and

(c) if so, the details thereof ?

THE MINISTER OF TOURISM : (MUFTI MOHD. SYED) : (a) 24 Chartered flights from Germany landed at Dabolin Airport, Goa from 4th November, 1985 14th to April, 1986.

(b) Yer, Sir.

(c) A sample survey of the passengers of the Chartered Flights was made and the highlights of the findings are as follows :

1. The total number of tourists brought by the charters was 3568.

2. 72 per cent of tourists said they visited India for the first time and 25 per cent indicated they had travelled to India before on holiday.

3. 37 per cent visited India more than 5 years ago, 24 per cent between 3 and 5 years ago and 39 per cent re-visited India within three years.

4. *Source of influence* : 58 per cent indicated they have come to know of the Chartered Flights through Travel Agents, 22 per cent through Chartered Flights adver-

tisements, and 11 per cent through other peoples' recommendations.

5. *Awareness of other India Packages* : 70 per cent of the respondents indicated that they were aware of other packages to India at the time they booked for the Chartered Flights.

6. *Motivation* : 25 per cent of the respondents indicated that they chose to travel on the Charter package because of their interest in India as a destination, 18 per cent because of responsible price, 16 per cent because of their desire for a beach holiday, 12 per cent because of the direct flights, 9 per cent because the Charter package offered a combination of Goa (Beach holiday) and North India/Nepal and 8 per cent indicated that they chose to travel on the Charter package because all other holiday packages were fully booked.

7. 69 per cent of the respondents stated that they had not visited any cities in India other than Goa, 15 per cent had visited cities in South India, 4 per cent had visited cities in North India and 11 per cent a combination of either North, South, East or West India.

8. *Duration of Stay* : 20 per cent of the respondents indicated they stayed in India for one week, 40 per cent for 2 weeks, 26 per cent for three weeks 13 per cent for four weeks or more.

World Bank report on Indian Economy

2332. SHRI JAGANNATH PATTHNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank, in its latest report on the Indian Economy, has called for lowering the growth rate target for foodgrains production in the Seventh Five year Plan; and

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

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

The Report referred to by the Hon'ble Member is an internal document of the World Bank. The views and suggestions expressed in the report are those of the World Bank. The distribution of this report by the Bank is restricted and its contents cannot therefore be released.

Export of foodgrains and domestic need

2333. DR. K. G. ADIYODI : Will the Minister of COMMERCE be pleased to state :

(a) the outcome of the efforts made to explore markets for export of foodgrains to other countries;

(b) whether it is a fact that even when there is a large surplus of good stocks in the country, a large section of the population is struggling hard to get foodgrains at reasonable price; and

(c) if so, the steps being taken to provide food grains at reasonable price to masses and the approximate number of such people ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : (a) A total quantity of 3.37 lakh tonnes of wheat (including aid to African countries) was exported by the Food Corporation of India during the year 1985-86 on Government account. Contracts have been concluded for sale of wheat of 50,000 tonnes to Jordan, 1,10,000 tonnes to D. P. R. Korea and 30,000 tonnes to Nepal during the current financial year. As per provisional data compiled, export of Basmati rice during 1985-86 were of the order of 2.35 lakh tonnes valued at Rs. 173.23 crores and exports during April-May 1986 are estimated at 20,531 tonnes valued at Rs. 19.79 crores. Export of coarse grains during 1985-86 are estimated at 12,480 tonnes valued at Rs. 3.01 crores. These exports during April-May 1986 are estimated at 418 tonnes valued at Rs. 11 lakhs. It has also been decided to permit export of a limited quantity of non-basmati rice.

(b) and (c). The public distribution system functioning through a net-work of fair

price shops in the country aims primarily at supplying foodgrains to the consumers, particularly the vulnerable sections of the population, at reasonable prices.

Wheat and rice at specially subsidised prices are also being issued to the people living in the Integrated Tribal Development Project areas and tribal majority states in the country under the Scheme introduced in November, 1985. A population of about 57 million (as per 1981 census) is covered by this scheme. Foodgrains are also being supplied at concessional prices under the rural employment programmes and nutrition programme for young children, pregnant women and nursing mothers.

12.00 hrs.

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Mr. Speaker, Sir, I would like to make a submission about a point which is linked to the security of the country.

(Interruptions)

MR. SPEAKER : You can give me any motion. I can consider it.

SHRI PRIYA RANJAN DAS MUNSI : It is not merely that thing I would like to make a submission.

MR. SPEAKER : There are no submissions.

SHRI PRIYA RANJAN DAS MUNSI : In Australia, Ganga Basin Seminar has been held by the Ford Foundation people and the Gandhi Peace Foundation people to divulge the whole sectors of the country in the Ganga Basin.

MR. SPEAKER : You can give it to me. I can consider it on its merits.

SHRI PRIYA RANJAN DAS MUNSI : It is a vital and serious matter.

MR. SPEAKER : You can give it to me. Not like this,

PROF. MADHU DANDAVATE (Rajapur) : They have become allergic to the word 'Gandhi'.

(Interruptions)

MR. SPEAKER : It is all right. Don't argue on the Floor of the House. You cannot debate it here. No. I will have to look into it.

SHRI RAM PYARE PANIKA (Roberts-ganj) : I have given a calling attention.

MR. SPEAKER : What is your Point of Order ?

SHRI RAM PYARE PANIKA : I have given a Calling Attention Notice.

MR. SPEAKER : I will consider it.

[Translation]

SHRI RAM PYARE PANIKA : In many of the States in this country, the flood situation...*(Interruptions)*

MR. SPEAKER : It was discussed only day before yesterday.

(Interruptions)

SHRI RAM PYARE PANIKA : The situation has very much deteriorated.

MR. SPEAKER : I will look into it. I have other items with me, as well.

(Interruptions)

[English]

SHRI NARAYAN CHAUBEY (Midnapore) : Sir, there are reports that India and Bangladesh are involving Nepal about Ganga waters...

[Translation]

MR. SPEAKER : Why don't you come and talk to me...

(Interruptions)

SHRI NARAYAN CHAUBEY : We have given a Calling Attention Notice.

(Interruptions)

[English]

SHRI NARAYAN CHAUBEY : Are we going to Nepal for settling our bilateral issues ?

SHRI SAIFUDDIN CHOWDHARY (Katwa) : Sir, about involving Nepal in the matter of the flow of Ganga waters...

MR. SPEAKER : I have already written to them.

SHRI SAIFUDDIN CHOWDHARY : It is a reversal of our long-standing policy.

MR. SPEAKER : I have already written.

SHRI SAIFUDDIN CHOWDHARY : Are we to get the information from the Bangladesh newspapers ?

MR. SPEAKER : I have already written and when this information comes, then I will take it up.

SHRI SAIFUDDIN CHOWDHARY : Today it has come in the papers.

MR. SPEAKER : Let it come in the paper. Let the information come to me.

SHRI INDRAJIT GUPTA (Basirhat) : If the Government of India has changed its previous stand they should inform us.

MR. SPEAKER : Guptaji, I have already asked for the information.

SHRI INDRAJIT GUPTA : They should make a statement and inform us.

MR. SPEAKER : You are also doing like this. I have already asked for information.

SHRI INDRAJIT GUPTA : Every day paper reports are coming out.

MR. SPEAKER : Papers may come out with reports. But I have to get the information.

SHRI INDRAJIT GUPTA : Government was always against involving Nepal in this. Suddenly they have changed the stand.

SHRI SAIFUDDIN CHOWDHARY : It has dangerous consequences.

(Interruptions)

MR. SPEAKER : Mr. Chaubey, please sit down. It is very irrelevant on your part. I say that I have asked for information and when the information comes to me I will decide it. Why do you pursue with these things unnecessarily ? I have sent a reminder also. There is no problem.

(Interruptions)

MR. SPEAKER : I have already done it. It is unnecessary. It is just a hocus-pocus.

SHRI BRAJAMOHAN MOHANTY (Puri) : May I know whether the Rules of Procedure and Conduct of Business in Lok Sabha are operative during zero hour or not ? As a matter of fact, we had the bitter experience yesterday—some Members tearing out papers and throwing them. That has become a regular feature. I could understand their standing up and shouting and all that.

MR. SPEAKER : I don't think it is going to happen...

SHRI BRAJAMOHAN MOHANTY : I want to know whether it is within the practice or not.

PROF. MADHU DANDAVATE : You might come and see me in my Chamber... We will discuss it ..

SHRI BRAJAMOHAN MOHANTY : Over a cup of tea or coffee.

THE MINISTER OF HOME AFFAIRS: (S. BUTA SINGH) : I object to his giving a ruling. You should always give a ruling in the House.

MR. SPEAKER : For once I allow him to do this.

—Now Papers to be Laid.

12.03 hrs.

PAPERS LAID ON THE TABLE

[English]

Annual Report and Review on the working of the Cotton Corporation of India Limited, Bombay for the year 1984-85

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : I beg to lay on the Table—

(1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :—

(i) Review by the Government on the working of the Cotton Corporation of India Limited, Bombay, for the year 1984-85.

(ii) Annual Report of the Cotton Corporation of India Limited, Bombay, for the year 1984-85 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

(2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT—2861/86]

Corrigendum to the Annual Administrative Report of the Tobacco Board, Guntur for the year 1984-85

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI BRAHMA DUTT) : I beg to lay on the Table a copy of the Corrigendum (Hindi and English versions) to the *Annual Administrative Report of the Tobacco Board, Guntur, for the year 1984-85.

[Placed in Library. See LT No. 2862/86]

*The Annual Administrative Report was laid on the Table on 4th April, 1986.

Gold Control (Forms, Fees and Miscellaneous Matters) Amendment Rules 1986. Nationalised Banks (Management and Miscellaneous Provisions) (Amendment) Scheme, 1986.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table—

- (1) A copy of the Gold Control (Forms, Fees and Miscellaneous Matters) Amendment Rules, 1986 (Hindi and English versions) published in Notification No. S. O. 223(E) in Gazette of India dated the 1st May, 1986, under sub-section (3) of section 114 of the Gold (Control) Act, 1986.

[Placed in Library. See No. LT—2863/86]

- (2) A copy of the Nationalised Banks (Management and Miscellaneous Provisions) (Amendment) Scheme, 1986 (Hindi and English versions) published in Notification No. S. O. 417(E) in Gazette of India dated the 11th July, 1986, under sub-section (6) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.

[Placed in Library. See No. LT—2864/86]

- (3) A copy of the Nationalised Banks (Management and Miscellaneous Provisions) (Amendment, Scheme, 1986 (Hindi and English versions) published in Notification No. S. O. 418) in Gazette of India dated the 11th July, 1986, under sub-section (6) of section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980.

[Placed in Library. See No. LT—2865/86]

Notification under Anti-Hijacking Act, 1982

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. R. NARAYANAN) : I beg to lay on the Table a copy of Notification No. G. S. R. 46(E) (Hindi and English versions)

published in Gazette of India dated the 20th January, 1986 specifying the offences under the Anti-Hijacking Act, 1982 and the Suppression of Unlawful Acts against Safety of Civil Aviation Act, 1982 to be extradition offences with the meaning of Extradition Act, 1962 together with a corrigendum thereto published in Notification No. G. S. R. 425 (E) in Gazette of India dated the 24th March, 1986 under section 35 of the said act.

[Placed in Library. See No. LT—2866/86]

12.04 hrs.

**COMMITTEE ON SUBORDINATE
LEGISLATION**

[English]

Ninth Report

SHRI MOOL CHAND DAGA (Pali) : I beg to present the Ninth Report (Hindi and English versions) of the Committee on Subordinate Legislation.

[English]

MR. SPEAKER : Shri Madhav Reddi.

SHRI C. MADHAV REDDI (Adilabad) : Sir, I am very happy to tell the Hon. Members of this House that we have received a communication from the Hon. Minister for Water Resources, Shri Shankaranandji that he had the highest respect for his colleagues the Members of this House...

PROF. MADHU DANDAVATE : At least at 12 o'clock you must speak more loudly.

SHRI C. MADHAV REDDI : He had made amends by telling that he had the highest respect for the Members of this House and he never meant what he said and he is prepared to consider any matter which is brought to his notice by the Members. In view of this, Sir, I would not like to press my motion. I may, however, add that we have the highest regard and respect for the Chair and its impartiality. We never meant any disrespect to the Chair yesterday when we tried to raise this matter in the House.

I would also request my esteemed colleague, Prof. Madhu Dandavateji also not to press the motion.

SHRI INDRAJIT GUPTA : I would request Mr. Madhav Reddi to read out the letter written to him. We do not know the contents of the letter from the Minister.

MR. SPEAKER : It is all right. From what he has said it is clear.

(Interruptions)

MR. SPEAKER : It is all right I am very happy. Thank you.

PROF. MADHU DANDAVATE (Rajapur) : My name also is attached there, Sir. Of course, I was not insulted, but my colleagues being insulted is as good as my being insulted. But any way, I am very happy, Sir, that the Hon. Minister has made necessary amends and sent a very cordial and courteous letter in which he has said that he does not mean to hurt any Member of the House, not to talk of any Member of the Telugu Desam Party.

Sir, it has been the parliamentary tradition of this House that on privilege issue or any other issue courtesy has to be responded with double courtesy and, therefore, with grace I would also not press for my motion, but only make through you one request to the Minister. Yesterday from 12 o'clock our throats have been irretrievably damaged. So, the former Health Minister should take care of our throats and not resort to cut throats.

MR. SPEAKER : I have also a grouse.

[Translation]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI (H. K. L. BHAGAT) : There was no need at all to damage the throats. I was trying to sort out the matter. It was raised unnecessarily.

[English]

PROF. MADHU DANDAVATE : Sir, here is a doctor who wanted to treat us before the disease.

(Interruptions)

MR. SPEAKER : I have a grouse because I was the lone person, you were all together. You must send a *massage* for me and I need a treat also.

PROF. MADHU DANDAVATE : That means, it can be a direction from the Chair.

MR. SPEAKER : To all of you ! and I hope that in future too our relations are based on personal esteems and we have to do it on a personal basis. These things are better not brought here. They must be sorted out as you have sorted them out. Thank God, you have done it. All is well that ends well.

(Interruptions)

MR. SPEAKER : There is one thing more. We have got a saying. If somebody comes after all in the evening, he is at last not lost !

[Translation]

I am only saying that it would be good if God's grace would be with us in future.

SHRI BALKAVI BAIKAVI : Mr. Speaker, Sir, Shri Madhav Reddi is my friend, and my senior and it would be better if I say it in the lobby. But, may I recite a couplet here ? Madhavji, whatever happened yesterday and whatever you did in response thereto was proper, but now kindly listen to me, I am reciting a couplet.

*Hum maikash hain,
labon pe rakhenge jaam ban jao,
Yeh zahid hai piyenge bhi nahin
aur tod dalenge,*

SHRI EBRAHIM SULEMAN SAIT :—

*Ki mere katl ke bad usne jafa se tauba,
Hai us zood pashemaan ka pashemaan hona.*

MR. SPEAKER : This is even more productive.

S. BUTA SINGH :

*Allah, Allah! aaj unko parya kahna parya,
Muddaton jinse hamaare pyar ke naate rahe.*

[English]

KUMARI MAMATA BANERJEE : Sir, yesterday, after the shouting I have given a cake...

[Translation]

MR. SPEAKER : I will tell you as to what happened with me.

[Translation]

KUMARI MAMATA BANERJEE : Why don't you allow ? I have given a Cake to Telegu Desam friends.

MR. SPEAKER : Please sit down. Please, for God's sake, sit down.

SHRI S. JAIPAL REDDY : Why is this cacophony; after the harmony ?

[Translation]

MR. SPEAKER :

*Woh katl bhi karte hain to
charcha nahin hoti
Hum aah bhi bharte hain to
ho jate hain badnam.*

Shri Dharam Pal Singh Malik.

— — —

12.11 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

[Translation]

Chinese intrusion into Indian territory and construction of a Helipad in the Sumdorong Chu valley in Arunachal Pradesh.

SHRI DHARAM PAL SINGH MALIK (Sonepat) : Mr. Speaker, Sir, I call the attention of the Hon. Minister of External Affairs to the following matter of urgent public importance and request that he may make a statement thereon :—

“Situations arising out of the Chinese intrusion into Indian territory and construction of a Helipad in the Sumdorong Chu valley area of Tawang District in Arunachal Pradesh.”

12.12 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

[English]

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : Hon'ble Members will recall that I had made a *Suo Moto* statement in this House on 18th July, 1986, on the Chinese intrusion in the Sumdorong Chu valley area of Tawang district of Arunachal Pradesh. I had also informed the Hon'ble Members that the 7th Round of Official level talks were due to begin from 21st July, 1986. During his visit to China, the Foreign Secretary who led the delegation was instructed to take up the question of the Chinese intrusion in the Sumdorong Chu valley area, both with the Acting Premier Wan Li as also the Foreign Minister Wu Xueqian.

2. During the meetings, both with the Acting Premier Wan Li and the Foreign Minister Wu Xueqian, the Foreign Secretary expressed our grave concern over the Chinese intrusion. They were informed that since both sides had agreed to maintain peace and tranquility on the border, such intrusions added tensions and vitiated the atmosphere for finding a satisfactory and just solution to the Boundary question. The issue of the Chinese intrusion in the Sumdorong Chu valley area was further discussed intensively in the Boundary Sub-group.

3. The Chinese, while expressing their desire for an early settlement of the boundary question did not respond to our concerns in a satisfactory manner.

4. As regards the matter of existence of a helipad said to have been built by the Chinese in the area, our information is that no such helipad exists as on today. However, Government are keeping a close watch on developments.

5. We shall continue to strive for a peaceful settlement of the Boundary question. We shall also persevere to resolve through peaceful negotiations the question of Chinese intrusions. We hope that peace and tranqui-

lity will prevail on the border and that pending a final solution, the *status quo* will be maintained.

[*Translation*]

SHRI DHARAM PAL SINGH MALIK (Sonepat) : Mr. Deputy Speaker, Sir, a very serious matter is being discussed in the House today. We are all aware that it is not the first instance of Chinese intrusion into our territory or of their attempt at illegally occupying some of it. I am implying that China has occupied a large portion of our land within a period of 30 years, i.e. from 1955 to 1986.

I want to raise a little objection to the statement made by the Hon. Minister in this regard. The Hon. Minister has just now affirmed in his statement that China has not given a satisfactory reply on the issue of her recent infiltration into Arunachal Pradesh during the course of her seventh round of talks with the Indian Foreign Secretary, which was held on the 21st of the last month. Therefore, it is essential to deliberate seriously on this matter.

Similarly, the Hon. Minister has stated that as on today, there is no helipad. The question arises as to whether a helipad was constructed or not and, if so, why? Again, as you are all aware that China is a vast country and is the largest in terms of population. However, India is also no less, for, it has the second largest population in the world. If every fourth person in the world is a Chinese at present, then every fifth person is an Indian.

You are all aware that we have made every effort to maintain cordial relationship with China since the very beginning—before and after independence—and it was only with this end in view that we handed over Tibet, which was a buffer State, to China on a platter.

Mr. Deputy Speaker, Sir, I want to say that the Tibet issue was not the only example of our desire to have amicable relationship with China. We had assisted them in every possible way in their struggle for freedom; we had also made every effort to make them

a member of the U. N. O. and we incurred the displeasure of certain nations in the process. But all our endeavours have been of no avail. China did not reciprocate to our attempts at amity and friendship.

Sir, this has been their old practice. It is not only with us, but with Russia also they behaved in a similar manner. Russia had always helped China but the latter soured this relationship also.

Mr. Deputy Speaker, Sir, China had begun the construction of a road in the Ladakh area in 1955 and had completed it in 1957. Several protest notes were sent from our side but it had little effect on them. We had also sent an official delegation in 1957 to hold talks with their counterparts in China. But when we received no message from them for seven days, then we suspected that perhaps they might have been arrested. When the matter was looked into, it was found that our apprehension was true. They had arrested our officials on the pretext that they were Indian spies.

Sir, the Hon. Members of this august House may be aware that the former Prime Minister of China Shri Chou-En-Lai had written a letter to the Indian Government in 1959, claiming 50,000 square miles of our territory and they also refused to recognise the Mc Mohon Line. Everyone knows what happened after that. China attacked India on the 20th October 1962, and occupied 'Dhaulta ki Chauki.' On the 22nd of the same month, the Chinese Troops reached Tawang and established their camp there. In the meantime, they also attacked NEFA and by the 25th of October, the whole of upper Ladakh was occupied by China. Then China made a unilateral peace treaty offer on three conditions. We had made no initiative in this regard. One of these three conditions was that both the sides should withdraw 20 km away from the line of actual control on both sides. When this proposal was offered by China that both the sides should withdraw 20 kms away from the line of actual control, it was clear that China had occupied the Indian territory.

Secondly, they said that no country would violate this line and thirdly, the

Chinese Prime Minister would hold talks in Delhi or in Peking. But our Government turned down this offer and said that if China was prepared to the position as on the 8th September, 1962 and to withdraw her forces to that line, we were ready to hold talks. China refused to accept this offer.

Once China declared cease-fire, but again launched another attack in NEFA on the 14th November, 1962. On the 18th November, they launched attack on Ladakh and occupied 2000 sq. miles of land. On the 20th November, they announced cease-fire. After this, talks were resumed with China to arrive at some treaty with that country.

Recently, seventh round of talks were held. But I would like to say that even today about an area of 9000 sq. miles of India is in the occupation of China. It is the practice with China to occupy some land and then start talks for some friendship treaty with a view to keep the matter pending. We should not believe the Chinese Government any more.

We recall the incidents of 1962 when Chou-En-Lai visited India and the people were raising Hindi-Chini bhai-bhai slogans and the Chinese forces were engaged in their aggressive design to grab the India territory. It is very difficult to rely on such a country. We will have to be very cautious in dealing with a country for which betrayal is a common practice.

Recently, talks were held with China. Earlier also talks were held with that country. The main thing that emerged, which was published in the newspapers also, was that fruitful talks were held between both the sides on the exchange of scientific and technical knowhow as well as cultural exchanges. I would like to say that we can hold talks with countries like Germany or Japan which are far ahead in these fields in regard to the scientific, cultural or technical exchanges but there is need to talk with China only on one point and that is that they should vacate the illegal occupation made on our territory.

In reply to the Calling Attention Motion on this subject, the Hon. Minister has admitted in his statement that there has been

intrusion into the Sumdorong Chu Valley of the Tawang district but it has come to our notice from the press reporters that about 150 intruders have occupied the territory illegally and they do not allow the tribals, who are residing in the upper area of Sumdorong Chu Valley, to graze their cattle in that territory. These people have no other means of livelihood. These adivasis eke out their living by selling the milk of these cattle. There are press reporters to the effect that the intruders from China have tried to establish contacts with the people of some villages in our area. They have told them that they are not enemies but good friends and if the adivasis wanted to graze their cattle in this areas, they must pay taxes to them.

The Chief Minister of Arunachal Pradesh, Shri Gegong Apang has given a suggestion to curb the activities of rebels in the Tirap district. His suggestion is that the International boundary with Burma should be sealed for some time and joint action should be taken by India and Burma to drive away the intruders from that territory. It seems that mule track to Tibet has also been repaired by the intruders so with a view to use it. The Hon. Minister has no doubt denied that the Chinese have started constructions of a one hundred feet long helipad to strengthen its position at a place where three borders of Tibet, Bhutan and Arunachal Pradesh meet in the Sumdorong Chu Valley of the Tawang district.

Besides, it has also come to notice that Chinese soldiers made overtures to the local people on 16th July to gain their confidence. I would like to know from the Hon. Minister whether any attempt has been made or not by the Arunachal Pradesh Government and the Central Government to establish contact with any citizen of that valley after this intrusion?

How far have the intruders entered into the Indian territory from the Mac Mahon line? In an earlier intrusion, they had entered seven miles inside our territory. When they intruded again the day before yesterday, they penetrated five kilometres inside our territory.

[English]

MR. DEPUTY SPEAKER : You are narrating many things which are not necessary now. Please put the relevant question.

[Translation]

SHRI DHARAM PAL SINGH MALIK : Recently talks of friendship are going on between China and India. In spite of it, why the Chinese forces have made intrusions into the Indian territory ? What action has been taken by the Government of India in this regard ?

May I know when the Chinese intruders were entering the Indian territory, what the Indian jawans on the borders were doing at that time ? What action they had taken at that time ? We have not received any report in this connection. I agree that only helicopters can go in that area from our side and on the other side of the International border, there is a road constructed by China where they can come without any difficulty. But our forces are deployed at the borders and the intruders are intruding into our side. What action has been taken by our forces in this regard ?

[English]

MR. DEPUTY SPEAKER : You have put three questions. Please wind up.

[Translation]

SHRI DHARAM PAL SINGH MALIK : Besides, I would also like to know from the Hon. Minister whether all the Chinese intruders are army-men or there are some civilians also among them ? On either side of the Mac Mahon line on the border of China and India, forces of both the countries are deployed hardly at a distance of 30 yards; how is it that the intrusion took place unchecked ? I want to know the role played by our Intelligence Agency in this regard and what report did it submit ? Did we not come to know in advance that such type of incursion will take place from China ? Is it because of our slackness that such a thing has happened ? May I know what steps are being taken to check such intrusion ?

[English]

MR. DEPUTY SPEAKER : Nothing will go on record.

SHRI DHARAM PAL SINGH MALIK : **

MR. DEPUTY SPEAKER : Mr. Chintamani Jena.

SHRI JAI PRAKASH AGARWAL (Chandni Chowk) : What he spoke should come on record. Sir, on a point of order... (Interruptions)

MR. DEPUTY SPEAKER : Listen to me first. What we have decided is that he may take only ten minutes. That has to be strictly followed. That is what we have decided... (Interruptions)

SHRI JAI PRAKASH AGARWAL : It is not a matter of time. Whatever he has said is very important and it should be replied to by the Minister. It should be on record.

SHRI AZIZ QURESHI (Satna) : This is a Calling Attention on a very important matter concerning national security. It should be on record. It will be unfortunate if it is not recorded. It is very important...

MR. DEPUTY SPEAKER : Whatever it is important or not, it is for me to control the debate. He was given ten minutes and within those ten minutes he should have mentioned those important matters. He went on discussing other things unnecessarily.

SHRI HARISH RAWAT (Almora) : This is a very important subject and there should not be this time limit. (Interruptions)

SHRI JAI PRAKASH AGARWAL : Whatever he has said should be on record. You must say that it will go on record.

SHRI T. BASHEER (Chirayinkil) : You should have allowed a discussion under Rule 193. This was a very important subject.

MR. DEPUTY SPEAKER : For that, you have to give a separate notice. When we are discussing this as a Calling Attention, we have to follow the rules and regulations

**Not recorded.

meant for it. If it is thought to be more important, a notice under Rule 193 is to be given.

SHRI JAI PRAKASH AGARWAL : Whatever he has spoken should be on record.

[Translation]

SHRI DHARAM PAL SINGH MALIK : The mention about the armed personnel of National Socialist Organisation of Nagaland and Pakistan must be allowed to go on record.

[English]

MR. DEPUTY SPEAKER : Mr. Chintamani Jena. Only five minutes. Do not cover the same ground which has already been covered.

SHRI CHINTAMANI JENA (Balasore) : I will put some questions, Sir. I will not repeat.

In para 3 of his statement, the Hon. Minister has mentioned :

“The Chinese, while expressing their desire for an early settlement of the boundary question did not respond to our concerns in a satisfactory manner.”

In this connection may I know from the Hon. Minister what is the future course of action of the Government of India on this issue.

My second question would be seeking a clarification from the Minister as regards the matter of existence of a helipad said to have been built by the Chinese. In his statement, the Minister has stated that they have no information about its existence. May I know from the Hon. Minister when and who visited this site and reported the matter to the Government of India? Because the Chief Minister of Arunachal Pradesh and also so many others have reported that Chinese have started constructing the helipad there. In case it has not been visited by a reliable agency of Government, may I ask the Hon. Minister

what action he would like to take to have the site visited by a reliable agency?

The Chinese aggression of 1962 into our territory is very fresh in our mind. At that time, you may recall, Sir, and the Hon. Minister may also recall, there was a slogan ‘ornaments for armaments’. At that time the poor people living in the rural areas contributed a lot of gold to save our motherland. In that context, may I know this from the Hon. Minister. Our Prime Minister has been trying his utmost to normalise our relationship with China. The last discussion on this issue was for the seventh time. In the past for six or seven times we could not succeed. How is the Government of India saying that we may have good relationship with China, even though our Prime Minister and the late Prime Minister Smt. Indira Gandhi had started cordial relationship with China? In this connection may I know from the Hon. Minister whether the Prime Minister Mr. Deng has named us as an imperialistic legacy? If so, how the Government is thinking to have a settlement with that country?

Furthermore, I want to know from the Hon. Minister whether they are aware of the situation that China has three categories of border States with which they are going to have different relationship. Firstly with Pakistan—though judicially Pakistan is not a border country with China because the occupied Kashmir now in Pakistan is a part of India but they are thinking that it is Pakistan’s territory. So, they want to have separate relationship with Pakistan. They want to make Pakistan as a buffer State against the powerful country like India. Because whenever they like will utilise Pakistan against India to normalise Indian power. They would like to have balance of power in the sub continent in Asia.

We all know that through Karakoram Highways in occupied Kashmir they are going to have relationship with western countries, Persian Gulf and Arabian Sea from Karachi. Through Karakoram Highways they are going to negotiate with western countries. In that context how is our Government thinking to have a good relationship and to settle the border issue?

China is anxious to have an access to the modern technology of warfare from USA. But USA has denied the export of such technology and such help to China, though they are supplying it to Pakistan. So, through Pakistan they want to have good relationship with USA. In that context how is the Minister saying that we may have good relationship to settle the border issue amicably?

In case of Vietnam, another border country, they have "no peace, no war" relationship. But regarding India and Soviet Union they want to vitiate our negotiations and all our goodwill to settle the matter amicably.

China is supplying arms to Nagas. Is it a fact and is the Government aware of this situation? If so, what actions have been taken by the Government?

They have raised a new slogan. In October-November, 1985 when we had discussions here in Delhi they said that India has occupied 90000 sq. kms. of land of China in Arunachal Pradesh. Recently also they have raised it through their Vice Foreign Affairs Minister. He has said in the month of June this year that India has occupied 90 thousand sq. kms. of their territory. So to divert the attention at the international level they are highlighting these baseless issues and also they are trying to satisfy India by talking about cultural relationship, trade and commercial relationship, etc. In that context they do not like to settle the border issue. Will the Government take into account all these facts and categorically say what would be our relationship or our future course of action to counter these types of actions of the Chinese?

SHRI BRAJAMOHAN MOHANTY (Puri) : Mr. Deputy Speaker, Sir, I do not really feel inspired the manner in which the three or four kilometers of Indian territory was occupied and not a drop of blood was shed. I could have understood if we had resisted but could not succeed.

The Hon. Minister is assuring us that there will be *status quo*. I would like to know whether they have been assured of *status quo*

by the Chinese Government? Further unless *status quo* is maintained can there be dialogue or negotiation for settlement? You know, Sir, what Chinese had done in 1979 when Mr. Vajpayee visited the Chinese capital. Vietnam was attacked. When we are going to have the seventh round of negotiations where it was decided particularly that boundary dispute will be taken up they have encroached upon the Indian territory. So, is it not advisable that unless they withdraw and the real *status quo* is established there is no point for negotiation? That is why I do not feel inspired. So in any dialogue or bilateral talks if the *status quo* is not maintained there is no point in carrying on negotiations or dialogue.

In 1974 the Chinese took over Parcel island. In 1979 they attacked Vietnam but, I thought, we are handling a different China, a Socialist country experimenting on Capitalism. So, I had a lot of hope. They declared that they wanted to restore friendship of 1950s with India. So, I was hopeful. They invited the Prime Minister of India. Really it is quite encouraging. I thought there is some pragmatism inside China or at least in their area of foreign policy there are changes. But when the crucial negotiations are going on in the seventh round immediately they played this mischief. What does it indicate? You know what is the Chinese version as is reported in the Press? It says :

"It does not matter if no agreement is reached this time. You can talk about it next time you meet."

So, are we negotiating on equal basis or are they doing some mercy? That is why I do not feel encouraged. How do you assure us there will be *status quo*? Have you been assured by the Chinese government? They have encouraged upon three-four kilometers. Have they assured you that they will not encroach upon further? So, how are you assuring us here? Initially they wanted a package deal. We did not agree. We insisted upon sector-wise. That proposal was given by the then Foreign Minister or Premier Chou-En-Lai and now being called Zhau-En-Lai. Wherever it may be they have not been defined in concrete terms. Now they say this is only an idea. That is no where defined in concrete terms. Besides, since we did not

accept that package deal and are insisting on sector-wise approach, they have encroached upon our territory with an ulterior motive and the Mac Mahon line as the actual line of control has been disputed by them. We want India-China friendship to grow; long live India-China friendship was the slogan earlier and that is the slogan even now. But it must be appreciated that friendship cannot be generated unless the two friends treat each other on equal footing, but we are not being treated so.

There is another problem. They are talking of trade relations and improvement of cultural relations. But unless the basic issues are settled, how can that be done? Can we wait for the boundary question to be settled? We cannot wait, because the question of security of the country is concerned on this sector as also the Kashmir sector. In that background, we want speedier solution. They have violated the boundary line. What is the meaning of that? You have to read in between the lines. Perhaps they do not like our growing friendship with the Soviet Union, and as they have not been successful in that, they have desperately resorted to this.

So far as China is concerned, on one of the international issues they are with us, be it the new international economic order or any other international issue. In the opposition to the attempts made by the United States of America to weaken the United Nations, UNESCO etc., China is not with us. China is now playing the game of the imperialists and Reagan has categorically said that so far as Soviet Union and China are concerned, their friendship with the USSR cannot grow. They say, they have friendship with China because China is experimenting capitalism in a socialist country.

I would like to have specific answers by the Hon. Minister whether *status quo* has been assured by China or not. If not, what is your reaction?

Secondly, if any further violation takes place, will you resist it or not? Thirdly, I would like to know whether China are serious about the dialogue with us on equal basis. These are the matters which have been agitating the minds of the people.

[Translation]

SHRI JAGDISH AWASTHI (Bilhaur) :
Mr. Deputy Speaker, Sir, through this Calling Attention Motion, we are discussing the intrusion made by China. China has constructed a helipad in the Tawang district of Arunachal Pradesh. The Hon. Minister has denied it and said that he has no knowledge about it. This is not only a question of helipad but it is very important question. The House knows that some years back when China attacked Tibet, it occupied Tibet without resistance. At that time what we did is well known. We kept silent and China took full advantage of it. When China attacked India, what was our position at that time. The House knows this also. I would not like to go into that controversy. But keeping in view our relations with China to date and the sequence of events that took place, it is high time that we considered the matter seriously and the Government of India should come out with a firm policy in this regard. China has always taken undue advantage of our liberal stand. Whenever we extended our hand of friendship to improve relations with China and whenever it was opportune time to improve relations, China tried to vitiate the congenial atmosphere by intruding into the Indian territory. The Hon. Minister has himself admitted this fact. I would like to ask from the Hon. Minister after all for how long such a situation will continue and when the Government of India will take a positive stand?

You have denied any information regarding construction of a helipad by China. I would like to say that China had never recognised the Mac Mahon line since the British period. We shall have to stick to the Mac Mahon line and there should be no compromise on this point. We have discontinued military intelligence which used to be carried on during the British period. It is necessary that besides civil intelligence we should carry on military intelligence also. We must know in advance about the intentions of China. What happens at present is that we come to know about the incident after it has taken place and only after it is reported in the press. I will also ask the Hon. Minister to strengthen our military intelligence.

There are a number of hill districts in Uttar Pradesh on the Sino-Indian border and when we had cordial relations with China, the people living in these hill areas of Uttar Pradesh, used to cross over the border to China to carry out trade. But after the Chinese invasion, our relations deteriorated and trade with China was also discontinued. I want to know from the Hon. Minister whether this question of trade with China is raised during meetings with China? Alongwith it, I also want to say that whenever we hold talks with the Chinese leaders, they vitiate the atmosphere by resorting to such incidents and also do not respond in a satisfactory manner. Even the Hon. Minister has affirmed it. We should learn a lesson from these incidents about the intentions of China. The other situation is this that today China, Pakistan and U.S.A. have formed an axis in the political horizon of the world and whenever there are such questions, we find ourselves helpless. Whenever friendly nations face such a situation, we must adopt a positive attitude, as I have already mentioned. You should also make enquiries to find out how and under what circumstances a helipad was constructed six kms. inside the Mac Mahon line, about which you say you have no information.

Besides, I would also like to know from the Hon. Minister what arrangements have been made to check frequent intrusions from China, Bangladesh and Pakistan because this is not a question relating to China only which may be ignored easily. Therefore, I humbly submit that it is a national problem and we must take it seriously. If there is a minor intrusion, even that should not be taken lightly, because of wider political implications which may assume alarming proportion later on. I do not want to say much, I only want clarification from the Hon. Minister regarding the two or three points raised by me and hope that such incidents will not take place in future, necessitating another discussion in the House.

[English]

DR. CHINTA MOHAN (Tirupati) : Sir, because of the sensitiveness of the subject, I do not want to go into the details of the

subject; but whatever it is, the statement given by our Minister is very inaccurate, and very weak also. I would like to say that in his fifth point, he says :

“We shall continue to strive for a peaceful settlement of the boundary question. We shall also resolve, through peaceful negotiations, the question of Chinese instructions. We hope that peace and tranquility will prevail on the border, and that pending final solution, *status quo* will be maintained.”

Instead of that, I should have greatly appreciated if he had said, “*status quo ante* will be maintained.” I will urge upon the Minister that he should change the words in the statement, ‘*status quo*’ into “*status quo ante*”. We have lost so much of land. No doubt about it. But we should fight to get the land. There is no point in maintaining this Gandhian principle and all that. When they are slapping on our right cheek, we are not supposed to show our left. This goes to prove that we are very weak. The statement goes to prove that it is a very weak statement. The Chinese, on the other hand, are becoming stiffer and stiffer. This attitude should not be maintained by our Government.

My second question is : why did our intelligence fail to get a report of the helipad installation in Arunachal Pradesh? The Chief Minister of Arunachal Pradesh had come to Delhi, and he has reported that. Till that time, we were not aware of the fact. Though we say that it is not a fact, it is a fact known to everybody, and to the entire nation and to those outside also. Why is our intelligence failing in this? When we are not able to know even this small intrusion happening inside our territory, how can we know things happening outside? I would like to know this from our Minister.

My next question is this : Mr. Atal Bihari Vajpayee visited China in February 1979. At that time, the Chinese declared war on Vietnam; and our members from the Congress benches made a big cry in Lok Sabha saying that Atal Bihari Vajpayee went

to China, i.e. without knowing anything about that war he went there, and then he cancelled all his programmes and came back to India. Our Congress members said this about Mr. Vajpayee's visit. Then how did the present Government send its Secretary, Mr. Venkateswaran to China now on a peace delegation? What is this attitude? I am not able to appreciate it. Why should we have sent him, when they are slapping us on the right cheek? Why did we send our people? This itself goes to prove that we are giving a legitimate right for the Chinese to claim our land.

On the one side, Pakistan is sending terrorists.. (*Interruptions*). We know the fact. Pakistan is sending terrorists to destabilize our country. On the other hand, the Chinese have intruded into our territory in Arunachal Pradesh. Is there any important link between these two? If the Government is sensitive to this issue, I would like to know something from the Minister. With these words, I conclude.

THE MINISTER OF EXTERNAL AFFAIRS AND MINISTER OF COMMERCE (SHRI P. SHIV SHANKER): Mr. Deputy Speaker, Sir: Hon. Members have, in the Calling Attention Motion, brought to the notice of the House the historical background of the differences between China and India and also they have adverted themselves about the policy that China has been pursuing, Chinese relations with Pakistan, its repercussions on us. These details are the matters which are not connected with the calling attention motion, though, of course, they make a very good preface for the purpose of making all these points. I have categorically said in the statement, the situation that obtains on the ground. I have also said that there is no helipad, notwithstanding the fact that some of the members have gone to the extent of saying that Arunachal Pradesh Chief Minister said so on and so forth. We have got it verified through responsible sources. It is not possible for me to spell out which source it would be, but very responsible source and I find that there is no helipad there.

I will not like to quibble on the small points that have been raised by the Hon.

Members. I would like to bring to the notice of the House a little background of what happened at the seventh round of talks so as to meet the points that have been raised by the Hon. Members. The Foreign secretary, who had gone—in fact, I had said even in the earlier statement that I had read out on 18th July 1986—that Foreign Secretary was specifically instructed by us that when he met the acting Prime Minister and also Foreign Minister, he must take up this issue in the Plenary Session, in the discussions; and also in the meetings with the various authorities, this issue has been raised. As I said, on the last occasion, it is true that in the Sumdorong Chu valley, where the intrusion has taken place in Tawang District is, according to us, 2-3 kms as the crow flies from the Mac Mahon Line. (*Interruptions*.) I am speaking with some authority. When I am saying I say it on the basis of ascertainment of the facts, and if there is anything wrong, I am prepared to correct myself (*Interruptions*) That is why I thought to make the position absolutely clear, even on 18th July I tried to allay the fear of the Hon. Members by putting across that as the crow flies, it is only 2-3 kms. Now, the whole point is this: that there is a lot of confusion about the Mac Mahon Line itself... (*Interruptions*). The point is either you listen to me what I would like to say or you stand up and I will sit down. The point is that boundary, so far as Mac Mahon Line is concerned, Chinese do not accept it. They also do not accept, water-shed principles; and there is a slight confusion because Mac Mahon had drawn the line; with a thick line originally in 1914; that thick line would be a few kms. when you go into it on one inch to 8 miles, whatever it is. This is a matter which we are trying to sort out. Chinese do not accept the Mac Mahon Line *per se*; they only say, they only talk of the line of actual control.

Even then, the line of actual control has got some shades, the details I would not like to go at this stage. Therefore, one of the points that we have raised was, as to what is the alignment of the line of actual control. This is one of the points that we discussed with them. Unless you know as to what is the line of actual control about which they say, to a large measure—I am saying to the large measure because there

are differences at some places—it can be similar to the Mac Mahon Line. But there—you know—they have not been giving the line of actual control. That has been the difficulty. We have been trying to pin them down, we have been trying to say that “you please now mark it so that we know what exactly is the line of actual control you refer to”. These are matters which you cannot short out unless you negotiate. To say, “How long will you negotiate?” “Why do you negotiate?” are questions which can easily be asked, but very difficult to answer. In international diplomacy, where you are committed to resolving the problems through peaceful means, you have got to discuss, negotiate and I would like to say that the policy of solving the problems through negotiations is a policy which is based on the Indian ethos and values.

Some gentleman was trying to say about Gandhiji. I would like to say that, well, Gandhiji himself had said, and very rightly perhaps, non-violence is not the weapon of the coward, but it is the weapon of the brave.

The concept of negotiations flows, in my submission, from the concept of non-violence. It does not mean that in the process of a negotiated settlement, we are totally surrendering ourselves. That is not the concept. We would not like to give an impression that just like a pack of children we are taking a decision and rushing through. We have got to decide matters with a little more—with a little—responsibility and the more powerful you are, the more restrained you should be, the more tolerant you should be. We are still hopeful. We are not saying that the matter sat the other end. Therefore, we would not like to close the chapter. We are saying, they are putting forth their points and what has been discussed at that stage on the Seventh Round of Talks is the intensive discussion and exchange of view.

Of course, they had been trying to stick to their guns saying that Wandung falls in their territory. That is their argument. But then, that has to be resolved and we are saying that this south is of the Mac Mahon Line. They do not accept this as Mac Mohan Line—these two to three kilometres of the

intrusions about which I have talked. Now this is a matter which has to be resolved and in fact very rightly, some of the Hon. Members have said that the Chinese claim that 90,000 kms are in our possession. That is their case. That does not mean that we are yielding to it. ...(*Interruptions*)

DR. CHINTA MOHAN : You have yourself said in your statement, what is *status quo* ?

SHRI P. SHIV SHANKER : Please understand a little bit of a better English. You will follow it.

What we are trying to say was that in the process when we were talking about the intrusions in 1984 at the Fourth Round of Talks, both the parties agreed that the *status quo* should be maintained; and peace and tranquility should prevail pending the talks. This was ...(*Interruptions*)

SHRI AZIZ QURESHI : Tell him in Telugu.

SHRI P. SHIV SHANKER . No, no. He understands good English. He is a doctor. He understands better English. So, this is what had been agreed upon in 1984 between the parties. Now when the intrusions have taken place, our case has been that this is a violation of a gentleman's agreement that had taken place 1984. That is why we asked for delineation of the actual line of control. We have been pressing for it. The issues that we had discussed, as I was trying to say, were the discussion and exchange of views on intrusions, alignment of the line of actual control. We also discussed the need to maintain peace and tranquility. As a principle, that was mutually agreed upon in 1984 in the Fourth round of talks. There is, of course, now a case from November 1985, a variation of their previous package, what is called in their expression 'the remodeling of the package. They have been trying to say that variation of the previous package has been the concession on the East for corresponding concessions in the West. That is the concept which they have started adumbrating right from November 1985. Previously it was in the reverse gear. Since no progress on alignment had taken place,

discussions moved to the western sector. We gave our alignment But the point is that when we asked for certain clarifications from them, they said that they were not in a position to give those clarifications. They could not give. It is possible that we might get them. Therefore, the matters stood at that stage where the discussions had taken place. I would only make the submission to the House that the matter is very delicate. Government of India is vigilant in the matter. We are vigilant on the borders. That is why I said I am not in a position to give the sources through which we are getting the information. But nonetheless, we would like to maintain peace in that area for the purpose of sorting out issue of the border itself and we are hopeful. When we are speaking of the *status quo* the *status quo* is as we had agreed in 1984 that there would not be any disturbance. It is that *status quo* which I have referred to and it is that *status quo* which we would like to maintain that there should be peace and harmony for the purpose of discussions. It is in this background that I would like to advert myself in a very brief manner to some of the questions which have been asked. Three or four Hon. Members were of the view that in the present state of affairs where do we go. What is the purpose of the discussions? I would like to submit that hope eternal springs in human breath. You just cannot become hopeless and pessimistic. We would like to explore every possibility. We would not like to given an impression that we are breaking talks. We would like to continue the discussions and see how far the fruitful results could come out of this discussion.

Now, many a question have been asked about intrusion as to how much it has been. I have said that. I would also like to say that well, there is no case of a failure of intelligence reports. Various organisations are cohesively working and I would like to bring to the notice of the Hon. Members that when it came in the papers also that helipad has been constructed, immediately we got back the information and it is on that basis that I hav made it known to the House that no helipad as of today has been put up. In fact, even yesterday it was said. It came in some papers that there had been an intrusion in the Manigong area. We have been very active. We tried to find out

whether it is true and if it is so, why is it that we did not get information on 27th, the date on which the news came in and actually we find that there is no intrusion in the Manigong area, though of course some news had come. I would also like to bring to the notice of the Hon. Members that this particular Manigong area is an area where, as the Hon. Members were trying to put it, from their side it is easy to reach and from our side it is very difficult—the terrain from our side is very difficult. These are the grazing areas where our people also go to graze; their people also come. It is true that some of the people from that side have been talking.

SHRI PRIYA RANJAN DAS MUNSI : Bangla Desh border.

SHRI P. SHIV SHANKER : It is not that as though it is a case of surrender of our rights or the rights of our graziers.

Then I said in paragraph 3 that the Chinese, while expressing their desire for an early settlement of the boundary question did not respond to our concerns in a satisfactory manner. I did express in my submission about unhappiness, unsatisfactory nature of the talks What is on the ground, I have to bring it to the notice of the House I cannot merely say—notwithstanding that everything is satisfactory. That is why I said something of the background of discussions that our officials had during the Seventh round of talks and it is possible it might take some time for the purpose of resolving this issue because it is a very long border, where there is a clear dispute, where the principles are also diverse. But one has got to go into details, in every inch of the matter, in order to resolve it. Where actually the border is? And it is in this background we have been pressing the Chinese that they must give what they consider to be the actual line of control so that the discussions could take place. It is true that the Chinese authority had been saying that Mac Mahon Line is an imperialistic legacy, as the Hon. Member was trying to put it. But then the point is whether it is an imperialistic legacy or whether it is democratic legacy or whatever legacy it might be, one has to come to grass facts of the matter. One that matter one has to come forth with the delineation of LAC,

whatever language one might prefer to use. The fact of the matter is it is a contentious issue. It has got to be resolved. It is true that the axis of Pakistan and China has been posing some of the problems to us. But none—the—less, on our part, we are not surprised of the moves. In fact we have been expecting certain moves which had been taking place. But I would like to bring to the notice of the House that we cannot be a party to this type of alignments that are taking place including the usurpation of our properties. Hon. Members were also pleased to pose a question about the cultural relations, the trade developments. It is true that Chinese have been trying to stress this. But our stand had been that primarily the resolution of the issue of the border would pave the way for better cultural relations. Better cultural relations can also improve the trade, though of course the Chinese have been trying to put forth that we should also make a headway on these lines. It may be cultural matters and also trade matters. These discussions have also taken place in the seventh round of talks.

On the question of the United States supplying technical information on modern technology, etc., to Pakistan and Pakistan filtering it to China, I would not like to comment at this stage. There are various dimensions of this matter. I would like only to take the House into confidence to make the submission that, so far as Government of India is concerned, on our part, we are quite vigilant enough. We would not like to escalate the matter to a deterioration. We would like to have a negotiated settlement. But we cannot give in to our self-respect. As the Hon. Members have very rightly expressed their anxiety, we would like to sort out this issue on the basis of equality, on the basis of the principles of mutuality, and we hope that China will respond to our gestures.

13.21 hrs.

STATEMENT REGARDING SCHEME
FOR COMPOUNDING OF OFFENCES
AND SETTLEMENT OF COURT CASES
RELATING TO CUSTOMS AND EXCISE
DUTIES

[English]

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI JANAR-

DHANA POOJARY) : I rise to make an announcement regarding a scheme of compounding of offences and settlement of court cases relating to customs and excise duties,

2. As the Hon. Members are aware, 1985-86 has been an important milestone in the history of taxation of the country. The year saw a number of measures of rationalisation of the tax structures and a high degree of success in the matter of collection of taxes. The Collections from personal income-tax rose by as high as 45 per cent during the year as compared to the previous year. During the year, the drive against tax evaders was also stepped up.

3. In the matter of indirect taxes, the collections during the year were 25 per cent more than the collections during the previous year. A new Customs Tariff based on the Harmonized System of Nomenclature was brought out. The Central Excise Tariff was aligned to the Customs Tariff.

4. During the drive for revenue collections of customs and excise duties, the Government had to face certain problems. It was found that a large amount of money of the order of Rs. 2,500 crores was blocked in courts of law, many of these cases relate to the so-called post-manufacturing expenses. Notwithstanding the efforts made by the Department, it appears that the collection of the revenue blocked is likely to take considerable time.

5. As the Hon. Members are aware the Government had announced a scheme for enabling the assesseees to declare their true income and wealth without attracting penal consequences. Encouraged by the good response this scheme has received, the Government has considered whether there should be a similar scheme in the case of indirect taxes. In view of the effective action taken on the anti-evasion front, Government are of the view that an opportunity should be afforded to the taxpayers to make a clean breast of past evasion of customs and excise duties without prosecution. No doubt, taxpayers who have evaded the duty in the past should not be given a better treatment than what is available to honest taxpayers. Keeping this in view, a scheme has been formulated

[Shri Janardhana Poojary]

under which those taxpayers who, on their own accord, come forward and make a declaration regarding the duty evaded in the past will be afforded an opportunity to pay the taxes due.

6. This scheme of compounding of cases of non-payment of excise and customs duties will be available to manufacturers of excisable goods and importers of cargo. It shall apply to those manufacturers or importers who have paid lower amounts of duty in respect of excise clearances or on import of cargo, upto the 31st December, 1984 consequent to declaration of incorrect assessable value or wrong classification under the tariff, where the transactions have been fully reflected in the accounts and balance-sheet, if any, of the assessees. In such cases, the assessee should make a declaration on or before the 31st December, 1986 before the Collector of Central Excise or Customs giving a written declaration owning the liability on their part and indicating the amount short paid by them. The declaration will be verified and a demand under law will be issued, asking the assessee to pay the amount along with interest at the rate of 6 per cent per annum. On depositing the amount, an order will be passed by the Collector of Central Excise or Customs compounding the offence and deciding not to proceed against the declarant both departmentally and in a court of law.

7. Where the amount involved is large, the facility for payment of the amount in instalments can be considered. In case the amount is not paid in time, the duty will be recovered as provided in the law.

8. I should clearly state that the scheme does not cover :

(i) cases of suppression of production of excisable goods and clandestine removal thereof;

(ii) cases of smuggling; and

(iii) cases of evasion of duty either by misdeclaration of value or wrong classification of goods under the tariff where the transactions have not been fully recorded in the accounts and balance-sheet, if any, of the manufacturer or importer.

The scheme of amnesty cannot be extended to condone criminal actions like smuggling or clandestine removal of goods without payment of excise duty from the factory. Again, if the transactions are not mentioned in the books of the company, then the funds are, to that extent, funnelled out of the business. In these circumstances, rights and the claims of shareholders of the company are also affected and there are serious violations of the provisions of the Company Law. In so far as these transactions are not reflected in the books, there is evasion of other taxes also like income tax and sales tax, resulting in generation of black money. Hence amnesty scheme cannot be extended to such cases.

9. In respect of settlement of central excise cases, pending in courts of law pertaining to post-manufacturing expenses, the assessee should give a declaration to abide by the decision of the Collector of Central Excise, who would work out the liability in terms of the principles already laid down by the Supreme Court. On payment of the amount of dues worked out by the Collector of Central Excise, the cases will be settled and cases filed by the Department will be withdrawn.

10. In central excise cases other than those relating to post manufacturing expenses and in customs cases pending in courts, where the assessees express their willingness to make payment of the amount due from the party as already assessed by the appropriate assessing or appellate authority, the cases will be considered for settlement on payment of the amount.

13.28 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMEN-
TARY AFFAIRS AND MINISTER OF
FOOD AND CIVIL SUPPLIES (SHRI
H.K.L. BHAGAT) : With your permission,
Sir, I rise to announce that Government
Business in this House during the week
commencing 4th August, 1986, will consist
of :

- (1) Consideration of any item of
Government Business carried over
from today's Order Paper.
- (2) Consideration and passing of :
 - (a) The Merchant Shipping
(Amendment) Bill, 1986 as
passed by Rajya Sabha.
 - (b) The Constitution (Fifty-Third
Amendment) Bill, 1986.
 - (c) The Mines and Minerals
(Regulation and Development)
Amendment Bill, 1986, as
passed by Rajya Sabha.
 - (d) The Repealing and Amending
Bill, 1986, as passed by Rajya
Sabha.
 - (e) The Essential Commodities
(Amendment) Bill, 1986, as
passed by Rajya Sabha.
- (3) Discussion under Rule 193 on
economic situation on Monday,
the 4th August, 1986, at 4.00
P. M.

[Translation]

SHRI KAMMODILAL JATAV
(Morena) : Mr. Deputy Speaker, Sir, the
following matter may kindly be included in
the next week's agenda :

Morena city has been inundated due to
heavy rains in Madhya Pradesh. Hundreds

of houses of the poor people have been
washed away in these devastating floods and
three children have died as a result thereof.
There is no drainage system in the city.
Therefore, I request you and the Government
to construct drains in Morena city to drain
out water so that people could be saved from
the floods every year.

SHRI RAMASHRAY PRASAD SINGH
(Jahanabad) : Mr. Deputy Speaker, Sir,
please include my resolution in the next
week's agenda.

In India, floods and droughts cause loss
to the tune of crores of rupees every year.
This year, on 28th June as a result of floods
in the rivers of Bihar, fertile land was filled
with 4-5 feet of sand, which used to yield
crops worth crores of rupees. As a result,
the land has become a desert. The loss was
caused by this flood due to inactivity of the
bureaucracy. The seedlings of paddy were
completely destroyed. The work of the paddy
sowing in the districts of Nalanda and Patna
of South Bihar is about 10 per cent. The
whole land will become fallow. With that
thousands of houses of Harijans and poor
farmers have been destroyed due to rains
and flood waters. They have no shelter.

13.31 hrs.

[SHRI SHARAD DIGHE *in the chair*]

Village Sugaon, P. O. Makhdumpur
block, village Hardaspur, Sujatpur, Arihat,
Ghosi block and Bera (Masaurhi) block are
in danger of being flooded by the river
Yamuna, Phalgu and Dargha rivers. This
will pose a danger to the Harijans and back-
ward classes. I request the Government to
take immediate action in order to save
them.

[English]

SHRI SOMNATH RATH (Aska) : Mr.
Deputy Speaker, malaria has reappeared in
epidemic form in our country particularly in
Orissa and in the Eastern Ghats tribal
regions and coastal plains since the last two
years.

The National Malaria Eradication Pro-
gramme is not being implemented properly.

[Shri Somnath Rath]

The blood samples collected are not being properly analysed and there are no remedial measures.

All the urban areas of Ganjam district (Orissa) are without sewerage, the discharge from septic tanks and city drains are accumulated in pools providing breeding ground for mosquitoes.

Spraying of D. D. T., disinfecting the village ponds are urgently needed to arrest the spread of malaria which might take alarming proportion by 21st century if it is not checked right now.

(1) In addition to the taking of long-term measures, the Government should give heavy subsidy on purchase of mosquito nets to the people, which will enable poor people to use mosquito nets. These nets should be made available to the people through the public distribution system.

(2) Community bio-gas projects should be set up in every Gram Panchayat and block headquarters and water hyacinth and cowdung collected from farmers on compost sharing basis be utilised for these gas plants. This will largely control the breeding grounds of mosquitoes in the rural areas.

[Translation]

SHRI DHARAM PAL SINGH MALIK (Sonepat): Mr. Deputy Speaker, Sir, the following item may kindly be included in the business for the next week :

Geographically, if we see, we find that Sonepat is situated on both the sides of the railway-line. This town has a population of more than one lakh. There is a level crossing on the railway-line. When a train passes, the gates of the crossing are closed. Out of 24 hours, the gate remains closed for 10 to 12 hours, which results in traffic jam on both the sides and it takes hours to get the traffic cleared.

Therefore, I request the Hon. Minister of the Railways, through you, that an over-bridge should be constructed at that place in

Sonepat, so that the inconvenience of the people of Sonepat could be removed.

From time to time, the Government has accepted that the children belonging to the Scheduled Castes and the Scheduled Tribes and of the people engaged in scavenging work, whether in cities or villages, drop out after 3rd or 4th class. The main reason behind this is their weak economic condition. The Government spends crores of rupees on education but these children do not get its benefit.

Therefore, through you, I request the Government to make arrangement to give scholarships to all such children up to 10th class, so that they do not discontinue their education on account of their economic condition. The school teachers should be given directives to contact the parents of the children in case they do not attend classes for some period to ensure that such children do not discontinue their education.

[English]

SHRI ANOOPCHAND SHAH (Bombay North): I request that the following item may be included in the next week's business :

Lakhs of people are staying on Central Government land, i.e., Railway, Port Trust, Civil Aviation, Defence, etc. in urban areas, specially in Bombay since last several years. Some of the slums on Central Government land are prior to 1976 and 1980; but Central Government authorities are not allowing local bodies to provide basic amenities like water, W. C. and electricity. This has created a lot of problems to the State Government and slum dwellers in Bombay. So I request that the following subject should be included in the next week business :

"To review and revise the policy to give N. O. C. (no objection certificate) to provide basic amenities to slum dwellers on Central Government land, prior to 1976 and 1980 in the cities like Bombay, Calcutta and Madras."

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar): I request that the following may be included in the next week agenda.

Because during the entire Sixth Plan period not even one additional Megawatt of power was added to the generating capacity of Orissa, Orissa is in the grip of acute power famine from the beginning of the Seventh Plan and this acuteness will be most serious by the end of the Seventh Plan as the envisaged generation of 483.5 Megawatt of additional capacity in Orissa is not going to materialise.

So the proposed super-thermal plant of 1000 Megawatt capacity at Talcher in the Central Sector is the urgent need of the hour.

The Central Electricity Authority have accorded techno-economic approval to the Talcher Super-Thermal Power Project long time back. To say that funds are not available for this project is also not true. The World Bank has already agreed for funding this. There is no difficulty in establishing coal linkage. It is because of the non-clearance of the environment and forest department, the project is being delayed and delayed so long I, therefore, urge upon the Central Government to get immediate clearance from the Environment and Forest Departments and to start its construction work immediately in order to overcome the increasing power crisis in Orissa which is assuming serious proportion from year to year and has paralysed the economic activities of Orissa which is sliding down in its per capita income.

SHRI CHINTAMANI JENA (Balasore) : I request that the following may be included in the next week agenda :

1. Sri Aurobindo International Centre of Education at Pondicherry, though has been recognised by many universities like J. N. U., Hyderabad, Osmania, Bombay; Banaras, Hindu University, Jadavpur, Calcutta, Annamalai Universities as well as by the Central Institute of English and Foreign Languages, have recognised the Higher course of it, as an equivalent to B. A. and B. Sc. and the Ministry of Home Affairs in their office memorandum of 14th August, 1962, recognised it as equivalent to the first degree recognised Indian University for the purpose

of appointment in services and posts under the Central Government but the Ministry of Education, Government of India, has not yet issued such type of office memorandum by approving it as equivalent to B. A. and B. Sc. of all the Universities in the country, resulting in utmost difficulties, inconveniences and sufferings to the thousands of students in taking their admission in Post-Graduate course, in other Universities. But the standard of the education imparted there, syllabus and curriculum, etc. are much higher than that of any other universities in the country, which should have been given the same status, as to the other recognised Universities. The UGC is also giving grants to the School of this institution from time to time, though this institution is not affiliated to the UGC:

2. After the report of the Fourth Pay Commission is out, in the press and media, the prices of all the essential commodities has been increased in the market. Vegetables of all types, fish, meat, onion, garlic, ginger and various types of spices which are used by the common man have increased to a great extent which is not within the reach of poor consumers and common man.

These very important subjects need to be included in the agenda in the next week's business.

[*Translation*]

SHRI AZIZ QURESHI (Satna) : Mr. Speaker, Sir, please include the following item in the Business for the next week.

The cement factories running in Satna Parliamentary constituency in Madhya Pradesh are doing gross injustice to the local people. Neither the Local people are given employment in these factories nor the labourers working in these factories are provided with facilities and protection. They are playing with their lives. The trade unions working for the protection of worker's rights are being obstructed in Satna, Kemor and Mahir cement factories. To date, these factories have not adopted the anti-dust proof measures to check the dust and in this way they are playing with the lives and health of the local people. The Central Government should

[Shri Aziz Qureshi]

intervene and take strict measures by enacting Central legislation.

[English]

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : Mr. Chairman, Sir, with your permission, I would like to submit that the following item may be included in the next week Business :

Because of White Fly menace which caused unprecedented loss to cotton growers in Andhra Pradesh and Karnataka, Cotton Area is going to be reduced drastically this year. So, it is high time that Government should immediately take necessary steps for propagating and making available to the farmers seeds of the White Fly resistant cotton varieties. Otherwise, our export plans will be affected considerably. It will have large adverse effect on domestic market too. The Government should ban synthetic pyrethroids immediately and Control White Flies of Cotton crops also.

Secondly, Vijayawada city with six lakhs population is having several Central Government organisations like Railways, Indian Air Lines, Central Revenues, All India Radio, T.V. Centre, Posts and Telegraphs, Telecommunications etc. etc. In the absence of a central school, the children of the Central Government employees are suffering very much. So, I suggest that Government in the Ministry of Human Resources Development, should take immediate steps for starting Central School at Vijayawada. Krishna District of Andhra Pradesh.

KUMARI MAMATA BANERJEE (Jadavpur) : Mr. Chairman, Sir, I submit that the following matter may be included in the next week's Business :

Present condition of the Peerless General Finance and Investment Company Ltd. The Government's decision to protect the interest of the employees, field workers and depositors.

Secondly, Rehabilitation of the displaced persons who came to India from East Pakistan, between 1947 and 1962.

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Mr. Chairman, Sir, I request that the following may be included in the next week's agenda :

The present condition of Howrah city is possibly worst among all the major cities of India, keeping in view of its huge traffic burden and industrial population. The unplanned structure and multi-storied buildings have made the future of the city much more difficult. Very recently at North Howrah i.e. Bandhaghat area, a old godown of 200 yrs. collapsed in working hours and five women were buried alive. There is no underground sewerage in the city. Possibly this is the only city of India and Asia where modern facilities are not available and there is a serious problem of health and hygiene

The Howrah Improvement Trust and Howrah Corporation need a greater support from the Civic Authority in the form of more funds-both from plan and non-plan expenditure of the Government. The Planning Commission must take special care to study in depth the problems of the city and should see that the International funds through World Bank assistance programme are adequately given along with the Plan Project support for this city through State Government. The South Eastern Railway and Eastern Railway bring every day more than 1.5 million commuters in this city, who in the peak hours, use this city. The condition of the Howrah Bridge is very fast deteriorating and the prospect of 2nd Hooghly Bridge is unknown to the people there. It is creating not only hazards for the people but also Government is deprived of huge amount of revenue for not having enough facilities due to the traffic congestion. During the peak hours the traffic congestion on G T. Road and Howrah Bridge approach causes wastage of fuel and motor-oil to the tune of Rs. 1 crore every three months. The Urban Development Ministry both at the Centre and in the State have not studied the multitude of the problem. The water supply system of this city has reached the climax. There is a provision of Rs. 35 crores in the

Seventh Plan under the Scheme. The Urban Development Ministry should instruct the State Government to immediately include in the scheme all slums development programmes. Urgent intervention of the Planning Ministry, and Urban Development Ministry in this regard is called for before final implementation of the Seventh Plan programmes.

I desire that this matter will be taken in the next week's business of the House.

SHRI H. K. L. BHAGAT : Mr. Chairman, Sir, I have very carefully listened to all the submissions made by the Hon. Members and I will convey them to the Business Advisory Committee.

13.45 hrs.

INDIAN ELECTRICITY (AMENDMENT) BILL—*Contd.*

[*English*]

SHRIMATI BASAVARAJESWARI (Bellary) : Mr. Chairman, Sir, I rise to support the Indian Electricity (Amendment) Bill, 1986. The main object of this Bill is to discourage theft at all levels and hence it seeks amendments to sections 39, 44 and 50 of the original Act.

Sir, electricity is the basic need for all-round development of this country. The progress of any country depends upon its capacity to generate power for the industrial and agricultural development. Sir, there are various sources of producing energy in our country. The main source is to produce electricity from the hydro electric projects. We produce electricity by thermal plant; we produce electricity by nuclear plants; we produce electricity by putting generators and captive generation also; and we produce electricity to some extent by non-conventional methods like solar energy and also bio-gas plants. But with all this, now various States are facing a lot of power shortage and it has resulted in almost closing the industries in the private sector, public sector and also small scale sector. More industries are going

to be closed in future for want of proper power supply. The States which are mostly depending on hydro electric projects like Karnataka are put to a lot of hardship due to failure of monsoon. Taking this into consideration, I would request the Government to take further steps to produce more power and see that the country's economy grows faster.

Sir, coming to the Bill, I welcome the amendment. I am glad that the Government has given a thought to it very seriously to plug the loopholes including theft of power and prosecuting them, either by asking them to pay fine or imprisonment for a term which may extend to three years. It has been stated in the Bill that the concerned State Electricity Board has been asked to initiate the prosecution. It is not clear whether the prosecuting authority is the State Electricity Board or the Government. In my opinion, it is advisable to vest powers of prosecution with the Government rather than with the State Electricity Board. State Electricity Board should be an advisory body. They can advise the Government, to what extent this prosecution should take place. Therefore, I would request the Hon Minister to look into this aspect and see that the Government only should be vested this kind of prosecuting powers.

I am surprised to go through the Bill because the penalty or imprisonment is not discriminated between a small farmer and an industrialist. I can understand that imprisonment may be given to an industrialist who indulges in this kind of theft or who is also involved in other kinds of malpractice. But there are small farmers who are having pumpsets to the extent of 1 HP to 5 HP. They have put irrigation pumpsets. If you are going to penalise these farmers also, I am afraid, that will certainly make the farmers' position very pitiable.

I would like to suggest that instead of meter charges, charges should be levied only on horse powers. Some of the States like Karnataka and Andhra Pradesh have already taken a load. They are charging on only horse powers and not on meter reading. So, the Government should take immediate steps to introduce this system throughout the

[Smt. Basavarajeswari]

country, so as to see that farmers should not come under this provision.

Instead of making a long speech I would like to give a few suggestions for the consideration of the Hon. Minister. The Government should instal sophisticated meters and monitoring equipment in order to detect the theft of electricity instead of prosecuting in order to get more revenue and also to conserve energy. Secoudly. I would like to suggest that some percentage of power should be reserved for the agricultural sector. Electricity should be treated as a national property and equal distribution of power and uniform power-cuts should be introduced throughout the country. A few States are having acute power shortage. Amongst them Karnataka is one. Long-term and soft loans should be encouraged by the Central Government for the entrepreneurs who have set up the industries in such deficit states. The amount which they are going to give for purchasing generating sets and to augment the production should be sufficient.

The Government of India should come forward to initiate a discussion amongst the deficit states and the surplus states and to negotiate to give sufficient power at a reasonable rate to the deficit states. Non-conventional energy should be encouraged at all levels. I would request the Minister to give due consideration to my suggestions.

Finally, coming to Karnataka I would say that due to variation of monsoon this year also we are having acute shortage of power. Power intensive units are having 80 to 85 per cent power cut. We had full hopes that this year monsoon will improve the position; but to me, I am afraid, the position has not improved. By August 15th, monsoon will be over; but still the reservoirs have not been filled in. So, I would request the Minister that all the mini hydel projects which are pending before the Government may be cleared as early as possible and also to see that the neighbouring States like Andhra, Kerala and Maharashtra give surplus power to the deficit States so that the persons who have set-up industries there are able to survive and no unemployment is

caused amongst those who are working in the existing units. With these suggestions I conclude.

SHRI M. RAGHUMA REDDY (Nalgonda) : Mr. Chairman, Sir. India is a developing country with a large percentage of its population dependent on agriculture. For the development of agriculture now-a-days energy is an important factor. Of course, energy is required for other things also but in my opinion for the development of this agriculture-based country energy is a must.

Unfortunately pilferage is there in this sector. Who is doing this pilferage ? Is it the innocent farmers or the big industrialists who are doing this ? What I would like to say is that the farmers may be doing it out of innocence whereas the big industrialists are doing it intentionally. So, they should be punished. You are inserting Section 39 or 49 for increasing the punishment. I welcome it. But it alone cannot solve the problem. Until and unless you implement this legislation in true spirit you will not be able to solve this problem.

Sir, ours is a developing country. It is said that in our country the pilferage is of the order of 20-21 per cent whereas in developed countries it is of the order of 4-6 per cent. This 20-21 per cent is not a small thing. So we have to take firm steps to control it. You are proposing fine and imprisonment but I feel these industrialists are able to evade them. The present law is not suitable to deal with them. When we know some persons are doing this mischief intentionally then we have to deal with them severly, So, these Sections will not do. The provisions which are there in the Food Adulteration Act have to be inserted here.

Mr. Chairman, in India we are producing 46,000 MV and 20 per cent of it means quite a huge quantity. If you are able to minimise the pilferage by 1 per cent there will be a saving of Rs. 100 crores and if you are able to minimise it by 5 per cent then you can save Rs. 500 crores which is equal to one-fourth of our Budget. We can do it provided we are very strict. You have to deal with these big people with an iron hand.

Sir, coming to Andhra Pradesh we must compliment the staff working in the Andhra Pradesh Electricity Board. They are doing a good job. They have evolved a new technology. Mostly these problems are technical problems and commercial problems. First you have to control the technical problems. Technology is developing fast. In some of the States we are having old transformers, wires and conductors. We have to improve upon it so that the losses are minimised.

14.00 hrs.

This has to be taken care of. Though in Andhra Pradesh, they have certain proposals for some projects, but unfortunately, the budget allocation for the State Electricity Board is only Rs 200 crores. That is not at all sufficient. The State Electricity Board has asked for Central assistance for the construction of single transmission plant for a sum of Rs. 100 crores, but the Centre has paid a deaf ear to that. That request is still pending with the Centre. I hope the Hon. Minsiter will consider it favourably.

Every State Electricity Board should strengthen its vigilance and intelligence wing. Concrete steps should be taken for that. Unless and until the State Electricity Boards really know the ways of pilferage of electricity, what they are doing in the industries and in the rural areas, no effective steps can be taken. Further, for this purpose, sincere official should be deputed. Though the action has to be taken by the State Electricity Boards, the Centre must give proper technical advice and guidelines to the States, as to how to control the technical losses, and then for the commercial losses, besides the law, goodwill of the people is also very necessary.

Further, if you implement this law blindly, certain poor people and the rural people, innocent people are likely to be put to difficulties. Before taking any action, one should actually know whether they are willingly indulging in pilferage, or unwillingly they are doing it. That should be taken into consideration, only then we would be fair and successful.

In India the per capita consumption of electricity is 165 units, while in Andhra

State alone, it is 175 units. 10 units more than the all India average. In the less developed countries, the per capita consumption is 1000 units, leave alone USA and other countries, where it is more than 10,000 units. When are we going to reach that ?

The allocation in the Central Budget, that is Rs. 2000 crores is very meagre. In fact, the Government does not consider the Energy Department as an important one. There is need to take up many more thermal power projects. As far as Andhra is concerned, proposal for the Maunugur project is pending with the Centre. Another proposal for Nagarjunasagar Atomic Energy project is also pending. Technical report is there, but the clearance has not been given. Besides Andhra Pradesh, what is the position of other States. Wherever it is possible, you should take up and give clearance to more and more projects.

One of our friends was saying that if education and energy are properly attended, and they are developed on proper lines, country's development will get speeded up. In fact, for any country's development, the development of these aspects is very important, but we are unfortunately facing in that. I would request the Government as also the Planning Commission to allot more amount for speedier development of electricity and education.

Then, there should be proper decentralisation of power. The power should not be vested with the Centre for every thing. Wherever new projects are coming up, along with that power houses should also be constructed, so that we are able to solve the problem of shortage of electricity.

In the end, I would once again request that the Centre should help in regard to the Mannugur and Nagarjunasagar Atomic Power Project in Andhra Pradesh by providing them technical clearance as also funds. The Central Government may kindly sanction the amount of Rs. 100 crores asked for by the State Government.

DR. PHULRENU GUHA (Contai) :
Mr. Chairman, Sir, I welcome the Bill to amend the Indian Electricity Act, 1910.

[Dr. Phulrenu Guha]

These Amendments are sought to be made to make a provision for taking more stringent action. In our country, in the rural areas as well as in the urban areas and even in the industrial sectors, the theft of energy has become more rampant and therefore, it is causing a national loss and really it becomes difficult for the country to develop further. Theft or misuse of electricity takes place throughout the country. You cannot say, it may be more or less, but it is taking place throughout the country. Why misuse is going on? Even in the villages, where the powerlines run from one village to another through the polls, there is a chance of stealing energy. The penalty being provided to the thieves is imprisonment from one to three years and the alternative is a fine of Rs. 1000 only. Sir, I would like to suggest that the thieves should be imprisoned because Rs. 1000 or Rs 2000 or any amount of money will not be anything for the thieves. So, unless they know that they have to undergo imprisonment, this menace cannot be stopped. The Government should realise that unless people know that theft of energy means nothing less than imprisonment, then the people will think 100 times to go in for theft of energy. Wherever the amount is due to be borne on account of extra consumption of power by the consumers of any type, have to be paid in addition to the fine. That should be imposed. There should not be any relaxation.

I would like to suggest that TV, Radio and Newspaper have to be utilised for the purpose of educating the people. The theft of energy is causing a menace to our people and to the nation as a whole.

And I would also like to suggest Sir, that the people of the locality are to be associated in some organisation or whatever method is found to be possible so that, they can protect the energy in their own areas. Unless, we involve local people, I do not think we will be able to stop the theft in our country as it is today. I know energy theft cannot be prevented upto the satisfaction, but if it is tried hard, it can be done upto a certain extent. I again say that the people once know that theft of energy means imprison-

ment, then they will be afraid of stealing it. In this connection, I would like to say that Police and the Departmental people must be vigilant. Sir, they are not vigilant. On the contrary, we do not know whether they are also hand in glove with the thieves. Whenever a theft is found, the person or persons concerned should be dealt with properly. There should be no such thing that he is a big person; he is this person; and he is that person. In our country one State has more power than the other State. How far it can be adjusted, is for the Central Government the different States to decide.

In our State, we are very much short of power. Not only in the city of Calcutta, but in my own constituency of Contai, often for 6 or 7 days we do not get power. As a result, we do not get water also, because the pumps do not function. In West Bengal at least, there are difficulties because different political parties have different unions; and they are fighting. As a result, the full installed capacity is not being generated. Whatever be the case, something should be done.

Lastly, I would like to say that the Atomic Energy Commission examined the site at Datan in Midrapore district. After examining that place, they declared it unfit for establishing an atomic energy unit. Then they examined the Khejuri in the same district. It is more than a year since then, but the result of the examination of the site is not known. I request that the unit should be located in West Bengal, and Government of India should take a decision as soon as possible.

I only hope that people will not suffer due to shortage of power. I request Government of India to establish that unit, but I do not know how far the unit will be able to work properly, without interference. Still I suggest that Government of India should do something to establish more of power capacity in West Bengal. Because of shortage of power, many small scale units are not functioning. It is a pity to see that workers are suffering, and families are suffering, because the units are not working properly. Some of the units are closed. So, I request that something should be done. The different unions should also function properly, so that energy is made available in West Bengal.

[Translation]



SHRI RAM SINGH YADAV (Alwar) :
Mr. Chairman, Sir, I welcome the proposed amendment in the Indian Electricity Act, 1910. I congratulate the Hon. Minister that he has taken a courageous step through the amendment in consonance with the needs of the country.

Sir, through the present amendment, sections 39, 44, 47, 48, 49 and 50 of the Indian Electricity Act are sought to be amended with a view to specifically check the theft of electricity.

You will be astonished to note that the transmission loss at the national level has gone up to 21 per cent. The experts in the field of electricity are of the view that in no country the transmission loss should exceed 12 per cent. Should it exceed 12 per cent, the department of electricity should be held answerable for it and they must bear the responsibility. Therefore, this is a staggering fact for the entire country that 21 per cent of the electricity we generate goes waste. The State Electricity Boards which meet the electricity needs of the States are not able to tap enough income and at the same time the consumers too do not get regular supply of electricity. Today, we are able to get only 1/10th of the per-capita average consumption in the world.

At the same time, you will be astonished once again to know that the total loss of the State Electricity Boards by the end of 1990 will run into Rs. 12,000 crores. These losses amounted to Rs. 4100 crores by the end of the Fifth Plan but they are going to reach Rs. 12,000 crores by the year 1990. This in itself is a point which needs attention and the Electricity Department and the Hon. Minister have to give it a serious thought. Theft alone accounts for six to eight per cent of the total transmission loss of 21 per cent. This eight per cent theft of electricity causes loss of Rs. 8,000 crores to the country. Since it is a very serious issue, such a legislation should have been enacted a long back.

Today, we are short of electricity to the tune of 10 to 15 per cent as compared to

our total requirements provided we make full use of our installed capacity. Today, our Plant Load Factor at the national level is only 51 per cent. I am distressed to note that the average plant load factor anticipated by you in 1985-86 in your document—Annual Plan—is only 50 per cent. It is, therefore, heartening to note that it is picking up now, but still it is far from satisfactory. Therefore, you should also think about making full utilisation of our installed capacity.

The Amendment which you are going to make to check theft is a good step but at the same time the officials should also be made accountable. Is it not true that such cases are on the increase due to the connivance of the officers of the Electricity Department ?

If so, there should be a code of conduct for them too. This code of conduct should be framed on the basis of the assertion of the experts in the field of electricity that the transmission losses, in no case, should exceed 12 per cent. The Executive Engineer or the Junior Engineer in whose area the transmission losses exceed 12 per cent should be made accountable for it. For them also, you should enact a legislation. As long as a law for them is not passed and they are not made accountable, you will not be able to check such thefts. Therefore, you should re-consider whether they should not be made accountable for this ? If they are to be made accountable, let them bear this responsibility.

In the States like Haryana and Rajasthan, you have fixed minimum charges from the farmers and entrepreneurs of small scale industries, but you just see the record of the last five years during which the supply of electricity to them was not even 25 or 30 per cent. You realise minimum charges from the farmers but do not supply them electricity and as a result thereof their crops are destroyed or the industries become sick. Who is responsible for it ? Should the Department of Electricity not bear the responsibility as is the case in other countries under the Law of Torts, Law of Damages and Law of compensation ? All your officers whether they are Executive Engineers, Assistant Engineers or Junior Engineers do not make proper distribution of electricity even

[Shri Ram Singh Yadav]

when it is available, as a result of which electricity does not reach the tubewells of the farmers or the factories. You will have to make them accountable at some stage to check it.

Atomic Power Plant at Rawat Bhata in our State was set up in 1972. Its first unit was commissioned in 1973 but since then the plant load factor is only 31 per cent which is below average. No steps have since been taken to compensate Rajasthan from some other source. As a result thereof, the crops of the farmers worth crores of rupees wither away causing colossal loss to them and nobody is accountable for this. Thus, their first unit has already flopped for which the Atomic Energy Department could not find satisfactory solution.

Its second unit was commissioned in 1982. In regard to this unit, the Department of Atomic Energy in their report have admitted :

[English]

“Consequently, despite achieving a creditable capacity factor of 64 per cent in 1979, its overall performance till 1981 was far below the target. It could achieve an overall capacity factor of only 31 per cent during this period. In 1982, a very difficult technical problem arose on one of the end-shields, which necessitated the unit to be shut down.”

[Translation]

You have shut down the first unit and with regard to the second unit you say :

[English]

“After commissioning in October, 1980, the unit commenced commercial operation in April, 1981. Upto June 1984, it has experienced 52 outages over half of which were during 1982. Around 56 per cent of the outages are attributable to problems due to

grid problems and 22 per cent due to problems in the nuclear systems which are essentially akin to conventional systems, but are required to have a higher reliability.”

[Translation]

I would request that the process of setting up the third unit indigenously in place of the two that we already have should be geared up. At the same time, the work relating to the setting up a gas based plant at Anta should also be speeded up so that Rajasthan could get electricity from there. With these words, I once again thank you.

[English]

SHRI THAMPAN THOMAS (Mavelikara) : I would like to pose a question before the Hon. Minister. A few days back, Mr. Sathé said here that he was going to allow for private production of energy. I want to know from the Hon. Minister as to how then you can punish a person who commits theft of his own property under the definition of Indian Penal Code or under the Criminal Procedure Code. If not what is your proposition ? If the Government's policy is to make energy in private sector, then this Bill will become redundant. I am against it. My suggestion is that the energy source and energy should be treated as a national wealth. Anybody who commits theft of that should be punished severely. It should be taken like an offence of counterfeit currency or an offence against the State. This should be treated as a serious crime. It should be made a session's offence which should be triable by a Sessions Judge.

Here in this Bill what you have provided is three years imprisonment or Rs. 1000 fine. Here I am reminded of the labour laws. Even if there is a serious violation of the labour law like not depositing workers' provident fund or not giving gratuity to the workers, the law says that the punishment is for about six years imprisonment. But in lieu of that if Rs. 50/- is given, he will escape. This is not correct. Therefore, I would like to suggest that in the case of Food Adulteration Act or Customs Act there is a provision that he should be punished to im-

prisonment. Therefore, here instead of putting 'or' you should put 'three years imprisonment and Rs. 5000/- fine. The word 'or' should be substituted by the word 'and' That means, it will be compulsory for the Magistrate to award imprisonment. Therefore, he will not commit theft and there will be a deterrent punishment for it. Otherwise it will look very awkward, especially in the context in which I said that you are going to generate power in the private sector.

14.26 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

So, Sir, we have to view it very seriously. This is a heinous crime according to me. I have the experience in my own State. Even during the time when there is no power cut, I have found that the lights are dimming. They are not giving any light to read. Most of the students who had to go to the schools to write the examinations, in spite of the fact that the bulbs were lighting, they had to use candles or kerosene lamps for reading. I find that a number of students have either lost their eyesight or it has decreased. Why is this happening? This is being done in connivance with the staff in various areas by private individuals who are stealing electricity. Therefore, I say that it does not have only a small effect, it has got a very serious effect on our future generation, on the small children. For no fault of theirs they are losing their eyesight because of theft of power by the people and that too with the connivance of the Electricity Board officers. So, this has to be viewed from the point of view of its graveness and its gravity and deterrent punishment should be given to those who commit or abet this crime. You may get a scapegoat for stealing but the real thief will be one of the employees in the Electricity Boards. Without his consent it cannot be done. So, wherever the electricity is being stolen, the concerned official should be forthwith dismissed from service. He should also be treated as a person who is committing a heinous crime on the society. Therefore, my suggestion is that drastic punishment should be imposed on such persons.

Now I would like to say something about the Electricity Boards which are functioning in various States. The total loss of the

Electricity Boards in our country amounts to Rs. 2,845 crores. How does it happen? Electricity is a commercial item and is giving you money. Consumers are paying money for using electricity. When he pays the money, where does it go? This has to be investigated. I have an experience about my own State. After my being elected to the Parliament, the very first question that I asked was regarding the foreign collaboration for electricity generation and the reply was that there is no foreign collaboration for electricity generation. But I understand that the Kerala Energy Minister Shri R. Balakrishna Pillai, alongwith the Chairman and other officers of the Electricity Board have gone to Canada more than once to get foreign assistance and collaboration. He was bombarding that he had achieved the collaboration and financial assistance. This story was coming everyday in the newspapers. I feel that they are also the abettors in the same way as those who are stealing electricity. Every time they go abroad, they waste the money of the Electricity Boards and finally the total loss comes to Rs. 2,835 crores. So, these people are also the abettors. It is not only the staff which connives for stealing electricity, but the people who are in power are also associated with it. They have all found a very good grazing ground for making money and for making their own way of approaching the life. So, my humble request is that the Government should bring a law to bring these people to book. When you are going to punish those people who are committing theft, you will have to punish these people also.

Another point which I would like to stress is that there is a power shortage in this country. The average energy consumption by an Indian citizen is one-tenth of the international per capita consumption. We are far below the average of not only the developed countries but other developing countries also. Our energy resources are very vast. Every resource is at our disposal. We can utilise our water resources. We can produce 3000 MW electricity whereas we are producing only 1000 MW. Like that we are not utilizing the national resources.

My submission in this regard is that Government should come forward with a national programme in the Central Sector for the purpose of generating energy as much as

[Shri Thampan Thomas]

possible and those who connive or abet should be brought to book.

MR. DEPUTY SPEAKER : To-day is Friday. At 3.30 P.M. we are going to take Private Members Bill. Many members want to speak to-day itself. It can be possible to finish to-day, if each member takes only three to four minutes. I hope each member will speak for three to four minutes so that we are in a position to finish to-day.

Shrmtati Prabhawati Gupta.

[Translation]

SHRIMATI PRABHAWATI GUPTA (Motihari) : Mr, Chairman, Sir, I welcome the Indian Electricity (Amendment) Bill, 1986 which has been brought forward to amend the Indian Electricity Act, 1910, Sections 39, 44, 46, 47, 48, 49 and 50 of this Act are sought to be amended through this amending bill. This amendment is important and remarkable because as stated by the Hon. Minister of State in his introductory statement, this Bill has two main objectives. The first is to fully utilise the present installed capacity and the second is to put a check on electricity theft in the entire country. This is a welcome step. I hope that the Hon. Minister of State will bring forward, in the near future, a comprehensive Bill in this House through which each aspect may be discussed in a debate that may last two to three days so that the total requirements of electricity could be considered. Only then something can be done. All aspects cannot be covered in 2-3 minutes.

You know that electricity and generation of electricity have an important role in the economic development of the country. It is really pitiable that theft of electricity and loss in transmission is still continuing. Although the national average of this theft is 7-8 per cent, but the situation in Bihar is more deplorable. In Bihar, I think, the percentage of this theft is 20 to 25 per cent and even upto 50 per cent in some areas. A meeting of the National Energy Council was held this year in which some guiding principles were decided. The main guiding principle was to make the country self sufficient in the

field of electricity during the Seventh Five Year Plan. What constructive steps have you taken in this regard ? If it is done, it will be an achievement

The second point that I want to mention is that the Supreme Court has held that electricity theft is not a cognizable offence under the Indian Penal Code. This Bill has been brought forward to circumvent that judgement. The point to which I want to draw the attention of the Hon. Minister is that the shortage of electricity adversely affects agriculture, industrial sector, cottage industry as also trade and commerce. What steps are you going to take to meet this shortage ? There are 37 thermal power stations in the entire country and the number of atomic power stations is very small. You know that an accident took place in Chernobyle Atomic Station. We should take a lesson from this accident which occurred in U.S.S.R. I would also like to say that there is great potential for setting up of atomic power plants in Bihar. There are Uranium mines in Jadugoda. If you propose to set it up in West Bengal, you should shift it to Bihar because the State is facing great deficit in the matter of electricity and it is the second largest State in the matter of population also. The generation capacity of Barauni and Patratu Thermal Power Station at present is 700 to 800 M.W., but sometimes only 110 M.W. electricity is generated there as a result of which the entire village goes dark which prompts the villagers to say, "These poles illuminate the places alone, but it is the earthen lamp which will give me relief." How will you set it right ?

Besides, I would also like to say that you must differentiate between the electricity thieves and the small farmers and poor people. Do not goad all with the same stick. Serious thought should be given to make progress at a faster pace. There are three major objectives of our Energy Policy. They are to set up energy units, provide electricity at cheaper rates to the people and to remove environmental pollution that may be created as a result of setting up of power houses. I would like to know the quantum of electricity that is being provided to cottage industries. We have three methods of generating electricity i.e., the thermal power, hydro-electricity and atomic power. I feel that the Central Government should pay more attention to

hydro-electricity because it is very cheap. The hydro electricity generated in Geneva and Switzerland is sufficient to meet the requirement of the entire nation. Similarly, we have come to know through a survey that Himachal Pradesh alone can generate so much of hydro-electricity that it can cater to the requirements of the entire country. Serious attention should, therefore, be paid to it.

I would like to submit one thing more and then conclude. I had done a lot of homework and had written down many points but as you are not allowing me more time I would submit only those things which I can remember. Mr. Deputy Speaker, Sir, I would urge the Hon. Minister to set up a national power grid which should transfer electricity from surplus States to deficit States where there is poverty and where these are cottage industries.

Mr. Deputy Speaker, Sir, it is good that severe punishment has been proposed in this Bill for those who indulge in theft of the electricity. But here I would like to know as to what machinery the Government is going to create for implementing these provisions because pilferage is largely done in connivance with the employees of the electricity department. Today, the engineers of this department in Bihar have acquired wealth and assets worth crores of rupees and Shri Vishwanath Pratap Singh has not been able to lay his hands on them. I would, therefore, like the Government to take effective steps to check this and thereby make the country's future bright.

SHRI KALI PRASAD PANDEY (Gopalganj) : Mr. Deputy Speaker, Sir, I am highly obliged to you for providing an independent Member an opportunity to speak. I support the Electricity (Amendment) Bill, 1986 introduced by the Hon. Minister. The economy of the country today is largely dependent upon electricity and the intention of this Bill is to check theft of electricity. I would like to know whether the Government will be able to check this theft at all through this amending Bill. If the Government is sincerely and seriously thinking of checking this menace then it should bring the employees of electricity department also within its purview. It is

common knowledge that the meter-readers of the department are in connivance with big industrialists throughout the country. The same is true of telephones also. Even if a Member of Parliament wants to call somebody in the other part of the country, he is not able to do so in time but these industrialists have their code numbers and they can make a call anywhere in the country in less than an hour. Similarly, the meter-readers of electricity department act in connivance and rewind the meters as desired by the industrialists and seal them again. This is the condition today.

75 per cent of India's population is poor and they cannot even raise their genuine demands. Their standard of living should be raised. Shrimati Indira Gandhi tried to achieve this by introducing 20 point programme, electricity and energy schemes and other schemes.

The situation of electricity supply in the rural areas is not satisfactory. Where there are electric poles, there are no cables and where both these exist, there are no transmitters. The Government will have to restore people's confidence. When the transmitters are not installed in spite of the availability of poles and cables, the people start stealing the cables. I belong to Gopalganj in Bihar. The people of eastern and western Champaran district had expected that the Kanti Muzaffarpur Thermal Power Station will be commissioned soon and the entire area will get electricity. But later that project was not undertaken. The Kanti Thermal Power Project seems to be in doldrums because it was to be commissioned in 1985 but it has not been done so far. One of the units was commissioned but that was only able to supply electricity to a few adjacent districts. Why was the Tarapur Thermal Power Station handed over to Nepal when there was acute shortage of electricity in Bihar? If the Koyal Karo Project is commissioned it would certainly increase Bihar's electricity capacity. But this project has remained on paper only. Crores of rupees have been spent on it so far but it has not been commissioned. When I was an MLA in Bihar and also a member of the State's Public Accounts Committee, I found that Bihar is a unique State. The engineers of Patratu Thermal Power Station, Rasia were

[Shri Kali Prasad Pandey]

removed and new engineers were appointed there, due to lack of expertise the production of Thermal Power Station, declined sharply. My suggestion is that the Central Government should take full responsibility of power generation in the country as is the case of the Railways and the Telephone department. Only then the situation can improve. With these words I conclude.

[English]

SHRI VIR SEN (Khurja) : Mr. Deputy-Speaker. Sir, I thank you for giving me the opportunity to speak

Sir, you know that almost all the public enterprises are running into great losses and they are under great criticism for these losses. Just a few minutes ago an Hon. Member on the other side of the House was saying that the losses amounted to about Rs. 3000 crores and these are the result of the losses in all the corporations or public undertakings. Now the question comes : How to cover these losses ? The problem is that they cannot reduce losses. They cannot reduce losses because they have no will to reduce losses. And the only thing that they can do is to find some scapegoat so that they can put the blame on any other party, and I think this is the case with this Bill also. This Bill is brought up only because the State Electricity Boards are not able to reduce their losses and therefore, they want to show that the culprits are the consumers and therefore, these consumers should be punished. I do not deny, of course, that the consumers are pilfering energy. But at the same time I would say that they are not the only culprits. The staff of the Electricity Board is also responsible for this pilferage. They are active participants, they are active collaborators. I think, it is not possible for the consumers alone to pilfer energy. It is they who teach and tell the consumers how electricity can be pilfered and how the meters can be made not to operate. As my friend on the other side said, every meter-reader is engaged for is in collaboration with the consumers and if thousands of units are used, only a few hundred units are shown and the difference is divided between the meter reader and the consumer. Now, all

the Electricity Boards are doing the same-thing. They use the same stratagem to show that the losses are not so great. One of the reasons which is generally shown and accepted by the layman is the transmission loss. My friend was referring that the transmission loss should not be more than 12 per cent. But as a matter of fact, transmission losses can be calculated. They are results of resistance specific to every metal. For example, copper has a particular resistance for electricity. In the same way, aluminium has the resistance. Now, this can be calculated with the diameter and the length of the conductor, and the layman are, of course, made to believe that transmission losses are because of some other reason. This is only a stratagem to cover up the losses and to cover up the Electricity Boards' inefficiency and their rampant corruption from top to bottom, before the people. I think, this is one thing.

Another reason is about the Plant Load Factor. Well, if the Hon. Minister tries to see technical book on the subject, she will also be able to know that the ratio that is shown for plant load factor is not the same as given by the Electricity Board, i.e. 50 per cent or 51 per cent. There are other things also which are responsible for the great loss and one of the reasons is the pilferage of coal, other materials, transmission wire and other things also. I think, there are corruption and inefficiency which, I think, are not necessary to mention because everybody knows these things.

There is another stratagem which the Electricity Board applies, and that is the horse power rate. There is a fixed charge, even if you do not consume electricity and everybody knows that the farmers use electricity a few months only. But for the whole year, they have to pay at the rate of the horse power. This is the stratagem, of course, adopted by them, in order to show reduced losses. But the real losses are very very great and I think, they may be more than double.

Now, these Electricity Boards are monopolistic organisation. There is no other organisation from which you can purchase this commodity. That result is that the consumer has to submit to any condition which they impose. And the result is, if they increase

the rate, the consumer will have to pay and if they levy sur-charge on electricity, the consumers have to pay. The only remedy, in my mind, is as long as you do not break this monopoly, you are not going to give succour to the industry or to the consumers. So, as soon as possible, give generation and distribution of electricity either to private agencies or establish more corporations or undertakings, which may compete together. That is the only way by which you can do certain things.

I would like to bring to your notice how the industry is suffering because of the mal-practices of the electricity Boards. For a number of days, electricity is not supplied to industry. From morning till evening, the labour is idle and the poor consumer or the poor entrepreneur who has very small money at his disposal has to pay to the idle labour with the result that within two or three months, the capital is extinguished and the unit becomes sick and the final result is that he is unable to pay the Bills and there is disconnection and what will be the result? After disconnection also, you will see the strange practice that you do not supply the commodity and still you charge the person for energy not supplied. Even after disconnection, the regular charges are levied and whenever the consumer gives application for connection, he has to pay for several months together during which period he does not get electric supply.

MR. DEPUTY SPEAKER : Please wind up.

SHRI VIR SEN : If industry is to flourish, if the condition of this country is to be improved, you have to take certain measures. One of the measures is that you should break the monopoly of the Electricity Boards which are stuffed with bureaucrats. Secretaries put their names whenever there is a proposal for constitution of any authority. Finance Secretary, Industry Secretary, PWD and all these Secretaries are put there. I think these officers neither have the time nor the expertise. They are placed on these Boards. These Boards are not going to flourish. They are not going to give you good results. What should be done is that public men should be placed on these Boards and experts should be placed on these boards.

MR. DEPUTY SPEAKER : There is no time. If you have anything more, you give it in writing to the Minister.

SHRI VIR SEN : Distribution should be separate from generation and this distribution work should be given to separate organisation in the cities and at the block level. These things are very necessary.

I would like to say that thought stringent punishment has been prescribed but I am very doubtful whether this will be successful..... (*Interruptions*). You do not have the machinery to find out the pilferage and you do not have the machinery to prosecute and in the end the persons who will detect out some cases of pilferage are also likely to become corrupt and compromise the cases with illegal gratification.

[*Translation*]

DR. G. S. RAJHANS (Jhanjharpur) : Mr. Deputy Speaker, Sir, I rise to support the Indian Electricity (Amendment) Bill, 1986. I like this Bill. I want to draw the attention of the Hon. Minister to two or three things in this connection. Daga sahib is my friend but whenever I rise to say something he interrupts me. The Bill seeks to make the pilferage of electricity a cognizable offence but this should have been done much earlier. Once the Bill is enacted and this offence made cognizable, my only apprehension is whether we would be able to implement it properly because all of us are aware, the way powers pilfered on a large scale in Bihar. This is done in a most blatant manner. The condition of Bihar in this respect is no more a secret. The Mafia is active in Bihar and it commits large scale theft of coal openly and nobody is able to check it. Similarly, there is pilferage of electricity everywhere today. People run industries through unauthorised connections and indulge in other activities fearlessly and nobody is able to check them. It is clearly done with the connivance of the engineers and the officers. Every engineer of the electricity board owns property worth lakhs of rupees and nobody can touch them. Law has no doubt been framed and a good one, but who will implement it? If we take no further

[Dr. G. S. Rajhans]

interest in the matter on the plea that it has to be done by the State Government as it is a State Subject we would find ourselves helpless.

One of my friends came from America. He said that in our country one could get a glimpse of past several centuries as well. He further added that if one wanted to see the 21st century one should visit Bombay and visit Delhi to see the 20th century. Where as if one wanted to see the 5th or 6th century one should go to Bihar. Electricity supply is so erratic that it is not available even for seven minutes in a week ! If at all power supply is restored it is merely to remind us that the villages are electrified, lest we complain that the villages have not been electrified. The power supply is so erratic in Bihar that the Government cannot even imagine.

Mr. Deputy Speaker, Sir, I had raised a matter repeatedly in this House. I am happy that when President Zail Singh went to Nepal this time, it was the Nepalese Government which mentioned that they would conduct surveys and construct dams across rivers so that floods do not hit Bihar. On the other hand, so much power will be generated that both Bihar and Nepal will benefit from it. I was glad to hear this. We have discussed this matter many times in this House but this time the Nepalese Government has agreed to it in principle. This is a matter of happiness.

The rivers that flow from Nepal and cause floods in Bihar, have a potential of generating 83000 M. W power but we are not able to harness even one per cent of that potential. A serious view of this matter should be taken. If dams are constructed on rivers flowing from Nepal and power is generated through hydel projects, Nepal will become a paradise on earth and the States of Bihar and U. P. will benefit tremendously. As a consequence of this, there will be more industrialization and the large scale loss to life and property will be checked. The construction of dams will also check soil erosion. Reservoirs will be constructed and these will help in generating so much power that these

States will make tremendous progress. Therefore, serious thought should be given to this problem.

Secondly, I would like to say that at the time of setting up of the Katani Power Station at Muzaffarpur, it was said that there would be abundant power in North Bihar as a result of this project and it would bring prosperity to this area. But is the position of power there ? When I put a question regarding this, I was told that it was not only for North Bihar but also for the whole of Bihar. It is gross injustice. It was promised at the time of setting up of the power station that power would be supplied to North Bihar, Muzaffarpur, Chapra, Madhubani and Darbhanga. But that power has not been supplied to North Bihar. It is proposed to supply power to the grid. Bihar is already short of power supply and when that state is connected with the grid system, the North Bihar and the South Bihar will gain nothing.

Sir, I would like to say one thing. We have great hopes from the Kahalgaon Thermal Power Station. But it has been reported in the Press that work on the Kahalgaon Thermal Power Station is going at a slow pace. This should not happen. The work on the Kahalgaon Thermal Power Station should be speeded up so that it is completed at the earliest. Besides, I would like to make request that power generated in this station should not be supplied to the national grid. The people of Bihar will not accept it. The power generated in Kahalgaon thermal power station should be first supplied to Bihar and it can be supplied to North Bihar by constructing pillars in the river Ganga. I would request the Hon. Minister to give an assurance today itself that the power will first be supplied to North and South Bihar and then it will be supplied elsewhere.

In the end, I would say that if there are deposits of good quality uranium in the country these are located in Bihar. We have been repeatedly making request that an atomic power station should be set up there but no attention has been paid towards it. It may be set up in North Bihar or in South Bihar. There is a great potential of an atomic power station there and you cannot set it up. In Bihar there is no dearth of

electricity and you can set up as may Thermal Power Stations as you like. If there is will, thermal power station can be set up there. Besides, atomic power station as well as hydel power station can also be set up there. Bihar is a place where all the three kinds of power stations can be set up.

15.00 hrs.

Let by gones be by gones. It is still not too late. A hydel power station can be set up in North Bihar in collaboration with Nepal. A thermal power station should also be set up in South Bihar. An atomic power station should also be set up in North Bihar.

A great injustice is being done to the agriculturists. Their transformers get damaged and electricity is not made available to them. It is not possible to undertake irrigation activities. I would request the Hon. Minister to take steps to supply power to Bihar which is facing a power crisis.

[English]

DR. DATTA SAMANT (Bombay South Central) : Electricity is a basic need and in such needs such type of strict legislation is not practically going to work in this country. I am going to ask the Hon. Minister. Does she really mean that 21 per cent pilferage of electricity is done by the poor consumer unless some of your lower officers, readers and vested interests people are also involved in such type of stealing of electricity ?

In this law you are leaving all these people. I know. In the industrial estates the meter readers are collecting more money. Meters are changed. They know how to manipulate. That is why we are losing a lot of revenue. But in this legislation we are just leaving these people to just go away. I know specially two electricity Boards in Maharashtra. These are dens of corruption and they are collecting a lot of illegal money.

Electricity is a need and taking advantage of the helplessness of these poor people these people go on exploiting them. I request the Minister. Let us first put our home in order.

First correct your Electricity Boards and those who are going to distribute and then go to the poor and small consumer.

There is an influx of poor people into the cities. In the Bombay city now 50 lakhs of people are staying in unauthorised slums. Hon. Sharad Dighe is not here. But if this Bill is implemented, the Police has to arrest about 25,000 people tomorrow or the day after. Dharavi is the biggest slum in Bombay and these slum-dwellers with the involvement of the Electricity Board Engineers take the electricity and steal electricity. Electricity is today a basic need and if you go on with such type of punishment, tomorrow poor people will be arrested.

Putting up an unauthorised structure is made a cognisable offence by the Bombay legislature I was a member of the legislature then. I opposed it. I said—you construct the houses. But nobody is constructing houses for the poor people coming from all over India. Now, what happened ? Nobody is arrested. If you want to put up an unauthorised structure, you pay Rs. 500 to the nearest police station and if you want to have electricity, you pay Rs. 500 to the municipal engineer. This is what is going on and this Bill is not going to make any change in your revenues as my Hon. friend said.

What care are you taking of the small villagers ? For the small man sitting in the cities and sitting in the hutments are you going to make provision to supply him electricity ? They cannot spend for this. They cannot bribe your engineers. They cannot make deposits for electricity because of their poverty. I have seen in Bombay. For one bulb they pay Rs. 25 Some illegal man is working hand in glove with your engineers and he collects the instalments. How are you going to define the 'abettor' ? The 'abettor' is very difficult to prove anywhere. After the law comes into effect, the abettors will be your electricity engineers or the abettors will be the vested interests people. They will go scot-free and the poor slum-dweller will be arrested with such type of Bill. Therefore, I again appeal to the Government. Your idea may be good, but it is not going to materialise. You are not going to collect even Rs. 20,000 by such type of

[Dr. Datta Samant]

Bills unless you come forward and see that electricity is supplied to the remote places at a cheaper rate. The electricity rates in States like Maharashtra have become double in two years. So electricity is becoming a luxury. The poor are not using it much. Therefore, illegal transactions are increasing day by day. Unless we correct these things this Bill is not going to help us.

Sir, I cannot oppose this Bill but my support will be limited because it is the helplessness of the Government that they cannot correct these things.

SHRI SHANTARAM NAIK (Panaji) : Mr. Deputy Speaker, Sir, we are on the threshold of power when we have three major nuclear power plants, have a programme of building six massive pit-head super-thermal power stations and are vitalised hydro-programme. It must be admitted that our consumption per capita is one-tenth of that of the average world consumption of electricity. Although we have got 70 per cent population covered with electricity it is a fact that only 20 per cent of the house-hold have electricity in this country.

As far as my territory is concerned I will make a brief mention. We missed the first two Five Year Plans because Goa became independent on 19th December, 1961 and considering that we today do not have our own power resources. We either borrow electricity from Karnataka or Maharashtra. So special stress should be laid since Goa is a Union territory to make Goa self-sufficient in respect of power.

It will be seen that due to the vast experience of thefts which are committed in various States a State like U.P. had issued an Ordinance where they had imposed a fine of Rs. 500/- to Rs. 10,000/- and an imprisonment from 3 months to 3 years. It is the experience of U.P. State that upto December 1985 they had conducted 15,664 raids and detected 2,918 theft cases and recovered lakhs of rupees.

It is welcome that through this legislation theft has become a cognisable offence

and stringent punishment has been provided for but may I draw the attention of the Hon. Minister to the working of Section 39 which is sought to be replaced :

“Whoever dishonestly abstracts, consumes or uses any energy shall be punishable with imprisonment for a term which may extend to three years, or with fine which shall not be less than one thousand rupees, or with both; and if it is proved that any artificial means or means not authorised by the licensee exist ..”

What does the words ‘not authorised by the licensee’ mean? In fact, licensor is the Government and licensee is the party using. Secondly I again refer to the words ‘not authorised by the licensee exist’. Now how the word ‘licensee comes into the picture here? Is it that if the instrument ‘exist’ at the given place through which a consumer commits theft that he is presumed to commit the offence? I think there is some sort of mistake in the wording or the meaning is overlapping.

Secondly I would like to submit that ‘abettor’ has rightly been made punishable in this especially because ‘abettors’ are those who are entrusted with the supply of electricity. It has rightly been done so. But if the abettors are engineers like Executive Engineer, Assistant Engineer, etc. who have collected huge wealth then they should not only be covered under this legislation but also under Prevention of Corruption Act as under this Act the first option given to the court is to impose a fine for the first offence. An Assistant Engineer who abets may get scot free by paying a fine of Rs. 500/-. Therefore, unless simultaneous prosecution under Prevention of Corruption Act is launched the things will not improve. Secondly, I have proposed a concrete amendment in regard to this.

When a prosecution is launched against a person for committing theft and if that is proved and he is convicted of imprisonment and fine, a certain percentage of that fine, when recovered, should go to the person on whose information or complaint that prosecution was launched. This will help the Govern-

ment in getting more and more cases detected in remote areas. Unless this incentive is given, nobody will come forward to report the theft of cases. But as I said, if a certain percentage of the fine is made available to the person, who gives information, this would be very helpful. This would be a sort of incentive, as is given in the customs cases. There, of course, it is a huge amount, but here it would be only a matter of a few thousand rupees. But if you make that provision, people will come forward and ultimately the objective of the legislation will be achieved.

[Translation]

SHRI MOOL CHAND DAGA (Pali) :
Mr. Deputy Speaker, Sir, may I know whether our Hon. Minister, after presenting the Bill, has ever thought what is the condition of our power houses. The condition of the power houses is deplorable.

[English]

The fact is that State Electricity Boards function in a grossly unprofessional manner and are plagued by inefficiency, over-staffing, indiscipline, financial irregularities and poor maintenance.

[Translation]

If complaints are made to rectify the defective meters installed at our houses, no action will be taken to rectify them even after one to two months. Your linesman may be an honest person. But in order to shield the Executive Engineer, the Assistant Engineer or the Junior Engineer you entangle the poor in such cases who are otherwise innocent.

[English]

In answer to Unstarred Question No. 11010 the Minister of State for Energy stated in this House on 10th May, 1983 :

“During the year 1980-81, 48556 cases of theft of energy were detected. 245 cases ended in conviction. About 31189 cases of theft of energy were detected during the year 1981-82. Information for the year 1982-83 is not available.”

[Translation]

You can see the figures. Out of 48556 cases of theft of energy...((Interruptions)... only 200 cases ended in conviction. Will the pilferage of electricity be stopped by the stringent measures which you propose to take after the enactment of the law ? The transmission losses come to 21 per cent. The officers complain that the linesmen are not amenable to discipline and the linesmen complain that the workers flout their instructions. All the workers are victims of the union rivalry. The Power Boards in the country are running in losses. (Interruptions) I am the secretary of a union. Therefore, the trouble is caused by the unions and the leaders of the unions also incite the workers to create trouble. But the question is not that of unions. The point is that we are not able to utilise even 50.8 per cent power capacity because the management is not working properly. You have brought the legislation but it is a defective piece of legislation because it has failed to specify certain things e g., which authority will take out the challan and who would be prosecuted and whether summary trial will take place or not. Only the poor will be arrested and the rich will go scot free. Therefore, I would like to say that things will only improve when the Electricity Boards are set in order.

SHRI JAI PRAKASH AGARWAL (Chandni Chowk) : Mr. Deputy Speaker, Sir, many things have been said about the Bill in this House. I support this Bill but alongwith it I want to say a few things about this den of corruption, where every room is filled with corruption. The theft does not take place here. See it from the beginning. The meters supplied by DESU go out of order two days after installation. But no one enquires as to who had supplied those meters and what is the defect in them ? Besides, no one is held responsible for it. Similarly, you will find that the transformers get burnt after two days but no one goes into this aspect as to from whom they were purchased, who purchased them, who is responsible for their going out of order and why were they not tested ?

Similarly, you will see that unauthorised constructions and unauthorised markets get electricity connections within 24 hours but

[Shri Jai Prakash Agarwal]

for residential premises it takes three months to get an electricity connection. Applicants' shoe soles wear out, they take leave from their offices to get connection for electricity but even then they are unable to get connection.

Similarly, electricity connections are given to squatters but shops in the commercial markets are not being provided electricity connections. If there is a division of a shop between two brothers and a partition wall is erected in it, they do not get a separate connection. They keep making rounds of the DESU office.

If you observe the criteria regarding supply of electricity to the industry you will find that supply is measured in term of money relised whereas the rule is to take into account the number of units produced and the number of units actually consumed? If you calculate all this you will see that there the pilferage is lesser as compared to the pilferage caused by DESU's officers, linemen of Executive Engineers. The big industries pay thousands of rupees to the linemen every month and that money is shared by all. They are the persons who pilfer electricity; small shopkeepers would not pilfer it. They do not have enough money even to pay the Bills. Wherefrom they will get the money to make extra payment? Your meters are defective; they jump thousands of units and linemen ask for gratification to get them rectified, otherwise they harass people.

Therefore, under this Bill you should pay attention to those dens of corruption also. If you get the working of DESU investigated by CBI you will come to know how much equipment and other material was purchased and how much was used? There will be no account of all this. Therefore, I feel that this Bill be of no use. What will happen is that people will be further harassed and the housewives would be threatened to pay money otherwise their husbands will be arrested. Police too will reach there. That it will be of no use. You must be seeing naked wires lying on the roads. No one is there to do something about them. There is no code of conduct as to whose responsibility is this and what should be done?

Therefore, I hope that alongwith this Bill, steps will also be taken to remove deficiencies and shortcomings and prevailing corruption.

*SHRI R. JEEVARATHINAM (Arakonam) : Mr. Deputy Speaker, Sir, I support the Indian Electricity (Amendment) Bill, 1986 brought forward by the Government and I would like to place before this august House some of my viewpoints concerning this Bill.

Sir, the Hon. Minister, Shri Vasant Sathe, has, at this juncture, brought forward this Bill with some amendments to the Sections 39, 44 and 50 of the Indian Electricity Act, 1910. Sir, it is really good that the Government is talking steps to put an end to power thefts and power pilferages. According to Section 39 of the Act, anybody indulging in consumption of power in an unauthorised or surreptitious manner, from the main supply lines or found keeping necessary equipments with the intention of drawing power from the supply lines in an illegal manner, will be dealt with and punished severely. But, Sir, at the same time, I would like to know from the Hon. Minister what measures are proposed to be taken by the Government to detect power thefts. What machinery have they got to detect the power thefts? I would suggest that the Government should organise a special squad and make surprise checks.

Sir, big industries and factories, farm houses and even the small individuals draw power from the service lines in a surreptitious manner. Government should come forward with heavy hands to catch those indulging in nefarious activities.

Another point I would like to submit to the Hon. Minister is that any individual or the owner of a factory or an industry consumes power or tries to consume power from the main service lines or keep in his possession such equipments to draw power should be dealt with and punished severely. Sir, shortage of power in the country is also created due to conspicuous

*The speech was originally delivered in Tamil.

and unjustifiable manner of power consumption. In this connection, I need not lay much emphasis on the point that power is one of the prime necessities for the development of the country. Sir, it so happens that there is uncertainty of monsoon during the monsoon months in most parts of our country. Hence it is all the more necessary that Government need not depend on water source for power production. They should, therefore, think of producing power by installing more number of thermal power stations as also atomic energy power stations in various parts of the country. In this connection, I would like to inform the House that last week, on 26th July 1986, our Vice President, Shri R. Venkataraman, had also mentioned the need for going in for more number of thermal power station establishments and atomic power stations in different parts of the country.

Now, Sir, coming to power theft, the Hon. Minister should go into the matter thoroughly as to why power theft is taking place regularly. I would submit to the Hon. Minister that the Government should come forward and distribute power very generously to every industry and the factory as also individual consumers so that malpractice in power consumption would automatically get reduced to a great extent.

In this context, I would like to draw the attention of the Hon. Minister that in my constituency, in Ranipet, there are many big and small industries and factories. There is also the BHEL unit in my constituency. But due to shortage of power, the industries, both small and big, are forced to close down for six months in a year. On account of this, not only the production is affected but also the labour is affected and they are not able to get their livelihood. Therefore, my humble submission to the Hon. Minister is that the Government should establish a thermal power generation station in Ranipet so that the industries working in and around Ranipet would get power supply in sufficient quantity and without interruption. Not only that. The farmers will also get power for running their pumpsets for cultivation purposes.

Sir, in Tamil Nadu, after Tanjore District, North Arcot District comes next in paddy

cultivation with the help of electric pumpsets. Due to failure of monsoon and due to shortage of power, paddy production is affected. So, Madam, establishment of a thermal power station at Ranipet will go a long way in helping the poor agriculturists as also the industries in the District. Thank you.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh) : I have all support for this Bill. In fact, this is a much more awaited Bill. This should have been introduced much earlier. I know that this Bill is going to be passed. But we have to consider as to what purpose is going to be served by this Bill. With the expansion of supply of power throughout the country, the transmission and distribution losses have also gone up abnormally mainly because of theft and pilferage of electricity. In the year 1979-80 the T & D loss was 20.44 per cent and in 1984-85 it has gone upto 21.69 per cent. So with the passage of time, with the progress and expansion in our electricity programme, power generation and distribution, the T & D losses are also going on increasing.

There are two types of T & D losses. One is technical and other is commercial losses or pilferage. To check pilferage or commercial losses, the Bill, no doubt, will help us to a certain extent but not to the desired extent. Why? Because the implementing machinery will be none other than the State Electricity Boards. About the State Electricity Boards much has been said by the previous speakers. They are absolutely in bad shape. They are full of corruption and anarchy is prevailing there. The administration and management of these State Electricity Boards need to be tightened. I would submit for the consideration of the Government that the worst managed State Electricity Boards should be put under the charge of some expert electric engineers drawn from the Army.

The punishment for pilferage should be stringent and there should be summary trial. And also the offence should be cognisable one.

I would put forward one more point for the consideration of the Government. By the

[Shri Sriballav Panigrahi]

end of the Seventh Plan we will be short of 10,000 MW of power. Power is the basic input for everything, for our economic growth. Without power we cannot move an inch forward on the path of progress and prosperity. Some States are very very bad in power generation. They are simply resorting to power cuts for 10 to 12 hours a day. Orissa is one of such unfortunate States. Of course, there are very good proposals with very good feasibility report. Lot of coal is also available there. But somehow, Orissa has been neglected so far. Therefore, I would request the Hon. Minister to give personal attention for the setting up of two super thermal power stations—one at Talchar and another at Ib valley.

While concluding I would again say that the State Electricity Boards require proper monitoring from the Centre and the CEA. There is need for regulation and tightening up administration in different State Electricity Boards.

With these words, I conclude.

15.30 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Twenty-First Report

[English]

SHRI DIGVIJAY SINH (Surendranagar) : Sir, I beg to move :

“That this House do agree with the Twenty-first Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 30th July, 1986.”

MR. DEPUTY SPEAKER : The question is :

“That this House do agree with the Twenty-first Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 30th July, 1986.”

The motion was adopted

15.31 hrs.

CONSTITUTION (AMENDMENT) BILL*

(Insertion of new article 32A)

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adoption adopted

SHRI PRIYA RANJAN DAS MUNSI : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Insertion of new article 29A)

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI PRIYA RANJAN DAS MUNSI : I introduce the Bill.

*Published in the Gazette of India Pt II Section 2, dated 1.8.1986.

**FOREST (CONSERVATION)
AMENDMENT BILL***

(Amendment of section 2)

[English]

SHRI S. G. GHOLAP (Thane) : Sir, I beg to move for leave to introduce a Bill to amend the Forest (Conservation) Act, 1980.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to amend the Forest (Conservation) Act, 1980.”

The motion was adopted

SHRI S. G. GHOLAP : I introduce the Bill.

15.32 hrs.

CONSTITUTION (AMENDMENT) BILL*
(Substitution of new article for article 157)

[English]

SHRI ANOOPCHAND SHAH (Bombay North) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI ANOOPCHAND SHAH : I introduce the Bill.

**SETTING UP OF A SUPER THERMAL
POWER STATION AT NARASAPUR
BILL***

[English]

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : Sir, I beg to move for

leave to introduce a Bill to provide for the setting up of a super thermal power station at Narasapur in West Godavari District of Andhra Pradesh.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the setting up of a super thermal power station at Narasapur in West Godavari District of Andhra Pradesh.”

The motion was adopted

SHRI V. SOBHANADREESWARA RAO : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Insertion of new article 38A. etc.)

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI BALASAHEB VIKHE PATIL : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 335)

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI BALASAHEB VIKHE PATIL : I introduce the Bill.

15.33 hrs.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 81, etc.)

[*English*]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI BALASAHEB VIKHE PATIL : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 163)

[*English*]

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI P. KOLANDAIVELU : I introduce the Bill.

MEDICAL TERMINATION OF PREGNANCY (AMENDMENT) BILL*

(Amendment of sections 3 and 4)

[*English*]

SHRI SHARAD DIGHE (Bombay North Central) : Sir, I beg to move for leave to introduce a Bill to amend the Medical Termination of Pregnancy Act, 1971.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill to amend the Medical Termination of pregnancy Act, 1971."

The motion was adopted

SHRI SHARAD DIGHE : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Insertion of new article 46A)

[*English*]

SHRI SYED SHAHABUDDIN (Kishanganj) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

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*Published in the Gazette of India Pt. II Section 2 dated 1.8.1986

15.34 hrs.

PROMOTION OF SECULARISM BILL*

[English]

SHRI SYED SHAHABUDDIN : Sir, I beg to move for leave to introduce a Bill to provide for the application of the principles of secularism in Government and administration.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the application of the principles of secularism in Government and administration.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

MARRIAGE WITH FOREIGN NATIONALS (REGULATION AND REGISTRATION) BILL*

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : Sir, I beg to move for leave to introduce a Bill to regulate and register the marriages of Indian citizens with foreign nationals.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to regulate and register the marriages of Indian citizens with foreign nationals.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

*Published in the Gazette of India Pt. II Section 2 dated 1.8.1986.

15.35 hrs.

AGRO-BASED INDUSTRIES RESERVED FOR THE PRODUCERS AND WORKERS COOPERATIVES BILL—(Contd.)

[English]

MR. DEPUTY SPEAKER : Now we take up further consideration of the following motion moved by Shri Balasaheb Vikhe Patil on the 18th July, 1986 :

“That the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries, be taken into consideration.”

Shri G. L. Dogra.

SHRI G. L. DOGRA (Udhampur) : I support the Bill. Last time Shri Daga made a scathing attack not only on the Bill itself but also on the co-operative movement. I do not think what he said is justified on facts.

I would like to say that the Constitution of India recognises three sectors—public sector, private sector and co-operative sector.

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Joint Sector also

SHRI G. L. DOGRA : No. Joint Sector is not known to the Constitution.

So far as the public sector is concerned it is doing a good job. Very important and basic industries are being run by the public sector and we should lay more stress on the public sector industries so that economy becomes self-reliant and we may depend on ourselves rather than on any other country.

So far as the private sector is concerned, it is also getting enormous help from the Government. A very good portion or a major portion of the resources is placed at the disposal of the private sector one way or the other, or by one device or the other.

[Shri G. L. Dogra]

So far as the co-operative sector is concerned, it is totally ignored. Shri Balasaheb Vikhe Patil was very modest when he said that agro-based industries should be restricted for co-operative sector. We should encourage industrial co-operatives. Unless we encourage co-operative sector, we cannot improve the lot of the poor people, the poor artisans, the poor agriculturists, the poor people working in industries. It is only through cooperatives that you can do it.

It is true that some professionals have also entered into co-operatives. It is true they spend money while seeking elections in co-operatives and then they make money many a time out of it. Government Departments are the party to the evil of squandering away money. But the co-operatives face hardship and the poor people are being exploited, therefore, I would like to say that it is anti co-operative lobby which my friend Shri Daga and some other persons are leading and are very vociferous. But it is a fact that without healthy and strong co-operative movement, the lot of people of India 90 per cent of which are poor cannot be economically improved. We have to keep in view thing. I must say that as far as the Governments are concerned, the State Governments are using the cooperative institutions as political instruments. The ruling party everywhere wants to rule through the cooperative institutions. Whichever may be the ruling party they always want to do it. It is only in certain States that the members of the cooperative institutions are independent and resist any interference. But otherwise there are States where elections to the cooperative institutions are not held for the last 20 years. It is cooperative only in name. These are being run by IAS officers. It is a very deplorable condition. Nobody in authority feels perturbed over it. If all the State Governments are made aware of the utility of the cooperative movement, I think, we can have a very strong movement and healthy economic growth. We can help those elements who are being exploited by others, and thereby we will be making really an India of the dreams of Gandhiji and Pandit Jawaharlal Nehru. But I don't think that our economists and administrators are really looking towards this aspect of the

problem and are conscious of the utility of the cooperative movement. This has got to be done. Somebody has got to do it. Our young Prime Minister has paid his attention to many a problem but this are has not drawn his attention. We want Hon. Prime Minister to look towards this also and the Hon. Cooperative Minister who is also young should draw particularly his attention to this aspect of the problem. Hon. Cooperative Minister should see that the cooperative are organised in all sections of the society.

Therefore, without taking much of your time and the time of the House, I would urge that either this Bill should be passed or the Government should bring forward a well-thought-out Bill reserving some industries for the cooperative sector. If they don't want to reserved some industries exclusively for the cooperatives, at least, they should mark out some industries and say that for them the help will be given by the Government. They should see that such industries will be given adequate help and are properly looked after.

There are allegations that sometimes bureaucrats interfere in the cooperatives. But certain things are essential. After audit report, certain things come to the notice of the Government. So, they have to take steps. If they supersede the management of a particular cooperative, they should hold elections again within 3 months if it is possible, or within 6 months, in every case. It should not be postponed beyond 6 months. It should be left to the members of every cooperative to solve the problem and the Government should only help them, and if necessary guide them. But they should not super-impose themselves on the cooperatives.

With these words I support the Bill.
Thank you.

15.45 hrs.

[SHRI SOMNATH RATH *in the Chair*]

PROF. NARAIN CHAND PARASHAR (Hamirpur) : Sir, I rise to support this Bill. Shri Balasaheb Vikhe Patil has rightly sought to focus the attention of the House and more so of the Government to one of the

most exciting sectors of our economy. Most of the cities have been thriving at the cost of the villages and rural development is the first victim in the onward march of this nation.

We provide all the facilities in the cities, and as Gandhiji said, India as a whole lives in the villages. Therefore it is right that he has sought to request the Government that agro-based industries be set up in the rural areas with Central assistance and that they should be reserved for the workers as well as producers. And he is right because if it is not done, what would happen is that the people from outside capture these industries as they have been doing all along. So, in the interest of the people of villages it is essential that this reservation is made exclusively for those who are actually involved in agriculture, and we have the actual experience of doing something with agriculture.

The word 'cooperative' may become very unpopular with some people, especially those who have lot of money with them. But that is not our concern. Our concern is to make this movement a healthy one and as Pandit Jawaharlal Nehru used to say that one of the dreams of his life was to usher in the cooperative movement and the other two were panchayat raj and the democratic functioning of our polity. The cooperative movement is not bad if it has not fallen in the hands of some sharks of industry and capital. In some States we find that it is in a very bad shape. We should try to bring forward some legislation so as to help this movement. So, agro-based industries with the help of the cooperatives in the villages—that is one solution that can do so many things. Firstly it can arrest the march from rural areas to the cities which are springing up like giants and swallowing our resources. Secondly, it will also provide home-based employment to people from poor families who are looking to find employment and marching towards the cities. They will be able to have something and earn something of their own in the villages for their living. Thirdly, it will also give a boost to our economy because now we find very little attention has been paid to our land resources and management of land resources and as a

result, a uniform pattern of management of land is imposed, may be through consideration of holdings in the country, without taking into account the geographical nature and the quality of soil in the country. The result is that the people are suffering and as the same pattern is imposed on the hills as is imposed on the plains, the result is that the land management becomes a very neglected phase of our activity. So, we should try to see that with the help of agriculture we can provide employment, we can make the movement of cooperatives very healthy.

So far as elections are concerned, one victim of bureaucratisation is the panchayat raj, the other is the cooperative movement. Who is responsible for the present state of cooperatives? Not only the capitalists, but also the officers. For every group of societies there is an Inspector of Cooperative Societies and also an I.A.S. officer at the district and divisional level. If there are some people who are manipulating, they are manipulating things in cooperation and collusion with the officers of the district. Then action should be taken as much against the officers as against the actual defaulter. It is not O.K. or it is not healthy to single out only the farmers and the producers for the malpractices in the cooperative movement. They may be innocent, but there are other officers who are at fault. Therefore, if some healthy movement is to be developed as a life supporting system for the agro-based industries, this can also be the cooperative movement.

The concept of reservation is also very essential. It is because, so far as you know, if you give licences, the industrial houses have the choice. They keep them pending for some years and if they find the raw material and other conditions quite happy and conducive they set up their industry. Otherwise they back out and the Government can do nothing except that the firm can be blacklisted, that too very rarely, at a later date. So, they exploit our resources, denude our forest, denude our agricultural lands and set up industries in the city and create pollution also. So, in various sectors of our economy, this approach has to be welcomed and I congratulate Mr. Patil on

[Prof. Narain Chand Parashar]

having brought this Bill. I request the Hon. Minister, Mr. Makwana, who is friend of the poor and who is well-known for his love for the weaker sections, not to stand on formalities and look into the merits of the Bill and probe a little deeper. If the House can pass the Bill unanimously, it is very good. But even if it is not done so, the Government should come forward with a comprehensive Bill to see that the future of the economy of the villages can be brightened. After all, India is having only a couple of 100 cities and there are 5,000 and odd blocks. It means, India is living in the villages and the economy of the villages is more important than that of a few cities and, therefore, I support the Bill on merit.

[Translation]

SHRI HARISH RAWAT (Almora) : Mr. Chairman, Sir, we formulated many schemes and agriculture also developed but the benefits of the development of agriculture did not reach a major part of the society in the manner it should have reached it. The maximum benefits of the development of agriculture and of changes in the technology have gone to big farmers, who had large land holdings. The small farmers, marginal farmers, the Harijans and the Adivasis have not been benefited.

The main reason for this has been that we have never given a thought to assist the small farmer, to utilise his produce in the village itself because he does not have the means to take his meagre produce to the market.

Alongwith the changes in the different fields, there have been changes in the industrial field also and its benefits have gone mostly to the cities as big industries have been set up only there. The result is that the small farmers and the poor are migrating to the cities and this is the reason that the population in the cities is increasing which is causing concern to the planners and others. The question is how to stop it? This exodus can be checked only when we are able to set up such industries in the villages which

conform to their traditions and customs and are also agro based. There is a long list of agro based industries, since 55 to 60 per cent of our total industrial production is based on agriculture, horticulture and forests. Had we set up even 5 per cent of the agro based industries in the villages or had promoted the traditional rural industries, perhaps we would have been able to provide better employment to 10 to 15 per cent people in the villages. We did not do that in the villages.

I do not say that big industries like tea and coffee processing plants or other industries should be set up in the villages but you can make a beginning and for this we can use the effective medium of cooperatives.

When I talk of the cooperative sector, I do not mean the cooperative sector of my State. I am talking of the cooperatives which exist in Kerala and Maharashtra who have done a good work and have made significant contribution to change the rural economy. The situation in Uttar Pradesh is such that when we make a mention of setting up a cooperative society.

AN HON. MEMBER : Situation in Bengal is the same.

SHRI HARISH RAWAT : Right. The people there drink the same water which flows down from Uttar Pradesh.

So the situation in Uttar Pradesh, Bihar and Bengal, so far as cooperative sector is concerned, is so bad that if we say that we want to form a cooperative society of the village for the purpose of constructing a pond for fishery or setting up a dairy farm or some agro based industry, the people will think 100 times before becoming its member. Even if somebody is persuaded to become its member, his wife will not allow him to do so. She will say that he will squander whatever ornaments and land is left with them. Such is the position of the cooperatives there. The situation in Uttar Pradesh is that in villages there are ordinary cooperative societies but their condition is miserable. There it is not the bureaucracy only which is corrupt; the publicmen connected with them too are corrupt. We cannot claim that

we are spotless. People look at us as well as at the cooperatives with suspicion. Crores of rupees of the farmers deposited as share capital have sunk. In villages people have lost their savings. But the question is that we should remove their difficulties and set the thing right. If we ignore the cooperative sector, we shall have to take recourse to nationalisation on a very large scale. If Government enters every field or the private sector is allowed to enter every field it will result in exploitation. Therefore, to avoid both, we shall have to follow a middle path. This problem can be solved through the cooperative sector only. Your Ministry should formulate some scheme for bringing improvement in the cooperative sector.

In the cooperative sector you have organisations which have big names. They have their shares in the cooperatives and they remain engaged in other business also. I do not say that they have done some bad work and they have made no contribution but they have not been providing as effective as they should have. Some of them have done marketing work, sale-purchase work and some have also allotted shares to industries. But in addition to it, there is need to bring more improvement in this. For this I suggest that small scale industries should be set up in the villages and farmers there should be given shares. They should be made partners in those industries, and should also be told that these are their industries and their children will get employment there and whatever they produce in the fields will be consumed in these industries. The Government should take in its own hand marketing responsibility of the products of these industries. Only by doing so, progress can be made.

All other socialist countries do work on this basis but they have given some other names to these activities. They told people that they should look after the industries and the profit accruing from them will be theirs.

An Hon. Member from Gujarat was just now saying that they have a Milk Dairy Sangh whose profit is used in extending social facilities. These things need to be done everywhere. This Bill of Shri Patil has

played an important role in drawing the attention of the Government. It should, therefore, be accepted on technical ground. Shri Makwana understands the agony of the rural areas and at present is also looking after the Department of Cooperatives. Therefore, I urge that it should be started at some place or the other. But this beginning should not be made from Maharashtra because the people of Maharashtra are themselves quite enlightened and so they do not need to much goading. We the people of Uttar Pradesh, not only lack initiative but also make a men of everything and are totally directionless. Therefore, it is essential to make a beginning from here. I have full hope that the Minister would definitely consider from this angle.

With these words, I conclude.

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah): Mr. Chairman, I support this Bill moved by Shri Balasaheb Vikhe Patil. But I have some suggestions within the scope of this Bill. In fact, these days we talk of industries, specially development of the rural areas and to fight unemployment and poverty line. The concept of this Bill, as I understand in the right spirit, which Shri Balasaheb Vikhe Patil has moved, will reflect many more points.

16.00 hrs.

What I want to submit to-day is that before moving the Bill possibly Mr. Patil had the scene of Maharashtra in his mind and to a great extent the scene of Gujarat also. But these days in India right upto the development of science and technology if you strictly consider, barring a few itmes, almost all the industries are closely related and closely linked with the agro-based industries. If you talk of textile industry, it is based on cotton and it is an agro-based industry. If you talk of oil and other oil products, these are all agro-based industries. If you try to make a list of all the industries, I think Mr. Makwana will find a great difficulty to accept the entire position of the Bill in the sense that Mr. Narayan Datt Tiwary and the other Department Ministers will wage a war.

[Shri Priya Ranjan Das Munsii]

What I want to suggest is that I think the Bill is very good. But we have to understand one basic thing. That is whether the infrastructure that we have in the country at the moment permits us to accept the proposition or not. Now I would like to explain three points in this regard. The first point is : while we talk of producers and workers' co-operative—I thank Mr. Patil for including the workers—but the definition of producers needs to be explained with a greater precision because what we extract from the land and what we produce from the land and water, actually until the land reforms are completed the producers are not the actual tillers or the persons concerned who toil on the land. The actual producers to-day are those who figure in the land records as the owners of the land. Therefore, unless a vigorous land reform is done and there is a time-bound programme for land reforms, if you say 'producers' co-operatives' there will be a danger. Here I am talking of West Bengal.

I am talking of the Scheduled Castes and Scheduled Tribes who toil on the land as tillers and share-croppers. They will be deprived of becoming partners of the co-operatives. I think this point needs the attention of the Minister.

To implement this Bill we need three things.

(a) a Total land reform on a uniform pattern throughout the country in a time-bound programme. (b) A comprehensive Bill from the Finance Ministry for the total financial support and to build up a separate financial institution to support the co-operatives throughout the country under the command of the Finance Ministry. (c) Classification of the priority industries based on agriculture which are to be promoted and developed now and looked after by co-operatives. For instance I take the example of fisheries. In West Bengal through this industry also the exploitation is so acute for the last four decades. One cannot explain it. The condition of the people who are involved in the fisheries in terms of manual labour are so horrible. But the actual benefit in the name of producer goes to a few individuals and for their own co-operatives in the fisheries

right from the beginning. As per the Land Reforms laws to-day the dream of Mr. Patil would have been fulfilled. But it was not so. I suggest that the land reforms laws, the land ceilings laws and other things should be vigorously implemented and rightly implemented and in selective areas. I think there are 4 to 5 areas where this reservation can be granted right now. One is sugar and sugar cane. Khandsari sugar and molasses. This need not go to urban industrialists and the private sector people. It can be managed by co-operatives as in Maharashtra. The example of Maharashtra can be given to other parts of India with a certain amount of direction and dynamism of the Government of India from the concerned Ministry. The other selective areas of these agro-based industries are mustard oil, groundnut oil and other vegetable oil. All the oil products which you consume today are mostly adulterated and they spoil the hygiene of the people and the health of the people. These are now exclusively in the hands of not only the private sector but the multi-nationals. I am of the opinion, as you may also be knowing, Sir—in Orissa you may have experienced—that at the village level, the oil products made by the peasants and the cooperatives are not only pure but they preserve a certain amount of honesty in terms of business also because they consider that, if they adulterate, it will be a crime on the society; that kind of feeling is there among the villagers. So, if this particular area is reserved for the cooperatives, then not only employment will be created but our health will be protected and our hygiene will be protected. When you have given it in the hands of the private sector and multi-nationals, what is happening today is only scandal after scandal and even a lot of investigations could not help I was calculating the other day. I will talk of groundnut oil and mustard oil. If the groundnut oil and mustard oil are taken from the producers and given to the *Mandi* and from the *Mandi* they go to the mill, the actual profit of the mill-owner is 80 per cent. But the actual tillers who start sowing mustard seeds and groundnut seeds get only 5.5 per cent. If this calculation is true, you can well imagine why the poverty line is maintained years after years in the rural sector.

Thirdly, I should also select another area which is wheat and also dairy. About

dairy, the Minister will agree that Gujarat is the example to show how they have developed the dairy development programmes in the cooperatives. They remain a model to the whole nation in this field. Dairy, wheat and the bakery products which you consume every day and without which we cannot live...

AN HON. MEMBER : Flour mills also.

SHRI PRIYA RANJAN DAS MUNSI : Yes, flour mills also. These are unnecessarily given to the private sector. 90 per cent of the private sector who look after bakeries and big flour mills have additional industries in 19 other sectors. The black money that they get from the other sectors, they put in flour mills and other industries. If these are reserved exclusively for cooperatives in the rural sector—all these machineries are not very sophisticated, they are normal, indigenous machinery and equipment, they are not imported—not only will employment be created but a new infrastructure will be created in every village. Out of more than 530 Blocks, you can select about a 100 Blocks in the country where these three or four items at least can be reserved, as an experiment, for cooperatives in the coming years.

Lastly, I will submit, keeping in view the corruption prevailing in the States in cooperatives—in connivance with officers they are not holding elections for years—that the time has possibly come when with 20-point programme alone we may not be able to fight poverty in villages; the time has come when the Government of India should seriously think of having a suitable legislation, even by amending the Constitution; the entire cooperative programme in the country should be channelised exclusively by the Government of India, in the Central sector with national directives to every State having their own independent infrastructure; and for the financial support to the cooperatives in this sector, I propose that, instead of cooperatives rushing to this financial institution or that bank, an independent financial institution by the Government of India be created in every State to support these cooperatives in this reserved sector.

With these words, I conclude.

[Translation]

*SHRIMATI BASAVARAJESWARI (Bellary) : Mr. Chairman, Sir, I whole-heartedly welcome the Bill brought by Shri Patil. I am sure that such Bills if accepted will help the agriculturists. Our country has enormous natural resources. Our land is also very fertile and the climate is well suited for various crops. With the help of modern techniques we are able to grow more foodgrains. We have become self-sufficient in foodgrains and we are even exporting. In this august House I would like to congratulate the agriculturists of our country for their hard work. Our farmers are working day and night and they are producing sufficient quantity of cotton, sugar cane, rice, wheat and silk.

Pulses and oil seeds are also produced. Agro based industries have to be set up to help the farmers. At present the farmer has to face several problems. He is not getting good prices for his produce. On the other hand, the consumers are complaining that the prices are going up. Under these circumstances it is essential to encourage cooperative movement. Especially during harvesting season the prices go down and this affects the farmer. Therefore it is essential to establish more and more agro based industries on the basis of the availability of raw materials. There are pressing factories, ginning factories, sugar factories and other factories. These have not helped the farmers. Those who invest the money get all the benefit. Therefore it is very essential to see that the benefit is shared between the producer and investor. This can be done only through cooperative societies. There are agro based industries in Gujarat, Maharashtra and Karnataka, which help the rural people. In other States this movement must be encouraged.

Our Government is trying its best to decentralise industries. It is also starting industries in the no-industry districts. Incentives, subsidies and soft loans are given to help the people. Unfortunately industrialists are not coming forward to establish industries in the rural areas.

*The speech was originally delivered in Kannada.

[Smt. Basavarajeswari]

I hope that this Bill help the rural-masses. Today we find fluctuations with regard to prices. In a private factory if the price paid for 1 tonne sugar cane is Rs. 140/- the same quantity of sugar cane can get Rs. 280/- through cooperative societies. We have seen several such cases. This clearly shows how the cooperative movement can help the agriculturists. In the absence of cooperative society the farmers are exploited and the middle men become richer and richer.

Agro based industries can be set up for extraction of fruit juices, production of jam and jelly etc.

There is the problem of labour in ginning mills, rice mills, spinning mills etc. Therefore this problem also should be solved. Many mills have been closed on account of labour problems and non-availability of raw materials. At such junctures only cooperative societies can come to the rescue of such mills. Sometimes the farmers do not give sugar cane to the factory thereby forcing the factory to close. Hence some coordination is necessary to see that sugar cane is supplied to the factory regularly.

In cases where farmers are not in a position to pay their share money, financial assistance may be provided to this end. For this purpose State Government and also the Central Government should come forward.

Another important factor is training of these who start agro based industries. If untrained persons start agro based industries, it would be a failure. Therefore it is essential to train them well.

Agro based industries and cooperative societies will also help the country in wiping out the unemployment problem. They will lead our country to the progress and prosperity. Therefore I feel very happy to support this bill brought by Shri Patil. I request the Government to give all possible assistance for the establishment of more and more agro-based industries throughout the country. The Government should also help

in making the cooperative movement a success.

I thank you Sir, for giving me this opportunity to speak on this vital subject and with these words I conclude my speech.

[English]

MR. CHAIRMAN : There are so many Hon. Members who want to speak on this Bill. If the House agrees, we may extend the time for this Bill by one hour.

MANY HON. MEMBERS : Yes, Sir.

MR. CHAIRMAN : The time for this Bill is extended by one hour.

[Translation]

SHRI MANOJ PANDEY (Bettiah) : Mr. Chairman Sir, I whole heartedly support the Bill moved by Shri Balasaheb Vikhe Patil. There are many points in this Bill about which there would be unanimity in general in the House. The persons who spoke before me raised certain points regarding the farmers. In my opinion, all these people are farmers who take interest in the farming activity. There can be no two opinions about it. The kind of people who reside in our villages are either farmers or labourers. Only these two categories of people live in most of the Indian villages. Again, a close relationship exists between a farmer and a labourer regardless of the way in which we may think. This link has not been established today but has been in existence since the very inception of our village system. No political system can sever this bond. The origin of our villages has a long history. Our villages were created along with our customs and practices. The people migrated to the villages and settled there. The village was called 'gram' and this nomenclature also has a story behind it. So, it is of utmost importance today to treat the farmer and the labourer at par. I would like to warn that no such matter should be raised inside the House or outside by which this relationship between the farmer and the labourer could be snapped because both complement each other. In the absence of the farmers in the villages, rural labourers will not be

there, and similarly, in the absence of rural labour, the farmers will not exist. Therefore, this matter should receive our attention. In this connection, I would like to talk about the farmers of Bihar and Eastern Utter Pradesh. In fact, I think it is essential that I should say a few words about their condition. The announcements regarding the minimum support price are made by the Central Government from time to time. The States also follow suit. Our colleagues from Maharashtra and Gujarat are aware of it. But in my State, no such system has been evolved by which the minimum support price could be made available to the farmers. So we have first to consider whether the farmers have the financial capacity to establish agro-industries on a co-operative basis. It is important to keep this point in view.

I would like to submit a few important points in regard to the conditions of farmers which is a matter of common discussion today. We are always talking about the marginal and the small farmers. However, what the Members have expressed regarding the ceiling on land should be appreciated. The Land Ceiling Act must be implemented and it should be a time-bound programme. This is a matter of common agreement. Agrarian problem is the biggest problem facing us. The Land Ceiling Act has not been enforced in many areas and has been applied in such areas where apart from the small and marginal farmers, the Middle class farmers are living. They own between 5 to 15 acres land and are not covered by the Land Ceiling Act. Whenever such matters are discussed in the House, only the Marginal and Small farmers are discussed and the Middle class farmers, who own 5 to 15 acres of land and are not covered by the Land Ceiling Act, do not receive any attention. What have you thought about them? We have never paid any attention to the conditions of the Middle class farmers. Such families are still living in the villages and we all know about them. We are also aware of their substantial contribution to the agricultural production. I am talking of my State U. P. where the middle class farmers have made significant contribution in increasing agricultural production. What I imply is that the farmers should be re-classified and a rational mixing of the

Middle class, Marginal and the small farmers should be done.

Sir, secondly, the biggest industry in our area is the Sugar industry and there is no other industry. All the sugar mills are in the private sector and I will now relate to you the condition of this industry. It is ironical that sugarcane should sell at Rs. 23 per quintal and bagasse should sell at Rs. 25 per quintal. Similarly, there is another by-product called 'fresh mud', which we get after the sugarcane has been crushed and its extract taken. It is used as fertilizer and hence it is called 'fresh mud'. Rs. 150 is charged for at trailer full of this by-product, which is around 30 to 35 quintals. The sugarcane has certain other by-products as well, but shouldn't the farmers have any claim over these products when three-fourth of the sugar-cane is supplied by the farmers themselves and only one-fourth is supplied by the Sugar factories? When three-fourth of the raw material is supplied by the farmers and the mills sell even the residual products at Rs. 25 per quintal then you can imagine what their income might be. Each sugar-factory is making enormous profit and its owners live in large cities like Delhi, Bombay, Calcutta and Madras. On the other hand, the farmers are being exploited. Therefore, I would request that this Bill must be presented in the form of a Government Bill so that the farmers in general could benefit through the co-operatives. Although, after looking into the conditions of the co-operatives in my area, which I have found are not free from exploitation, I cannot be a great supporter of it, yet the various points in this Bill and more so the underlying intention is what I respect. I hope that our Minister who is quite familiar with this system and has seen it from close quarters, would make efforts to create the same conditions in our area as are obtaining in the State of Gujarat. With these words I support the Bill.

16.32 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

[*English*]

SHRI N. TOMBI SINGH (Inner Manipur) : I am grateful to you for calling me to take part in this very important debate.

[Shri N. Tombi Singh]

I must, at the outset, express my thanks to our Hon. friend, Shri Patil, for bringing forward this important Bill. It has got quite a few important aspects. It mentions about the agro-based industries and also connects them with our cooperative movement thereby tries to suggest means for the protection of the rural folk and also to relieve the pressure on our urban population and extension of the urban sector.

I would not like to repeat the points which have already been made by my friends. I am one with those who said that the cooperative movement in the country, as a whole, is not a success. Although here and there it has shown successful results, we have to make a total review of the cooperative movement in the country as a whole. Here I would not like to go much into the details.

Coming to the reservation of agro-based industries for the cooperative sector, particularly manned by the producers, farmers, labourers, this is an objective which we should pursue. If we can make a beginning at the national level with the agro-based industries connecting our farmers, labourers, poorer sections of the population particularly rural population engaged in this cooperative sector, I think we shall be taking a right step in the right direction.

I represent a State in North-East, Manipur, where the land holding is small. There are not many landlords. So there is not much need of land reforms there, because there are only a few families who can be counted on finger tips who possess more than 10 acres of land. So, we do not have many rich people though we also do not have very poor people. We have a ground to start as an experiment such agro-based industries, because big industries cannot go there and big house do not like to go there for any industry. Naturally the only way to save the rural folk of these handicapped areas like my State, Nagaland, Tripura, Mizoram, is to organise agro-based cooperative. If Hon. Members would ask me

whether the cooperative movement there is a success, here again I would like to be very frank that this has not succeeded. Then whom to blame? I would not like to blame the Government. Here the factor of motivation, I think, has been very weak. So, naturally we should go to the rural people by strengthening the mediums of motivation. There are so many mediums of motivation by which we can strengthen the cooperative movement. It is rather a pity that after so many years of our freedom, after so many years of our educational movement and awakening in the economic field, cooperative sector remains one field where we all just make slogans, we all wish for success, but we have not been able to make any success. This is an area where big industries are not to be dreamt for decades to come and where employment facilities are just very limited in the absence of industries, railways, etc. Only government offices and some schools and colleges are there.

Regarding agro-based industries, I would like to go into a little detail. We have huge production of maize. This production of maize is going waste because the big people, the rich people would not like to take the risk as the stocking of maize is a very difficult job. If we have a glucose factory or some factory which can use the locally produced maize and if we can involve the producers of maize in that industry, they will be the direct beneficiaries. So, in this context I would like to suggest that the Government should formulate a national policy and also legislate for the reservation proposed by the present Bill. In the normal process, I think the Bill may not come to be passed. So, we would like the Government, the Hon. Minister Shri Makwana who himself is representing a large section of the people and who also knows about the cooperative movement from a close range, to assure the House that the spirit and also the provisions that have been provided in this Bill will be incorporated to a Bill to be brought before the House in due course, as early as possible, and then this should be followed by implementation with due sincerity. With these words, I would like to support this Bill and also request the Hon. Minister to give due assurance to the House that this will be brought in the form of an official Bill.

[Translation]

***SHRI AJIT KUMAR SAHA** (Vishnupur) : Mr. Chairman, Sir, I extend my full support to this Bill brought forth by Shri Balasaheb Vikhe Patil before this House. He has advocated the setting up of agro-based industries on cooperative basis to benefit the large number of small farmers, agricultural labourers and workers in the rural areas. I wholeheartedly support it.

In the Statement of Objects and reasons of this Bill it has been stated, "such industries should be reserved for producers/workers cooperatives to help in mobilising direct participation by farmers and farmers".

So, the mover has laid down who will be members of these cooperatives. These cooperatives will consist of the farmers and farm labourers. But Sir, our experience is that whenever such cooperatives are formed, they are generally controlled by the big landlords and producers. It is they who actually control these cooperatives and squander away the funds of the cooperatives to meet their own interests. That is why the cooperatives are not successful. In this context I fully endorse what Shri Daga said on this subject when he spoke on this Bill. He said that the actual producers, farmers and workers shall be members of these cooperatives. If only such people are allowed to be members of these cooperatives who till the soil with their own hands and if the Government gives adequate help to them then only these cooperatives can function successfully. If big landlords and big farmers control them, then the very purpose will be defeated.

The vast number of poor rural masses for whom we are showing concern and for whose benefit this Bill has been brought forth will not derive any benefit at all.

Sir, in our country we have not been able to carry out radical land reforms till this date. There are still a large number of zamindars who own thousands of acres of

*The speech was originally delivered in Bengali.

land in Benami. Whatever concessions or aid or facilities is given by the Central Government through cooperatives, that is mostly enjoyed by these big rich farmers and zamindars. All the benefit goes to them only, this is our sad experience. We know that 75 per cent of the people in our country live in villages and they are totally dependent on agriculture. The economic upliftment of these people is possible only through cooperatives. Our experience is that the big industrialists like Tatas, Birlas and others who have other factories and industries under their control are taking interest in agro-based industries, sometimes in Benami also. It is they who mostly controlling the agro-based industries. The poor farmers and agricultural labourers in the villages who are raising the agricultural produce are not deriving any benefit out of them. All the profits are being whisked away by these big industrial sharks. In this connection I want to say Sir, that in West Bengal and in the entire north Eastern region a variety of fruits are grown in abundant quantity. Mango, guava, pine apple, oranges etc. are abundantly produced in that area. If agro based industries are set up there under the cooperative system, then millions of poor people living in that area can be immensely benefited. We know that in Tripura a huge quantity of pine-apples are grown. But a large quantity of that gets destroyed in the forests for lack of facilities of utilising them properly. There is a great scope for setting up agro-based industries here if the growers get enough assistance as contemplated by Shri Patel in his Bill. Loans can be arranged for them by the Central Government through the banks, cooperatives can be set up for their benefit and proper utilisation of available resources. If this is done then surely the cooperatives will function successfully and the objectives of this Bill will be fulfilled. This will also bring about some economic upliftment in the lives of the large number of poor farmers and labourers in the rural areas. That is why I am supporting this Bill. At the same time I want to say to the Hon. Minister of Agriculture that to achieve all this, the most important thing is to carry out land reforms. Till we are able to bring about radical land reforms, till we are able to give land to the tiller, all our efforts in other directions will go waste. We will not be able to give any benefit to the vast masses of poor farmers and labourers who live in villages and who

[Shri Ajit Kumar Saha]

constitute 75 per cent of our population. I hope the Government will wake up and try to carry out land reforms speedily and issue directions to that effect. With that Sir, I extend my full support to this Bill of Shri Patil and conclude my speech. Thank you.

[*English*]

SHRI K. P. SINGH DEO (Dhenkanal) : Mr. Chairman, Sir, first of all, I must congratulate Shri Balasaheb Vikhe Patil for bringing this very important Bill. Although it is a very simply drafted Bill, it is pregnant with meaning because of the simple reason that India lives in villages and more than 82 per cent of our people live in rural areas. Most of them are small farmers, marginal farmers, landless agricultural labourers etc. And especially after the land reforms have come in, the big holdings have gone. And therefore it is very very essential that we must do whatever is possible to see that those depending upon agriculture—either farmers or those who work in these farms—get a chance to improve the quality of their lives.

First of all, in our country agriculture is the basic industry and at the same time not only does it contribute to more than 60 per cent of our national income, but at the same time, it gives a lot of employment. In fact it has been calculated that for every thousand crores investment in agriculture, small-scale industries and heavy industries, agriculture gives the largest amount of employment. Agriculture still is dependent upon the vagaries of the monsoon and weather. With the systematic destruction of the environment we have been beset with all the three natural calamities, that is, flood, drought and cyclone. So it is in the fitness of things that Shri Balasaheb Vikhe Patil has brought this Bill. I had been to his sugar factory in Pravaranagar, which is a revolutionary institution formed by the agricultural labourers in the cooperative sector. This was set up by his father and the foundation stone was laid by no less a person than our first Prime Minister, Pandit Jawaharlal Nehru. There is Government's commitment to the upliftment of the weaker sections of the society and the underprivileged and the unorganised sector and the cooperative movement. The

Pravaranagar sugar factory started off in a humble way but it is now running an Engineering College, Women's College, a Women's Polytechnic, Vocational training centres etc. and this is entirely based on this Pravaranagar sugar factory. So, if this sort of agro-based industries are located in various parts of the rural area, this will bring in not only economic development but upliftment of the rural economy and at the same time improvement in the life of the people.

Agriculture is our basic culture, our agrarian culture and it has kept our society bound together. Therefore this is a very laudable Bill which he has brought especially in the light of the latest BPE guidelines where large industrial undertakings are located in these various areas are not expected to give employment to the local people, although in 1981 we had approved the new industrial policy here in this very House where the concept was to have a large nucleus of industries in the rural areas which would give employment. But the latest BPE guidelines nullify all that and therefore, and there is no avenue for employment in the rural areas since none of the big industrial houses are keen to go to places where there are no infrastructural facilities. Therefore, the only way in which we can help is to stop or arrest migration of rural population to the urban areas leading to slums, shanties and unhygienic conditions and social tensions and develop our rural areas by helping the rural farmers and agricultural labourers and this is where the Central Government and the State Governments can act as a catalyst and play a meaningful role which will also go a long way in our poverty alleviation programmes. So, I wholeheartedly support Shri Balasaheb's legislation and I congratulate him for having brought this legislation.

SHRI Y. S. MAHAJAN (Jalgaon) : Mr. Chairman, Sir, I rise to support the spirit and sentiments behind this Bill. The policy suggested by Shri Balasaheb will bring millions of our people in the country above the poverty line.

The Bill has a very wide scope perhaps not realised by some persons. The agro-based industries, Sir, include not only textile,

jute and sugar, but handlooms, powerlooms, rubber, coir and leather industries, food processing and processing of vegetable oils. At present the large-scale units in these industries are located in the cities and are in the hands of the capitalists. Very few of the sugar and textile mills are in the hands of cooperative societies. The Bill is for the small scale and village industries which are spread over the countryside and the object of the Bill is to promote the development of rural areas and raise the living standards of the people in the rural areas. Seventy per cent of our people live in villages and to a large extent they have been deprived of the advantages of industrialisation. If the idea behind is to help development of rural areas, then industry will be carried to the villages and it will be run on cooperative basis and it will raise the living standards of the people. This will become an instrument for rural industrialisation which has been the object of our policy because unless industries move to the villages for the purpose of ensuring the well-being of millions of people, the country will not reach higher levels of prosperity.

The second advantage of this is that if the industries grow up in the rural areas, the rural people will be able to manage industries. That is a very important thing. They will learn business methods, methods of managing industry and the difference between the industry and agriculture will be reduced. This will also prevent the industrialists from manipulating or from exploiting people in the rural areas.

Sir, our Government has been trying to develop these industries through setting up agro-industrial corporations. There was a proposal to set up such an All India corporation. I do not know whether it is there now, but many States have set up such corporations, we have one in our State, Maharashtra, and they have encouraged cooperatives. I mean, these agro-based corporations have encouraged cooperatives for this purpose with the result that we have a large and medium units organised on cooperative lines in textiles and sugar in Maharashtra. Haryana had proposed to set up 20 medium and large-scale units in 1985. Some are to process cotton seeds and some are to deal with wheat products. Such units would work

for the prosperity of the farming community, train them in the methods of business management in industry, reduce the gulf between rural areas and urban areas and prevent exploitation of the former by the later.

Such a policy has been in the thinking of our policy-makers and planners for a long time. It was in 1962, the Planning Commission set up the rural industries planning committee and this committee made a very revolutionary suggestion which has not been carried out. The Committee aimed at evolving an approach for creating a cooperative agro-industrial economy, a short of economy which Mr. Balasaheb Vikhe Patil had in view. That was in 1962.

I need not dilate on the advantages of cooperation. Everybody know it. It avoids the extreme of State-run industries on the one hand and the private-run industries on the other hand : The first means inefficiency and corruption, at the moment, and the second means, exploitation. The middle course, cooperation, means that the producers themselves, those who benefit by the process, have a share in the management of the unit. There were great hopes about cooperatives in my State. But after 50 or 60 years, they came to the conclusion that though cooperative had failed, cooperation must succeed. That was the slogan, after 50 or 60 years of cooperation in Maharashtra. But I am glad to say that at the moment, this sector is growing as vigorously in our economy but it should be promoted with certain reservations.

Sir, one Member referred to the managers of cooperatives as sharks. It is too strong a language. What I will say is that malpractices are there. It happens that somebody organises a cooperative society in the House building, for instance, and then he exploits his position; or somebody has an influence in certain area, with the result that his leadership becomes a permanent one and in this way, we have certain malpractices or certain undesirable things taking place in the cooperative sector. But I hope the administration of these cooperative societies will be improved,

[Shri Y. S. Mahajan]

Another suggestion is, if you start a sugar factory say in Maharashtra, you collect about Rs 70 lakhs or Rs. one crore and the Government lends about Rs 8 crores. In effect, it is not a cooperative society. It is a society run on the Government capital, (*Interruptions.*) If it is to be a fully cooperative, the capital must be contributed by the members themselves.

An attempt should be made to improve the administration of cooperative societies to eliminate the present malpractices. If they are eliminated, then this approach promises us good results and an improvement in the living standards of millions of people.

With these few remarks, I support the spirit, the principle and the sentiment behind the Bill.

SHRI V. SOBHANADREESWARA RAO (Vijayawada) : Mr. Chairman, Sir, I thank you for giving me an opportunity to express my views on the Bill which has been brought forward before this House by Shri B. V. Patil, who is a real cooperator and who has done so much for the rural development, for the rural upliftment in Maharashtra in general, and in his area, in particular. I fully agree with the objectives of the Bill. Though the Bill does not specifically mention the agro-based industries that are to be reserved for the producers and workers cooperatives, it has given an opportunity for the Members of this House to express their views so that our Minister of State for Agriculture, Mr. Makwana, who

17.00 hrs

comes from Gujarat which is a State where the cooperative movement has made very rapid and healthy strides and which has become an ideal for other States also to follow, to exercise his energies on the lines of this Bill, consult people's representatives, specialists in farm sector and farmers leaders and come forward with a Bill by the Government itself incorporating the agro-based industries that are to be reserved in tune with the objectives of the present Bill.

You know in our country the main problem is exploitation of the farmers by the middlemen. I only quote two examples. You know every year the prices of cigarettes go on increasing. They have never come down. But there are many years when the tobacco growers faced the worst economic crisis and similarly every year, the cloth prices are increasing. But there are many years when the cotton grower has suffered a lot and he feels it very difficult to further invest on the next crop. To minimise such exploitation and also as one of our friends has said, in spite of the Government's sincere efforts to arrest the migration of the rural people to the urban areas, we have to agree that it is not a success because, after all, the rural poor, the rural unemployed, and the rural under-employed people, migrate to urban areas with a great hope that they will be able to get some job and thereby they can live a comfortable life there. But unfortunately they are compelled to stay in slums and you know the social problems and how much it is costing the exchequer to face the several aspects of this urbanisation.

By reserving and setting up and developing the agro-based industries in the rural areas, it will help the dispersal of industries to the rural areas. Unfortunately till now, in spite of the Government's tall pronouncements many a time these industries are set up only in the cities or in the periphery of the cities. They are not going to the rural areas. So, by reserving some agro-based industries to be set up in rural areas, the Government can do a great service in removing the unemployment. You know there are millions of people who are living below the poverty line. That will help these unfortunate people. In spite of our Government's proclaimed policy and its journey towards socialistic pattern of society, unfortunately in this country, there are some families who are controlling Rs. 2,000 crores worth of financial empires.

In these circumstances, these cooperatives of producers and workers will further help in reducing the economic concentration in a few hands and it will help lakhs of agricultural farmers, producers and workers to participate in the financial matters of the institutions. The agricultural labour also will

be able to get higher income by way of getting some additional bonus that can be given to those people from out of the profits that will be got by these cooperative institutions. Even in countries where there is complete privatisation and where even manufacture of aeroplanes is in the private sector, even in such countries, many agro-based products are under cooperative sector; there also, the farmers are forming themselves into cooperatives and they are managing the fruit-and foodprocessing units. In this connection I would like to make one or two suggestions. Especially in our country, fruit-canning should be reserved under this category. Nowadays people have more tendency to consume natural fruit juice like that of mango or guava or coconut rather than the other soft drinks like Campa, etc. We have seen that in one country, in the Philippines, even the kernel of the tender coconut is also canned; and it is so tasty. In our country, sometimes the coconut growers face problems when prices are slashed to the minimum. This sort of canning will help the coconut growers to overcome such crisis.

Regarding potato also, the farmer is denied even one rupee per kilo whereas 50 gms. packet of chips is sold for more than a rupee in restaurants, theatres and other places. This type of production of food items should be reserved for the producers' and workers' cooperatives.

The Agricultural Universities and research centres should conduct research into small-sized agricultural implements that will be particularly beneficial to small and marginal farmers in this country and that technology should be given to cooperatives of technologists or engineers or educated people who are in the villages and they should be given opportunity to manufacture those items and make available those things to the farmers of this country.

Lastly, Government have desired that by the end of the Seventh Plan period, our processed food exports should be doubled, and in this context I make a fervent plea to the Hon. Minister, Shri Makwana, to seriously think over the scope of this Bill

and come forward with another Bill incorporating the same objectives, reserving certain items of agro-based industries exclusively for farmers', producers' and workers' cooperatives.

SHRI UTTAM RATHOD (Hingoli) :
 Mr. Chairman, I feel privileged to support this Agro-based Industries Reservation for the Producers and Workers Cooperatives Bill piloted by Shri Balasaheb Vikhe Patil. It was the vision of late Shri V. K. Patil, father of the pilot of this Bill, who was impelled, by the very nature of the agricultural produce, to have a cooperative sugar factory in Maharashtra in a drought-prone area. Why do you want this particular sector to be reserved for the agricultural farmers and labour? There is a reason behind it. The agriculturists and the labour remain poor because they do not have the bargaining capacity. Why does the farmer not have the bargaining capacity? Because, the produce that he gets out of agriculture is perishable. Take anything, be it sugarcane or cotton or jowar or wheat. It is perishable by nature, and that very character limits his bargaining power. He will gain the bargaining power only when he is allowed to have cooperatives in some sort of processing industries producing finished goods. That experiment was conducted by Hon. Member Shri Balasaheb Vikhe Patil's father in Maharashtra and it succeeded. They started with a capacity of 350 metric tonnes and today they have a huge cooperative empire imparting education to farmers, medical education, engineering education, technological education, education in all fields and disciplines. They have also started constructing houses at the farm-site for the farmers, a project worth crores of rupees. These people could do it because the farmer had the capacity to bargain, the farmer had the capacity to process the goods, to process the agricultural produce and bargain in the market. We want you, through this Bill, to give that power to the farmer. Unless you give that power to him, he is not going to come up. Your APC is not going to help him. It will allow him to sustain his living only, not more than that. I do not know, Government sometimes behaves in a very peculiar fashion. You have the APC, and you told us that our produce would be purchased at a specific price. We went a

[Shri Uttam Rathod]

step ahead. We had a monopoly purchase in cotton in Maharashtra. Unfortunately, this year we sustained a heavy loss. And you started putting impediments in our way in clearing that scheme. I ask you: why do you do that? Is it not a fact that your Cotton Corporation suffered a loss of Rs. 100 crores during the last 15 years? What was your turnover? It was not more than the two-year turnover of Maharashtra. Still you sustained a loss of Rs. 100 crores.

We have started spinning mills in the cooperative sector. But you say that we cannot have composite mills. Why? Why don't you allow composite mills in the cooperatives? You are allowing the old private spinning and weaving mills modernisation, and under modernisation those private companies modernise and make huge profits. You cannot stop that. It is for these reasons that we want the rural economy to be strengthened, and that can be strengthened only by giving the bargaining power to the cultivators; and that bargaining power can be given to these people by allowing them to have their own processing industries, industries which are based on agricultural produce.

[Translation]

DR. G. S. RAJHANS (Jhanjharpur) : Mr. Speaker, Sir, for a long time I was in two minds whether to support Shri Patil's Bill or not. In the end, I came to the conclusion that it was very difficult for me to support it. There are two types of States in this country. On the one hand, there is Maharashtra, where cooperatives have achieved a miracle, Gujarat and Maharashtra's cooperatives have set a model for the whole country, on the other hand, in my State, Bihar, the cooperatives have ruined the people. They have ruined the small farmers. The people who control the cooperatives have established their stranglehold on them to such an extent that they do not let anybody else enter them. The persons of ordinary means ten years ago are the millionaires of today. But the small farmers, who set up the cooperatives, were ruined. A cabinet Minister from Uttar Pradesh, I will not tell his name, was saying that the same situation prevailed in Uttar Pradesh...

SHRI RAJ KUMAR RAI : He was right. The condition is even worse than that.

DR. G. S. RAJHANS : It is proving to be a gold mine for a small group of persons who dip into it and draw as much as they like. They are becoming rich day by day and the ordinary people are being ruined. Therefore, to my mind cooperatives should not be allowed to set up agro-industries in Bihar and Uttar Pradesh.

SHRI RAJ KUMAR RAI : The Government should take them over.

DR. G. S. RAJHANS : Yes, the Government must take them over but in a joint sector. There is a big scope in the agricultural field; a number of industries can be set up because raw-material is available in abundance which is going waste at present. But it should be taken up in the joint sector instead of the cooperative sector. The people have no faith in the cooperative sector. In Maharashtra, cooperatives are all right but I request you that there should be no cooperative in Bihar.

SHRI RAJ KUMAR RAI : Sir, this issue is connected with the farmers and their produce I would, therefore, request you to allow 2 to 4 minutes extra time. We are farmers and also represent farmers and, therefore, we know their problems. Please allow some more time. We shall be thankful to you.

[English]

PROF. N. G. RANGA (Guntur) : Mr. Chairman, I wish to congratulate my Hon. Friend, Shri Patil, for having brought forward this Bill and placed this particular issue for consideration in the House. As you all know Congress itself had decided just one or two years after we became free in favour of establishing so far as rural India is concerned a cooperative commonwealth but there unfortunately for a long time the Planning Commission has led the country in another direction.

I am all in favour of the points that our friends have made and all that I wish now to

add is only two points. One is the management of these cooperatives. As you all know, it is left now to the State Governments and they do not help the democratisation of the cooperative movement. There we have got to pay special attention in order to see that the cooperatives are helped and are also obliged to regulate their own management in a democratic manner under the eye of the special courts and certainly of the Supreme Court. We have got to relieve them from the administrative and political control of the Governments at the Centre as well as at the State level otherwise politics would be imported there.

Then in regard to their own internal management except in Maharashtra and Gujarat in other places their internal management has not been satisfactory. There also these big people swallow the small people and control them. Not only do they control but also exploit them. Some means have to be found in order to see that real democracy, at least maximum degree of democracy, would prevail in the management of these cooperatives.

Thirdly, we are now talking of cooperatives consisting of farmers as well as workers. In actual practice, now the workers are not able to have any hold at all. As you are having a kind of reservation in regard to various other facilities, social and economic, have you must ensure that either one-third or one-half of the membership is reserved for agricultural workers, who work in the local area. Then alone you can persuade them also to have some inducement to remain in their villages. They would have some stake in the cooperatives. Most of them do not have land; at least, let them have shares in these cooperatives so that they can feel some attachment to their village to their local enterprise also.

When this reservation is made in regard to marketing, storing and value adding process and so on, necessarily Government will have to pay special attention to their efficient management, and in the name of efficient management, you should not allow Government to mismanage these cooperatives and then overawe them and exploit them for

political purposes. In this direction and several other directions also, special care has got to be taken to see that a maximum degree of democracy would come to prevail. I am all in favour of principle underlying this Bill and I would like the Planning Commission and the Government to give special attention to this and various other points also that are germane to democratic functioning as well as welfare of the agricultural workers and farmers and give a new direction to the policy of industrialisation of our rural areas.

Now, a final word. This industrialisation of rural areas should not lead to the elimination of either the self-employed peasant or the worker himself who happens to remain in the village and is attached to the rural economy.

MR. CHAIRMAN : The time allotted for this Bill is already over. The Minister has yet to intervene and the mover has also to reply. One Hon. Member also wants to speak. If the House agrees, we may extend the time allotted to this Bill by half an hour. This Bill has to be completed today.

MANY HON. MEMBERS : Yes, yes.

MR. CHAIRMAN : The time for this Bill is extended for another half an hour.

[*Translation*]

SHRI RAJ KUMAR RAI (Ghosi) : Mr. Chairman, Sir, the party to which I belong also holds the view that the interest of the farmers and farm labourers should be watched, the human resources and the raw material should be utilized properly and the poor should be saved from exploitation. I thank Shri Balasaheb Vikhe Patil for affording us an opportunity to speak by introducing such a Bill.

Sir, you yourself have a good experience in this field and the whole House knows that our country might be progressing in other fields but the situation regarding agricultural labour, agriculture and agricultural produce is not good. There is no proper utilisation of the farm labourers and the raw-material,

[Shri Raj Kumar Rai]

The middleman is exploiting them. Our farm labourers do not get proper wages as they are not organised. Just now as Dr. Rajhans was saying about cooperatives, keeping the time limit in the mind, I would say only this much that the people in Gujarat and Maharashtra have faith in the cooperatives sector and can hope to achieve some thing but the people of Uttar Pradesh and Bihar cannot even imagine that cooperatives can do any good to farmers or farm labourers. There should be a union of farmers in our country through which they can buy the raw-material at fair price. Therefore, I do not agree to the establishment of cooperatives but this much I want to say that the Hon. Minister of State for Agriculture, who has the good of the farmers, the poor people, farm labourers and rural people in his heart and wants to work for them with a zeal, should bring forward a legislation in the House to ensure their welfare and fair price for their produce. The farm labourers should also get proper wages at right time.

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION (SHRI YOGENDRA MAKWANA): Sir, this Bill seeks to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries. The object of the mover of the Bill is laudable. I can understand the spirit behind it. I appreciate his intention to bring this Bill in helping the farmers and producers in the rural areas.

Sir, though the object of the Bill is very good, it is very difficult to put it in practice. The time is not ripe for it as we have seen and the experience has shown, that the cooperative movement in the country has not developed uniformly. I have heard all the speakers with rapt attention. Nearly, in all, 23 speakers have spoken. Everybody has accepted that except in Gujarat and Maharashtra, the Cooperative movement has not well developed. Elsewhere it has taken roots, and some work is being done. But not fully

developed. In such a state of affairs, it is very difficult to reserve the entire area for the cooperatives sectors. The Government gives priority to the cooperatives. But the main intention of the mover of the Bill was to protect the farmers and agricultural labourers. In the Statement of Objects and Reasons, it is stated that human resources and raw materials are not properly utilised in rural areas. The big and medium industrial houses exploit farmers and force them to sell the raw materials at throw away prices. So, one thing is about the prices and another is that the farmers are unable to utilise the raw materials for want of finance. The third thing is, this Bill will also reduce the migration of the people from rural areas to urban areas in search of employment. So, the important consideration in the mind of the mover is the migration of the people from rural to the urban areas. Such industries should be reserved for producers and workers cooperative to help in mobilising very keen participation by farmers and farm labourers.

All these things are being taken care of by the Government. The Government ensures that the farmers should get the remunerative prices. The Agricultural Costs and Prices Commission takes into account the cost of production of the agricultural produce. Thereafter, it fixes the prices of the agricultural produce. Sir, every year, it is our experience that the price fixed by the Agricultural Costs and Prices Commission is moving to the higher levels and the farmers are getting the remunerative prices. Wherever there is a fall in prices, the market intervention takes place, viz that the Government enters the market and purchases the produce of the farmers. In case of account, we intervened in the market in Kerala and purchased the coconut from the farmers. In case of rice, wheat—these foodgrains—where the procurement prices are fixed, the Government procures it through the Food Corporation of India.

So far as credit is concerned, there is an institutional credit available to the farmers—short term, medium term and even long term—from the Cooperative Banks, from the commercial banks also. The Government is keen to help the farmers. We have set up a separate bank called NABARD, exclusively for financing the agriculturists in the country.

Then in order to help the farmers, there is a subsidy on the fertilizers, agricultural inputs are subsidised by the government. Transport subsidy is also given for fertilizers. Then irrigation potential is created in the country to help the farmers so that they should not depend on the vagaries of the monsoon. Today, 40 per cent of the land is under irrigation, and every year it is extended to other areas. Then infrastructure like storage of godowns, storage godowns, roads and other things are created under the IRD programme of Government of India. The farmers are helped and if the people migrate from rural areas to urban areas it is mainly in search of better facilities which are available in the urban areas. Then they get better education for their children. Now, all these things are taken care of by the government under the rural development programme. Drinking water facilities are provided, school buildings and college buildings are constructed under the IRD and other programmes. Roads and other infrastructures are created. So, it helps the farmers and it helps the producers in the rural areas.

Now, there are members who talked about reserving certain areas for cooperatives. The government is also thinking in that direction and has doing something. So far as dairy development is concerned, we have operation flood programme : in the operation flood areas, private units are not normally licenced. The Cooperative Sector gets first priority. In other areas cooperatives dairies are given preference and the experience has shown that the dairy development in this country has taken deep roots. In a number of States, it is doing very well. In my State, Gujarat, we have a dairy in every district, and today, even though there is a dairy in every district, we are not able to take the milk of the farmers because the production of milk has increased. What is the reason and how it has increased ? It is because of the cooperative movements. The farmers, the producers are getting better prices for their produce, that is the milk. They are getting better feed concentrate for their cattle. Health facilities are looked after by the dairy industry. The progeny of the cattle is also being improved. The bread, the upgradation of the local bread and the cross-breed of the exotic and the local bread has improved the cattle in this country and production of milk has increased.

There are a number of State where dry land is under agriculture. It is rain fed agriculture. For the development of dry land farming, there is a programme government has undertaken. This also helps the farmers.

Then there are a number members of who have made specific points. I would like to reply to the points made by Shri Balasaheb Vikhe Patil, Shri Shantaram Naik, and Shri Janga Reddy and soon. They all strongly advocated for the promotion of the cooperatives and establishment of agro-based industries in cooperative sector. Agro-based industries cover a very vast area. If we try to enumerate, almost all the industries will be covered under agro-based industries such as spinning mills, jute mills, sugar mills, then dairy, everything will be covered, because all industries are based on agriculture. It is not possible to take care of all these under the cooperative sector. However, the Government is financing cooperative mills, cooperative sugar mills. Under the NCDC programme we have financed nearly 2458 units. A huge amount is provided to the spinning mills, sugar mills and other cooperative mills by the NCDC and the Government also. So the Government is very keen to see that the cooperative sector develops. But the time is not ripe when we can reserve all the agro-based industries for the cooperative sector. Therefore, it is not possible to accept the Bill of the Hon. Member though I appreciate the intention of the Hon. Member.

SHRI RAM PYARE PANIKA (Roberts-ganj) : If you are not accepting his Bill, you should bring your own Bill.

SHRI YOGENDRA MAKWANA : I appreciate the efforts and spirit in which this Bill has been brought by the Hon. Member. I agree with him to a certain extent that the Government should help the cooperative sector. That much we are doing. However, under the present circumstances, it is not practical to reserve all the agro-based industries for the cooperative sector. I, therefore, request the Hon. Member to withdraw his Bill.

SHRI BALASAHEB VIKHE PATIL : In selected areas you should reserve something.

SHRI YOGENDRA MAKWANA : In dairy we are doing something. In spinning it is the cooperative sector which is prevailing. In sugar industry 80 per cent is under the cooperative sector. So, the Government is helping the cooperative sector. By and by it can take over other industries also. But the time is not ripe for reserving all the agro-based industries for the cooperative sector. Therefore, I request the Hon. Member to withdraw his Bill.

PROF. SAIFUDDIN SOZ (Baramulla) : Sir, I want to speak on this Bill. I may be given just three minutes. I will not take more than three minutes.

MR. CHAIRMAN : This is not the stage to speak. Do not take time of the House.

SHRI RAM PYARE PANIKA : After the reply of the Hon. Minister, how can he speak ?

PROF. SAIFUDDIN SOZ : The mover of the Bill is Mr. Patil and not the Minister. The Minister was intereving. I would take only three minutes. Moreover, the Mover has yielded. You do not look to the left. Left is very important.

SHRI YOGENDRA MAKWANA : But right is more strong.

MR. CHAIRMAN : Even if he has yielded, I have not allowed you. Shri Patil.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : Mr. Chairman, Sir, I am thankful to the Hon. Minister and the Members of the House for participating in this discussion. If we want to adopt socialist policies in the country, there is no alternative to the cooperative movement. It solves three to four problems First, the rural capital remains in the villages itself and unemployment is reduced. We can also enter new areas which can create new employment opportunities. Secondly, it also helps in preventing concentration of wealth. Thirdly, the coopera-

tive movement can be helpful in the establishment of a secular society. Fourthly, it would also help in the democratisation of politics, which we wish to bring about. A person can have any number of shares but he has only one vote. So considering all these aspects, it appears to me that this is the only way. The Hon. Minister has said that they will consider it in some selected areas but I do not agree with his assertion that the time is not ripe for the cooperative movement. We must pay attention to the farmers and the labourers. If we do not pay attention to them, it would never be possible to undertake rural industrialisation. If you give licences to big industrialists, they will never go to a village but will set up their industries in a corner of a city and in this way the problems in cities will go on increasing. So, you should reserve some selected areas for the cooperative industries which are directly related with the farmers and the labourers. Through this we can solve the problems of the rural industries to some extent. If we want to realise Mahatma Gandhi's dream of a self reliant village and to usher a socialistic pattern of society then there is no other way except the cooperative movement.

At present, you want to do it in selected areas and you may do it, But I want to say one thing that I am pained when you yourself say that the time is not ripe for the movement. The cooperative movement is not running smoothly in the States of Uttar Pradesh and Bihar where these are being run by the officials. How can then the future of this cooperative movement be bright ? It is necessary to entrust it to the farmers and the labourers. But when the Government itself thinks that the present time is not appropriate for the movement than how can its future be bright. Therefore, get rid of this doubt and start this work in selective areas in right earnest.

The financial institutions have refused loans to the cooperative societies on the pretext of paucity of funds. I want that you should pay attention to it and hope that the Government would be sympathetic towards the movement in the interest of the farmers and the labourers. This is an important work and I wish that it should be done in the Seventh Five Year Plan.

With these words, I want leave to withdraw the Bill.

[English]

MR. CHAIRMAN : First I will have to put the amendment to the motion for consideration, which was moved by Shri Mool Chand Daga to the vote of the House.

The amendment was put and negatived.

MR. CHAIRMAN : Now Shri Patil may move for leave to withdraw the Bill.

SHRI BALASAHEB VIKHE PATIL : Sir, I beg to move for leave to withdraw the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries.

MR. CHAIRMAN : The question is :

“That leave be granted to withdraw the Bill to provide for reservation of agro-based industries for producers and workers cooperatives and to provide financial assistance to such cooperatives in setting up of agro-based industries.”

The motion was adopted.

SHRI BALASAHEB VIKHE PATIL : I withdraw the Bill.

17.43 hrs.

WIDOWS' PENSION BILL ✓

[English]

SHRI VIRDHI CHANDER JAIN (Barmer) : Sir, I beg to move :

“That the Bill to provide for payment of pension to destitute widows, be taken into consideration.”

[Translation]

First, I would like to highlight the objects and reasons of the Widows' Pension Bill introduced by me in the House.

We have seen that often the women of lower and middle income group with no adult son become destitute after the death of their husbands. Sometimes the condition of such widows becomes so miserable due to poverty that some unscrupulous persons take undue advantage of their helplessness and disgrace them in the society. In order to eradicate this evil and to meet the requirements of the Articles 39 and 41 of the Directive Principles of the constitution, it is expedient to grant pension to the widows with a view to provide suitable financial help to them so that they may lead an honourable life.

The object of this Bill is to achieve this end. The States have formulated rules under the social security policy to give pensions to the old and the handicapped but this pension of Rs. 50 per month is insufficient. Neither the old nor the handicapped can maintain themselves with the help of this amount. We have certainly made provision for pensions to the old and the handicapped but no such provision has been made for the widows and this is very essential. Our society treat the widows with gross injustice. There has been struggle for the rights of women and they have got some rights but the condition of the widows is a blot on our society which we have to eradicate. Today the widows are looked down upon in the society. In certain sections of the society, the situation is so deplorable that a widow is not allowed to participate in her son's marriage. They cannot even apply a bindi on their foreheads. So, the widows are despised by the society. Previously, the society used to give financial help to the widows but now neither the family nor the close relatives help a widow in times of distress. In the present context the very definition of family is changing. Now besides the family and relatives, the society also does not help the widows. In the old days, if any person of a family faced some financial problem, the other members of the family used to make small contributions to help him.

I was in my constituency on the 27th and there one of the issues was that the

[Shri Virdhi Chander Jain]

condition of the widows in the society was deplorable. It was suggested that some funds should be collected to help them. I expressed my views on the issue. A high court judge also expressed his view, and it had such an impact that Rs 10 lakhs were collected on the spot. A trust was formed and a programme was chalked out to help the widows. But I notice that despite best efforts, it is not possible to make such arrangements in every section of the society.

I have introduced this Bill keeping in view the indigent condition of the widows. It becomes worse if they do not have any adult son. I have sought the cooperation of some of my colleagues in drafting this Bill and the clauses were drafted after a thread bare discussion. The most important thing about the Bill is that the definition of a destitute widow has been made after much deliberation. If a widow has no other helping hand and no relative to shelter her then only she is entitled to get help. She can submit her application to the competent authority. In this connection a provision has been made that if any widow is employed and is getting regular salary then she would not get the benefit of this pension. If she has some movable and immovable property and a house which she can rent out and arrange money then also she will not get any benefit. In case the income of a widow is more than Rs. 1200 she would not be entitled to the benefits under this Bill. If some widow is living as a wife or a concubine then also she cannot get the benefit of pension. In this way all the requisite provisions have been framed. If a widow in her application gives any wrong information, misrepresents the facts and her income is above Rs. 1200 then she will have to return the benefit drawn by her and a criminal case would be filed against her. She can be sentenced to imprisonment which may extend to six months. The minimum pension will be Rs. 75 per month and maximum will be Rs. 125 per month. This amount is, of course, quite meagre. A widow who wants to educate her minor children cannot do so with this much of money but keeping in view the condition of the country the provision of Rs. 75 to Rs. 125 per month has been made. If she remarries,

she would lose her entitlement. In case her sons have become earning hands then the benefit will be stopped. In the same way if she takes up some job and is able to maintain herself she will not get its benefit.

At present, the condition of widows is very miserable and the most important thing to meet the situation is to by stress on women education. Our Government has specially emphasised the women education in the Seventh Five Year Plan. With the spread of women's education their unemployment problem would be solved. They will get jobs and would not need any help. In such a situation the number of applicants seeking assistance would gradually come down and the Government will have to spend less with the passage of time.

I am also in favour of remarriage, and it should be encouraged. I certainly do not oppose remarriage but a women who does not want to remarry should not be forced to do so as I do not approve of this thing. There can be a situation that a woman is 18 years old or above and she does not want to remarry but wants to lead an honourable life. It is very necessary to make some provision like the present one so as to help her. If no such arrangements for her living are made and her financial position is not strengthened, then it will not be possible for her to preserve her honour. The condition of widows in the society is such that they cannot lead an honourable life because due to their indigent condition they are forced to lead a life which is a blot on the society. It is, therefore, necessary that this Bill should be passed. I am not rigid about this Bill and if any amendments or improvements are needed then we are prepared to accept them. Amendments are always made in the Acts. In the Electricity Act, 15 amendments have already been made and the 16th is under consideration. In the same way the present Bill can also be amended. If need be, it may also be referred to the Select Committee. I am not rigid that Bill has covered all the problems and the situations. There may be some lacunae or loopholes which need to be removed. Amendments are always made in the laws framed by the Central Government as well as the State Governments. The purpose of this Bill is to turn the despicable

life of a widow into an honourable one. If provision is made for the payment of pension to them, they will have a place of honour in the society and we can give them social security. In many countries like U. S. S. R., U. S. A. and Britain, there are social security laws and the widows, the handicapped and the destitutes are helped under those provisions. I have introduced this Bill for the same purpose. I hope that the House will welcome it and put forward its views and suggestions so that I may know the views of the Hon. Members. I shall deal with their points in my reply.

With these words, I present this Widows Pension Bill in the House.

AN HON. MEMBER: You will be glad to know that this allowance is being paid in West Bengal since 1978.

*SHRIMATI N. P. JHANSI LAKSHMI (Chittoor): Mr. Chairman, Sir, I support the Bill to provide pension to the destitute widows, moved by Shri Virbhi Chander Jain. I compliment him for bringing this Bill before this august House. Sir, never in the history of our country, the society treated the widows with sympathy and respect. Till 18th century the practice of *Sati* was in vogue. It is only due to the herculean efforts of the reformers like Raja Ram Mohan Roy, the practice of *sati* was abolished. Since there

*The speech was originally delivered in Telugu.

centuries have rolled by. The position of widows has not changed. In 1947, we became independent since then the country is striving for an all round development. Already 30 years have gone by. But the condition of the widows have not improved in any way. A woman who has lost her husband and has no one to look after her, is still being considered to be a burden to the society. Now, the time has come to realise the fact that the welfare of a widow is the bounden duty of our society, not a burden.

Sir, 51 per cent of our population are women. We had the rare distinction of having woman Prime Minister for 17 long years. Yet, it is a pity, that even today a widow suffers the wrath of the society in the country.

[English]

MR. CHAIRMAN: Mrs. Jhansi Lakshmi, you may continue your speech next time.

The House stands adjourned to reassemble on Monday, 4th August, 1986 at 11-00 A. M.

18.00 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, August 4, 1986/Sravana 13, 1908 (Saka)