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**Friday, November 07, 1986
Kartika 16, 1908 (Saka)**

LOK SABHA DEBATES

(English Version)

**Seventh Session
(Eighth Lok Sabha)**



सत्यमेव जयते

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LOK SABHA DEBATES

1

LOK SABHA

Friday, November 7, 1986/
Kartika 16, 1908 (Saka)

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER *in the Chair*]

[*Translation*]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, today it appears that the impact of Friday has begun right now !

MR. SPEAKER : Yesterday evening I was saying that none of the hon. Members who were pressing for a discussion on that subject day before yesterday, was present during the reply to that discussion. I feel pained to see this because they were insisting on a discussion on that subject, but when I allowed a discussion yesterday, they were not present.

ORAL ANSWERS TO QUESTIONS

[*English*]

Loans Given Without Guarantees

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*61. SHRIMATI GEETA MUKHERJEE :

SHRI VIJOY KUMAR YADAV :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news item captioned "Bank give Rs. 18 crore without guarantees" appearing in the "Patriot" dated 22 September, 1986 ;

(b) if so, the details thereof and Government's reaction thereto ;

(c) whether any inquiry has been conducted into the matter ; and

(d) if so, the details thereof ?

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

Statement

Government have seen the news item referred to in the Question alleging lapses on the part of Indian banks in financing M/s P.T. Five Star Industries Ltd., Indonesia, an Indian Joint-venture company, established in Indonesia.

A consortium of four Indian Banks had financed from their overseas branches M/s P.T. Five Star Industries Ltd., Indonesia. At the time of grant of the various facilities, the consortium of banks had obtained the usual securities in accordance with the normal practice. The question of obtaining personal guarantees from Indian promoters did not arise as under the Foreign Exchange Regulation Act, persons resident in India were not expected at that time to guarantee loans taken in foreign exchange by companies located abroad.

The Indian joint-venture company started incurring losses right from its inception due to a number of reasons such as delay in project implementation, marketing problems, demand recession, sharp increase in financial charges, slow realisation of receivables and devaluation of Indonesian Rupiah. According to Reserve Bank of India, though the Company is working to almost its full capacity and has started generating cash surpluses, the earnings are not adequate to service the debts and show profits. No enquiry as such has been conducted. The performance of the unit is, however, being watched closely by the concerned banks.

SHRIMATI GEETA MUKHERJEE : Since only a statement has been laid on the Table, the real things involved cannot be found out from that. Therefore, I will ask a few questions with regard to the facts presented by the hon. Minister.

Is it a fact that the P.T. Five Star Industries composed of three companies of which one is Bombay Dyeing and Manufacturing Co. Ltd with Shri Nusli Wadia as Chairman, owes Rs. 18 crores to four nationalised banks i.e. Indian Overseas Banks, Bank of Baroda, Syndicate Bank, and Central Bank of India, and within seven years of its inception, it has not paid back even a single paisa to the Banks, not even the interest which stands around Rs. 15 crores now? If so, the Government statement blandly says that at that time there was no system of guarantee on loans taken in foreign exchange by companies located abroad. May I know, if there was no system of guarantee from companies located abroad, was there any system of guarantee at that time to fortify the interest of the nationalised banks? If so, were they observed by this company? And what were the securities which were supposed to have been obtained by them according to the statement?

SHRI JANARDHANA POOJARY : During the last few years the loanee has re-paid more than Rs. 4.5 crores. Under the Foreign Exchange Regulation Act section 26 (6) the companies are not permitted to guarantee the loans taken

abroad. So, they are not expected to furnish personal guarantees.

SHRI C. MADHAV REDDI : Promoters of the company are supposed to give personal guarantee not the Companies.

SHRI JANARDHANA POOJARY : Yes. The reasons have been given in the main reply also why the unit was not making profits and it was suffering losses. The main reply consists of all these reasons.

SHRI SAIFUDDIN CHOWDHARY : No reasons are given.

SHRI JANARDHANA POOJARY : I will just read it out for your information.

SHRIMATI GEETA MUKHERJEE : But the first thing is whether they paid back even a single paisa.

SHRI JANARDHANA POOJARY : The Indian joint-venture company started incurring losses right from its inception due to a number of reasons such as delay in project implementation, marketing problems, demand recession, sharp increase in financial charges, slow realisation of receivables and devaluation of Indonesian Rupiah. Thrice devaluation has taken place in Indonesia and the last devaluation has taken place in the year 1983 and the exchange rate has gone up to 970 Rupiah for US \$ 1, because of the various reasons—labour cost also increased, escalation was also there. We have taken the steps to get back the money. If you kindly take into consideration the performance of this unit during the last few years, in the year 1981, for the reasons mentioned, they incurred loss to the extent of US \$ 5477 million. The loss has come down in 1985 to US \$ 1.915 million. The latest report is that they are likely to make profit. So, we are going to get the money. In these circumstances, it is a question of a unit incurring losses and the banks are monitoring it. Definitely if necessary, we will look into all these aspects. The Reserve Bank of India is also looking into all these aspects and a quick scrutiny is also done,

SHRIMATI GEETA MUKHERJEE :

Sir, I am pained to hear the voice of the company from the august throat of our Minister. I am sorry. Anyway, he has not replied to my first question whether they have paid back even a single paisa.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : May I supplement on this point? This information may I just pass on? As security for the facilities granted by the consortium banks, the consortium banks are having exclusive *pari passu* charge on the entire fixed assets and movable machinery which is valued at Rs. 18.74 crores as on 31.12.1984. Obtaining of personal guarantees of the Indian promoters, even if they are willing to give, would have tantamounted to violation of FERA regulations. The banks have reported that they have followed the normal banking norms in the matter of obtaining other forms of security like mortgaging the plant and machinery and other fixed assets as indicated above.

SHRIMATI GEETA MUKHERJEE :
It is clear that they have not paid even a single pie.

SHRI JANARDHANA POOJARY : I have stated more than Rs. 4.5 crores in the beginning itself.

SHRIMATI GEETA MUKHERJEE :
You say that they have paid so much. Why don't you say that?

SHRI JANARDHANA POOJARY : I have said this. You have not heard it.

SHRIMATI GEETA MUKHERJEE : I have heard. You have not said that.

SHRI JANARDHANA POOJARY : I have said this in the first sentence, more than Rs. 4.5 crores they have paid. . .
(*Interruption*)

PROF. MADHU DANDAVATE : Mr. Minister, her throat is spoiled, not ears. She can hear well.

SHRIMATI GEETA MUKHERJEE :

Now, the Government seems to be quite satisfied with the state of affairs and so are the replies. May I know whether it is a fact that Dr. N.L. Hingorani, Professor of NIBM who was commissioned to undertake a detailed study of the situation, found that : (a) assets of the company, on his personal verification, showed to be less than \$ six million though according to the books those should have been \$ 14 million ; (b) whether costs were shown very high ; and (c) whether by 31st March 1981 there was no equity stake left in the project? I would like to know whether these were the findings of Dr. N.L. Hingorani and if so, whether it is not a very serious situation, and whether in view of this serious situation even at this later hour, the Government will reconsider its decision and start an inquiry.

SHRI JANARDHANA POOJARY :

Sir, it is true that Dr. Hingorani has stated that the value of the assets was worth US \$ 6 million as against US \$ 14 million shown in the books of accounts. What had happened is that he based his assessment on the records available. But some of the records which were there with the international authorities were not made available to him. So, all the assets and machineries were there in fact. Not only that, the evaluator of international repute was sent. He made assessment and he also stated that all the assets are there worth about \$16 million and there is no hanky panky. Any way, the Reserve Bank is going to look into all these aspects and we are not going to hide anything and banks have been asked to find out. Even the Bank officials personally went there and saw the assets there. There is no hanky panky according to their report. Reserve Bank is also going into all the aspects.

SHRI P. KOLANDAIVELU : In the last Session we had witnessed loan melas in rupees but in this Session we are looking into loan melas in foreign exchange. (*Interruptions*) About \$ 15 million in foreign exchange has been given to M/S P.T. Five Star Industries Ltd. Even in your statement you have admitted that according to the Reserve Bank though the Company is working to almost its full

capacity and has not generated cost surpluses, the earnings are not adequate to service debts and show profits. My question is—are banks giving loans only about going through the project report, viability—whether it is economical or not ; whether banks have advanced loans ? Do you give loan after going through all the formalities ? My other question is—the Bombay Dying Chairman, Mr. Wadia I think he is having a political clout. He is having political clout in so far as the Indian politics is concerned. Did he play a political fraud upon the banks to get loan ?

SHRI JANARDHANA POOJARY : At the time of the appraisal, viability, economic viability, every aspect is looked into and when it is found that it is economically viable, then only loan is sanctioned. So far as fraud is concerned whether anybody is having political clout or anything, it is not allowed. So far as this aspect is concerned I want to make it very clear, no political interference is allowed and we have been very strict in this regard and our past and present actions are very clear that no political interference is allowed in this country.

DR. CHINTA MOHAN : When I raised Call Attention in this regard in the last Session it was promised that if any such thing happens, there will be enquiry and all that. There is a clear cut case. Rs. 60 crores are involved here. People in India are not able to get Rs. 10,000 from the bank. But people in Indonesia are able to get Rs. 60 crores though they are not able to pay Rs. 6 lakhs in six years. Will you call for an enquiry on this ?

PROF. MADHU DANAVATE : Do not do it under Enquiry Commission Act. *(Interruptions).*

SHRI JANARDHANA POOJARY : I share the concern expressed by the hon. Member so far as weaker sections are concerned. Thank you very much.

So far as enquiry is concerned strict scrutiny is done. If there is any *prima facie*

evidence to show that there is any irregularity, definitely we will order for an enquiry.

SHRI SURESH KURUP : Is it a fact, even if it became quite clear that this particular industry is running into a huge loss and they are not able to repay the first loan, the Indian Overseas Bank pumped in twice huge amount of loan ? What prompted the bank to take such an unprecedented decision ? Will the Government enquire into this ? What prompted the Bank to give again loan i.e. two times ?

SHRI JANARDHANA POOJARY : Sir, here I have given the reasons. The banks have given the reasons as to why. . .

SHRI SURESH KURUP : For the second loan.

SHRI JANARDHANA POOJARY : Some reasons have been given and I have read them also in the main reply, and now I am just telling him. . . *(Interruptions).* For reasons, if you kindly go through what I read, it has been clearly stated. . .

(Interruptions).

SHRI SURESH KURUP : First loan. Again loans were given. They were given for two times.

SHRI JANARDHANA POOJARY : We will look into that.

SHRI VISHWANATH PRATAP SINGH : We will look into it.

SHRI SAIFUDDIN CHOWDHARY : What you will look into ?

(Interruptions).

SHRI VISHWANATH PRATAP SINGH : Just a moment. I am answering him.

The hon. Member asked whether this will be looked into—the second loan and the circumstances of it. I am saying 'we will look into it.'

Directives Issued to NTC Mills

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62. SHRI G.S. BASAVARAJU .
SHRI H.N. NANJE GOWDA :

Will the Minister of TEXTILES be pleased to state :

(a) whether in July and in September, Union Government have issued major directives to all the 123 National Textile Mills to take steps to wipe out their cash losses completely by April, 1987 ;

(b) if so, the details of the directives issued ;

(c) to what extent the above mills have succeeded in wiping out losses ;

(d) whether any details about improvements of the NTC Mills have been received after the issue of these directives ; and

(e) the latest position in regard to improvement of the above mentioned textile mills ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (e) A Statement is given below.

Statement

(a) No directives have been issued by the Union Government to all the National Textile Corporation Mills. However, the need to reduce losses of NTC subsidiaries was stressed in review meetings held in the Ministry in July, 1986 and September, 1986.

(b) Does not arise.

(c) to (e) The latest figures indicate that the cash losses in September, 1986 were Rs. 2.44 crores less than the cash losses during May, 1986. Similarly, the production of cloth and market yarn in September, 1986 was 6.66 million metres and 12.87 lakh kgs. respectively more than the production of cloth and market yarn in May, 1986.

SHRI G.S. BASAVARAJU : Sir, I am not satisfied with the Statement given by the Minister. The question is whether the number of textile mills have been running into losses continuously for the last 4 or 5 years. In this connection I would like to know what are the total losses suffered by NTC mills, for how long these losses have been there, what were the main reasons for these losses and why the NTC had not taken any action in this regard.

SHRI S. KRISHNA KUMAR : Sir, as the House is aware, the objective of establishing the Notional Textile Corporation is to manage the affairs of the already sick textile mills taken over by the Government. So far NTC has made a Cumulative cash loss of about Rs. 800 crores. The organisation was established in 1968. The Government have taken a series of measures to reduce the cash losses. There has been continuous review of the situation and I am happy to inform the House that over the last three years there is a discernible improvement in curtailing the cash losses. After the strictest possible instructions and closer supervision and monitoring was established in the organisation six months ago, in the last six months there has been almost Rs. 1 crore less cash losses each month and this has been a stable trend. The Government is continuing to make effort to reduce the cash losses of the NTC, but Government is hamstrung by a series of factors over which the NTC has got very little control. The reasons for the losses are—old and obsolete machinery, excess labour force, wage increases due to ad hoc announcement of D.A. etc. by the State Government, power and load shedding problems, increase of cost of power, impact of cotton prices, market recessions in textile industry, strikes and disturbed working conditions, and inadequate financial resources to modernise the mills. We are taking action on all these fronts.

SHRI G.S. BASAVARAJU : My second Supplementary is whether it is a fact that huge stocks of the NTC products are lying with the NTC shops all over India : about the total quantity of stocks, whether inquiry has been made as to why

such large stocks are piling up with the show rooms. I would also like to know whether Government proposes to take steps to upgrade the performance of the textile sector and the revolving fund has been created on the initiatives taken by the Prime Minister to help the textile industry to come out of the red and if so, what is the time required for this.

SHRI S. KRISHNA KUMAR : Sir, the stocks lying in NTC shops amount to approximately 14 million metres valued at Rs. 19 crores. The stock is not considered too excessive against the background of the volume of operation of the Company.

The following steps are taken to clear the stocks: Promoting sales, incentive schemes, discount, training programmes so that show room employees can be more effective, wider publicity, exhibition etc.

SHRI H.N. NANJE GOWDA : Sir, a very attractive and lucrative post is to be the Chairman of the National Textile Corporation.

Now, I would like to know whether any inquiry was conducted for the losses, whether any persons were found guilty; whether Government took action to punish them and whether you have also retrenched labour force. They have also stated that no directives have been issued by the Government. Why no directives have been issued when these companies' losses are more than Rs. 800 crores? Have you got any concrete proposals for restoring profitability in these mills?

SHRI S. KRISHNA KUMAR : As already explained, the reasons for the losses of NTC are structural in nature and there is a long history behind the working of the NTC. Essentially they were asked to take over sick textile mills.

The question of mismanagement and dishonesty in the NTC system is incessantly looked into by the Government. Several times, several officers have been dismissed; many officers are facing CBI enquiry and this has been a continuous process. I have

a list of officers who have been suspended or removed from service before their terms were over, and then against whom CBI enquiry is pending. We have already stated the reasons for the losses. We have taken a series of steps to improve the working of the company. I have here a list of 15 major steps which we have taken. We have gone into new profitable product like Sulabh. We have continued with the labour rationalisation scheme under which the man-loom ratio as well as man-spindle ratio has been reduced considerably in the last few years. Stress is being given to close down uneconomic activities; old boilers are being replaced for effective fuel economy; selective modernisation proposals are being implemented; captive power capacity is being set up etc.

We are trying to ensure workers' participation in management. It is not true that we have not given instructions in the past. Instructions have been issued at all times and this process is being continued.

Due to the package of measures being undertaken by the Government, as I have already stated, the performance of the company has improved over the last three years, especially in the last six months. I have got the financial and operational indices here, which I do not want to read out, to save time.

DR. G.S. RAJHANS : Sir, is the Government aware of the fact that some of these mills will never be revived in their life-time, and if so, is the Government prepared to take a hard decision in this regard so that they do not prove to be a parasite on national exchequer?

SHRI S. KRISHNA KUMAR : The National Textile Policy approved by Parliament in June last year, has clearly stated the Government's intention in this direction. That is, unviable mills which are incapable of operating profitably are a continuous drain on the scarce resources of the country and such units or parts thereof, may have to be closed down in

order that the drain on the exchequer. The Corporation as well as Government have been engaged in a series of exercises to find out the viability of each of the 125 mills under the NTC system. We have categorised the mills according to viability. But we have not taken any final decision on closing down any mill. This is in process.

SHRI BASUDEB ACHARIA : There were newspaper reports that about 25,000 workers working in NTC were being retrenched by the NTC. If so, what is the reason. He has already stated that they are going to implement Notional Textile Policy and they are going to close down some textile mills. It is already stated that those mills will not be revived.

(Interruptions)

May I know from the hon. Minister which are these mills which Government proposes to close down and whether the 25,000 workers of NTC are to be retrenched?

SHRI S. KRISHNA KUMAR : 10 to 15% of the labour force under the NTC system is surplus. It is this factor which is responsible for almost 30% of the total cash losses. For instance, out of Rs. 117 crores lost by the NTC *(Interruptions)* . . .

MR. SPEAKER : The fact is a fact.

SHRI S. KRISHNA KUMAR : in 1985-86, about Rs. 25 crores loss was due to excess labour. This has been established by independent studies. Due to rationalisation, we have been able to improve the efficacy of the mills to a certain extent. There is no proposal to immediately dislodge or dismiss about 25,000 workers which represents the total figure and that figure does not correspond to weak and unviable mills about which the hon. Member spoke.

I have stated earlier that Government have not taken yet any final decision about closing of any mill. The viability of the mills also changes from time to time. *(Interruptions)* And, therefore, we do not want to give now any particular list of mills which we are unviable. *(Interruptions)*.

MR. SPEAKER : Don't interrupt:

DR. DATTA SAMANT : Managements are exploiting.

PROF. MADHU DANAVATE : Please allow one question of Dr. Datta Samant.

MR. SPEAKER : I cannot allow everybody. I cannot allow 540 Members to speak.

DR. DATTA SAMANT : There are 26 mills in Bombay. You have removed 26,000 workers . . . *(Interruptions)*

SHRI K. RAMACHANDRA REDDY : You are not turning to this side.

MR. SPEAKER : Mr. Reddy, You have to realise that I have to cater to 540 Members.

SHRI K. RAMACHANDRA REDDY : Every day I am trying to get you. You are catering only to certain Members.

MR. SPEAKER : How can you say that? You are wrong there. I am doing what I am thinking right.

(Interruptions)

DR. DATTA SAMANT : I am the maximum sufferer.

There are 26 mills in Bombay, 56% are under NTC. There is a loss of Rs. 800 crores. Rs. 15 crores of bank money is involved in the sickness. The textile owners have already swallowed everything and they have given you a grave warning. Again, Government is looking to the whole thing.

Considering all these, are you going to take the people who have made the mills sick or those who are going to make the mills sick now, to task? I have given the House all the details. I put further question. You are giving them Rs. 700 crores soft loans. With all this textile policy, the Government is going to

encourage only 100 mills all over the country. Because of these policies of the Government, over 60,000 workers in Bombay and one lakh workers in Delhi and everywhere are going to be thrown out.

I, therefore, categorically ask the Government: Are you going to see that the workers' interests will be protected now that the mill-owners have already swallowed the money and the management is poor now? The workers should not be thrown away for no fault of theirs and with the modernisation there should be more production. Are you going to protect the interests of the workers?

SHRI S. KRISHNA KUMAR: Sir, I have never stated that the losses of NTC are due to the workers' fault. I was only highlighting the percentage of losses of NTC which is ascribed to over-staffing. This is the rationale behind our rationalisation scheme. The modernisation fund for plant and machinery created for the textile industry which will have a budgetary support as well as IDBI and IFCI finance is to be given to mills on case-by-case basis on the basis of sanctioned project reports. There will be a degree of workers participation to ensure that these moneys are utilised properly for the purposes for which they are sanctioned. The workers interest will be protected as has been laid down clearly in the policy which has been approved by Parliament.

(Interruptions)

Self Employment Programme for
Urban Poor

+

*63. **SHRI V.S. KRISHNA IYER:**
SHRI SHANTI DHARIWAL:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have introduced new bank credit scheme, 'Self-Employment Programme' for Urban Poor (SEPUP);

(b) if so, the details thereof including the categories and the number of people to

be benefited under the scheme; the ways for recovery and the guidelines issued to the banks in this regard;

(c) the amount earmarked for the purpose;

(d) the number of loan applications received under the said scheme and number of applicants sanctioned loans upto September, 1986;

(e) whether complaints have been received about blackmarketing and irregularities in distributing loan application forms for the scheme; and

(f) if so, the nature of the complaints and action taken in the matter?

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

Statement

(a) to (c) A Self Employment Programme for Urban Poor (SEPUP) has been launched from September, 1986 with a view to provide soft loan assistance to urban families having an income of less than Rs. 600/- per month. SEPUP will cover all cities and towns with population exceeding 10,000 as per 1981 census and which are not covered under Integrated Rural Development Programme (IRDP). Under this programme, which would be implemented by the public sector banks, financial assistance upto Rs. 5,000 per family will be provided to selected beneficiaries. The Central Government would provide subsidy at the rate of 25% of the amount of assistance. The subsidy amount will be kept with the financing bank as term deposit to be adjusted after the borrower has repaid 75% of the principal amount (with 10% interest) for which a period of 30 months, including initial grace period of 3 months, has been stipulated. It is estimated that loans amounting to Rs. 200 crores will flow from banks, during the current financial year, to 5 lakh beneficiaries under SEPUP.

(d) The Scheme has been launched from September, 1986 and as such, it is too early to give data in respect of number of loan applications received and the number of loans sanctioned upto September, 1986 since metropolitan, urban and semi-urban centres are spread all over the country.

(e) and (f) There has been an overwhelming demand, in certain parts of the country, for loan application forms in respect of SEPUP. However, no complaint regarding black marketing of bank loan forms has been received.

SHRI V.S. KRISHNA IYER : Sir, I welcome the scheme. But I would like to know from the Government whether there are any loopholes in the implementation of the scheme. They have announced the scheme about two or three days before 1st of September. They gave little time for the issue of application forms. Is the Government aware that there was an unprecedented rush of men and women for the collection of the forms. In many a place, there was lathi-charge. The managers of the Banks were gheraoed. Forms were sold in black-market. I would like to know what steps the Government has formulated to see such things do not recur. At the same time I want to know from the Government why such little time was given. Of course I know they were eager to implement the scheme. But why only two to three days time was given for the scheme. Forms were given to those who brought ration cards. I know in my constituency in Bangalore, many people and even women slept in the open in the midnight to collect application forms. Is it the way the Government should help our unfortunate brothers and sisters who are getting loans? What steps the Government is taking to see that such things do not recur in future?

SHRI JANARDHANA POOJARY : Sir, it is true that overwhelming demand is there for this scheme. In fact wherever there was demand we have issued application forms. Particularly in some centres, there was no demand. For example, in Bombay practically there was no demand. As against the target of about 26000, we

did not get sufficient applicants at all. In Delhi we have got more than sufficient and overwhelming demand. Anyway, wherever there is demand for that, we will see that sufficient application forms are supplied. Not only that. So far we have not received any complaints of corruption so far as issue of application forms is concerned. If the hon. Member has got any instances, he may please give them to us. Definitely we will take action.

SHRI V.S. KRISHNA IYER : I would like to know as to why the Government is using the nationalised banks for the issue of loans. Why not they route the loans through the Urban Cooperative Banks. You know, they are doing well in almost all the capital cities. They are the first to give loans to the poor people. Even before the nationalised banks thought of it, they had given loans to them. Another thing which I would like to know is about the definition of the family. Rs. 600 is the ceiling to get loan. If the father gets Rs. 600, his unemployed son cannot get the loan. So, it is necessary to define 'family' in this particular context. Also, there is another thing i.e. you want the beneficiary to get the consent of the owner of the premises. You know most of them are living on foot-paths, stair-cases, platforms etc. So, they should not insist on that certificate.

SHRI JANARDHANA POOJARY : Sir, only ration-card is insisted upon and the permission of the land-lord is not at all required. I want to make it very clear on that. So far as the income limit is concerned, this scheme is meant for the people who are living below the poverty-line. As per the Planning Commission, the income for the people who are living below poverty-line is fixed as Rs 7200 per annum in urban area. So, in order to cover those population, the persons who are living below the poverty-line, we have fixed the income as Rs. 7200. Let us see how this scheme works. If at all a change is required, we will consider afterwards.

[Translation]

SHRI SHANTI DHARIWAL : Mr. Speaker, Sir, it was asked in the question as to what will be the norms for selecting

persons. The hon. Minister has broadly said that the persons having an income of less than Rs. 600 per month will be given loans. It is all right that they will give loans to those whose monthly income is less than Rs. 600, but supposing they have fixed a target of 20 persons for one branch of the bank for giving loan and 100 applications are received and all the applicants have less than Rs. 600 as their monthly income, then what will be the norms in such a situation? Will they leave it to the Bank Managers to decide or will the opinion of the public representatives also be taken in this regard? What are the norms fixed in this regard?

[English]

SHRI JANARDHANA POOJARY : It is true that there is a demand for this scheme, and whenever a large number of applications come, we will have to first identify the persons who are eligible for this Programme. It is also true that we cannot cover all the population at a time. We have to go step by step, and every year we have to cover more people. By 31.3.1987, we have to cover five lakh people giving about Rs. 200 crores. We will see if there is any difficulty and we will look into the aspect mentioned by the hon. Member.

SHRI M RAGHUMA REDDY : This is a very good scheme and I must compliment the hon. Minister for that. But I have my own doubt about the implementation, whether the scheme will be implemented in the true sense. In the case of Gramodyoga scheme, in the villages the banks are not giving loans. The same is the case with the Modified Area Development Agency scheme as well as the IRDP. The government subsidy amounts are being deposited in the banks, in the nationalised banks, and Gramin and commercial banks, specially in my constituency, are not giving the loans. I have visited personally some of the Gramin banks and they refused to give because of the poor performance of the banks. May I know whether the hon. Minister will guarantee that these nationalised banks will provide loans to the intended beneficiaries? Or, will you make those intended beneficiaries

go round the banks and allow some of the middle men to enter and take advantage of the situation? What action is the Minister going to take on all these things? I want a categorical reply.

SHRI JANARDHANA POOJARY : I do not know about the Gramodyoga programme which he has referred to, whether he is referring to the educated unemployed scheme. I do not know what that Gramodyoga scheme is about, whether their State has given a different name like that for the educated unemployed scheme. Wherever there is deficiency, we are correcting it. We are personally monitoring it. In the Chief Executives meeting we have brought up this issue. We will see that the beneficiaries are not dodged from place to place. Not only that, we will see that a better customer service, particularly for the weaker sections, is given and also see that this programme is also implemented properly and speedily.

PROF. MADHU DANDAVATE : My supplementary question is in regard to part (c) of the original question. You can read that part (c) again. It is very important—regarding blackmarketing. I would like to know from the hon. Minister whether he has come across a copy of the *Economic Times*, Bangalore edition, dated the 21st October, in which a big box item has appeared under the caption: "Loan Mela Applications on Black Market—Congress-I men Corner one-third". (Interruptions) This is not my version. (Interruptions)

MR. SPEAKER : Please sit down. Why are you doing it? The Minister will reply. Why should you reply?

(Interruptions)

MR. SPEAKER : Please take your seat, let the Minister reply, don't take charge of it now.

PROF. MADHU DANDAVATE : Incidentally I may submit to you that I am neither the Editor, nor the Printer or the Publisher of *Economic Times*.

SHRI T. BASHER : What is your role?

PROF. MADHU DANDAVATE : My role is that of a vigilant reader.

On the basis of this particular report in the Economic Times of Bangalore, I want to know whether it is a fact that 100,000 applications for a loan worth of a minimum of Rs. 13 crores were proposed to be distributed at two separate functions, which were very sacred functions to commemorate the second death anniversary of Smt. Indira Gandhi, out of these 100,000 applications, 30,000 were supposed to be sold in black-market with further information that if there is a red seal of certain ruling party functionaries on the application forms....

(Interruptions)

MR. SPEAKER : The Minister will reply. Why should you get agitated about it? Please sit down. He will say what is the truth.

PROF. MADHU DANDAVATE : I would like to know whether at this moment any change of portfolio has taken place. Bither Mr. V.P. Singh or Mr. Poojary has to reply.

KUMARI MAMATA BANERJEE : We want a full discussion.

(Interruptions)

PROF. MADHU DANDAVATE : I am referring to Bangalore, not Bengal. *(Interruption)*....So, further information is that those application forms on which a certain red seal was put are to be taken as the authentic ones which have to be given more favourable consideration. All that I want to ask is whether this report is correct.

SHRI JANARDHANA POOJARY : I am grateful to the Hon. Member for asking this question. Throughout the country we are receiving reports from different States—sometimes from West Bengal, sometimes from Congress ruled

States and sometimes from the opposition ruled States also. I may give an example that in Congress ruled States they say that they are identified by the congress party, in West Bengal the complaint is that they are identified by their party people. . . *(Interruptions)*

SHRI SAIFUDDIN CHOUDHARY : We objected to loan melas.

MR. SPEAKER : Please sit down.

(Interruptions)

SHRI JANARDHANA POOJARY : This sort of complaints are being received. Submission of application to the bank by any citizen of the country including those who belong to political parties or social organisations is not a crime. We welcome if any people want to serve the people by submitting the application to the bank, we appreciate such people no matter, whether they come from the Congress or from Janata or from Communist Party. We appreciate it. What I am submitting is that the judgement and the processing action has to be done by the bank people. Submission of application is not a crime but the ultimate judgement is with the bank and it has to be done by the bank people only. Coming to the allegation that about 20,000 people had been given applications when 1 lakh people were to be given loans. Here I would like to submit that applications were submitted by Janata people including Congress people but I have not received any complaint so far that there was corruption. In fact when the social workers or any citizen of this country including myself helps the poorman in this country who is ignorant and who is not having sufficient knowledge to file an application then it is a welcome measure. If my Congress people have helped them then I welcome it.

PROF. MADHU DANDAVATE : Sir, what about my question?

SHRI JANARDHANA POOJARY : I am coming to that. Sir, earlier when Mr. Krishna Iyer, the hon. Member of Parliament from Bangalore told me that there was difficulty. I immediately took the bank

officers to task and told them it is irrespective of party affiliation —whether it is from Janata party member or from Congress party member. The applications are processed and the judgement is that of the bank people.

Now coming to the allegation it is true that on 31st October, 1986 we had given direction that at least 1 lakh people have to be identified and given because it was Indiraji's death anniversary. She fought for the weaker sections. In order to remember her on that day we wanted to help 1 lakh people of weaker sections from Karnataka and particularly of Bangalore. People had submitted applications and the loan mela was in front of the bank premises. I have not received any complaint. I asked the beneficiaries and also made independent inquiries. Everybody stated that not a single paisa had been paid by them for any service. It is voluntary service given by the people including Janata and Congress people. This is the state of affairs.

PROF. MADHU DANAVATE : Sir, has he contradicted the report ?

MR. SPEAKER : That is what he has done.

(Interruptions)

SHRI JANARDHANA POOJARY : Sir, I have already said that I have not received any complaint of corruption.

(Interruptions)

MR. SPEAKER : What more do you want ? He says, it is wrong. He cannot say more than that.

PROF. MADHU DANAVATE : Then why did he not contradict it before I raised this matter in the House ? Does the Government not want credibility of the banks to be maintained ? *(Interruptions)*

[Translation]

MR. SPEAKER : I do not know why you are behaving like that. What are you trying to convey ? I am not able to follow either of you.

[English]

PROF. MADHU DANAVATE : Till I asked the question in the House, why did they not contradict it ? Do they want to destroy the credibility of the banks ? *(Interruptions)*

MR. SPEAKER : There is nothing like that. I do not believe in that. He has replied to that.

SHRI JANARDHANA POOJARY : Outside the Parliament in the public meetings as also in Bangalore, I have made it clear that I have not received any complaint. If there is any specific complaint in the possession of the hon. Member, he can send it to me and I will take action *(Interruptions)*.

MR. SPEAKER : Nothing doing.

PROF. MADHU DANAVATE : I seek your protection. I want to lay this on the Table of the House . . . *(Interruptions)*.

MR. SPEAKER : Not like this. This is already in print. What more can you do about it ? . . . There are so many newspaper reports. How can you go about all these things. He has already done it. Shri Bhoi. *(Interruptions)*

DR. KRUPASINDHU BHOI : Loans for people below the poverty line are strictly disbursed to the beneficiaries in the Panchayats and Panchayat Samitis and this loan is meant for the urban poor people as indicated in the answer. What will be the fate of the persons living in notified areas where the population is less than ten thousand ? This loan is meant for people in cities and towns with population exceeding ten thousand.

SHRI JANARDHANA POOJARY : For rural people, there is the Integrated Rural Development Programme, where the identification is done by the local authorities i.e. the State Government. We have got another programme of differential rate of interest, where the rate of interest is

four per cent. Under this, a composite loan of Rs 6500 is given and no security or surety is required except the assets created.

SHRI MURLI DEORA : I would like to congratulate the Government for announcing for the first time in the Budget for the urban poor. This has started from September, six months after the Budget. The target is Rs. 200 crores benefiting five lakh families and the criterion is Rs. 600 income for urban families. The Minister said just now that in Bombay there are not many applications. The reason is that it is not possible to prove for the cobblers, rickshaw-pullers, hawkers etc. that their income is below Rs. 600. I would, therefore, request the Finance Minister to reconsider this ceiling for the urban areas and increase it to Rs 900 or Rs. 1000.

SHRI JANARDHANA POOJARY : Let us first cover the people who are having total income less than Rs. 7200 per annum. Afterwards, we can consider it.

British Draft of Extradition Treaty

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*64. **SHRI SHARAD DIGHE :**
SHRI YASHWANTRAO
GADAKH PATIL :

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

(a) whether it is a fact that the British Government have now submitted to Government of India a draft extradition treaty ;

(b) if so, the details of the draft and the position of Government of India thereon ; and

(c) when the final draft is likely to be hammered out ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) In the first round of official level discussions between UK and India held in January 1986, the Indian side presented to the UK

side a comprehensive draft Extradition Treaty. The UK authorities have, just prior to the second round of discussions between officials of the two countries held in London in October, 1986, presented to the Indian authorities their own draft in response to the Indian version of the Treaty.

(b) and (c) Both the drafts were discussed during the meeting in London. Certain basic differences have emerged on the question of determination of jurisdiction, nature of offences and safeguards available to the offenders. These aspects are under examination of the concerned authorities and no final conclusions have yet emerged.

SHRI SHARAD DIGHE : In clause (b) of my question I asked that the details of drafts may be given. That has not been replied to at all in the answer which has been given by the hon. Minister. Therefore, I would like to know whether the draft of the British Government insists that India will have to establish a *prima facie* case before extradition proceedings can begin and that the offenders also try to avoid extradition by pleading that they could not get a fair trial in this country.

SHRI K. NATWAR SINGH : Sir, there are basic differences between our draft and their draft. We have not come to any conclusion. If I were to give you the details. . . .

SHRI SHARAD DIGHE : I am asking about their draft.

SHRI K. NATWAR SINGH : I have heard you. I understand this language fairly well. What I am trying to say is that these discussions are continuing. They have given us a draft. They have not made their draft public and we have not made our draft public. That is why I am unable to give details. We have had discussions before and we are continuing our discussions. We do not agree with what they have said. We feel that what they offered is not sufficient to meet the situation.

SHRI SHARAD DIGHE : My second supplementary is this. Are you going to

insist upon a retrospective clause in this agreement? I say this because it is going on for a long time.

SHRI K. NATWAR SINGH : We might Sir. The Government of United Kingdom have expressed some reservations and it is under discussion.

SHRI SYED SHAHABUDDIN : I want to know one thing from the hon. Minister, although I understand that neither of the two drafts is public. In view of our situation and our criminal system where a man may be wanted initially for interrogation; then he might be wanted on the initiation of prosecution; then he might be wanted as an absconding persons; and finally he is wanted if he is convicted, I would like to know from the Minister whether our draft does envisage that in all these four situations, if the person concerned is known to be in UK will be subject to extradition.

SHRI K. NATWAR SINGH : First of all, I would like to say that my erstwhile colleague is familiar with the manner in which these matters are dealt with. All these aspects are under consideration and we will take care of them.

PROF. MADHU DANDAVATE : Let me clarify that he is his erstwhile colleague in the Ministry and not in the Congress.

China's Upgrading of Karakoram Highway

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***65. SHRI MANIK REDDY
SHRI T. BASHEER :**

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

(a) whether the attention of Government has been drawn to the press report that China has started work on a 185 million Yuan Project to upgrade the 420 K.M. section of Karakoram highway linking with Pak-occupied Kashmir through the Khunjerab pass ;

(b) if so, the details thereof ; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) The Chines News Agency, Xinhua, reported on October 9th, 1986, that more than 2200 workers have begun improvements on the road from Kashi in Xinjiang Uygur Autonomous Region to the Khunjerab Pass on "the Sino-Pakistan Border". The report stated that the investment of US \$50 million on the 420 Km. Project would, after its completion in 1988, boost trade and friendly contacts between China, Pakistan and Middle Eastern countries.

(c) Government of India have repeatedly protested to the Governments of China and Pakistan on the construction of the Karakoram Highway and the opening of the Khunjerab Pass, marking very clear India's position on the question of Chinese assistance to Pakistan in constructing the highway in portions of Indian territory under the illegal occupation of Pakistan.

[*Translation*]

SHRI MANIK REDDY : The hon. Minister has stated in his reply that they have protested regarding the 420 km. long Karakoram Highway. I would like to know from him what danger does he apprehend to the country from this road and what is the report of the Military intelligence in this regard ?

SHRI K. NATWAR SINGH : The Ministries of External Affairs and Defence are aware that repair work has started and we are prepared in the event of any danger. In the first instance, the road constructed by them is on our territory and they have no right to construct such a road, but since they have already constructed it, we are fully cautious about what is happening there. I have seen the maps and the figures today morning itself. In the event of any danger, we will handle the situation properly.

WRITTEN ANSWERS TO QUESTIONS

[English]

Support Price for Cotton

*66. SHRI V. TULSIRAM : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have recently fixed new support price for cotton in the county ;

(b) if so, the extent to which the new price is higher than the earlier price ;

(c) the approximate benefits to be derived by the farmers in Andhra Pradesh as a result of hike in price of cotton so announced by Government ; and

(d) the extent to which this hike in price will have adverse effect on the prices of fertilisers, manures, water etc. used for the crops ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b) Government fixed the minimum support prices of new crop of Kapas of fair average quality for cotton season 1986-87 on the 10th October, 1986. A statement is given below showing the minimum Support Prices for 1985-86 and 1986-87 and the extent of increase.

(c) The farmers in Andhra Pradesh will get the benefit of increased support price to the extent they offer their Kapas to the Cotton Corporation of India and as such the benefit cannot be quantified at this stage.

(d) The increase in the Minimum Support Price has been made to offset the increase in the cost of inputs such as fertiliser, irrigation charges, agricultural labour etc. Therefore, the increase in Minimum Support Price will not have any adverse effect on the cost of the inputs.

Statement

The Minimum Support Prices

Variety	Spot price for Kapas of Fair Average quality (Rs./Quintal)		
Short Staple			
	1985-86	1986-87	Increase
1. Bengal Desi/G. 27	340	345	5
2. Wagad	365	370	5
3. Kalasin	365	365	—
Medium Staple			
4. J-34/BhikaneritNarma	410	415	5
5. GJ-73	410	410	—
6. MP Virnar/197/3	430	435	5
7. V-797	440	440	—

	1	2	3	3
Superior Medium Staple				
8. Swyedbar		410	410	—
9. Jayadbar		420	420	—
10. Gaorani 22/45		420	425	5
11. F-414/H-777/Agatti		425	430	5
12. G. Cot-12		440	440	—
13. Laxmi		445	445	—
14. Khandesh Virnar/Y-1		452	452	—
15. AK-235 & 277/AKH-4/Jyoti		470	470	—
16. Khandwa-2		470	475	5
17. A-51/9 Narmada		472	475	3
18. L-147		485	490	5
19. G. Cot-11		512	512	—
20. Digvijay 'A' (Guj)		520	520	—
21. LRA-5166		505	505	—
22. Digvijay 'B' (Mah. & Raj)		495	495	—
23. SRT-1 B Maharashtra		495	495	—
24. SRT-1 A Gujarat		520	520	—
Long Staple				
25. 1007/DHY		500	505	5
26. MCU-7		500	505	5
27. 170-Ca-2 B		500	505	5
28. Deviraj		505	510	5
29. JKHY-1		535	540	5
Superior Long Staple				
30. H-4		535	540	5
31. Shankar-4 B Saurashtra		550	555	5
32. Shankar-6		550	555	5
33. Shankar-4 (South Gujarat)		555	560	5
34. MCU-3 (South) (Maharashtra)		555	560	5
35. Varalaxmi (Maharashtra)		492	497	5
36. Varalaxmi (MP)		487	492	5
37. Varalaxmi (Gujarat)		555	555	—
38. Varalaxmi (South)		577	577	—
39. UCH-32		600	605	5
40. Suvin		900	900	—

Representation from Tea Growers of Kerala

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

(a) whether Government have received any memorandum from the tea growers of Kerala detailing their grievance and seeking Government's intervention ;

(b) if so, the details thereof ; and

(c) the decision taken thereon ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) to (c) Representations have been received on behalf of Tea industry in Kerala regarding crisis on account of lower prices of tea, higher cost of production and lower exports of tea from Kerala. Suggestions made to resolve the problems include bilateral agreement with countries to purchase South Indian teas, a broad based export market for South Indian teas and visit of delegations to selected target markets for the purpose, stepping up of purchases of tea by TTCI from Kerala, withdrawal of provisions of Tea (Marketing) Control Order 1984, adequate supply of Power to the tea industry in Kerala and excise duty concessions to the tea industry in the region.

Prices of tea at South Indian auction centres have been depressed mainly on account of subdued buying operations by some of the major importing countries coupled with general decline international, tea prices. Efforts are being made to persuade the major importers of South Indian tea to actively participate in auctions centres in South India. Recently a delegation led by Deputy Chairman, Tea Board, comprising *inter-alia* representatives of South Indian tea industry, visited Iraq for the purpose. Prices of tea at Cochin auctions have started firming up. As regards request for repeal of Tea (Marketing) Control Order, the tea auctions represent the fairest method of trade in bulk tea. There is a competitive

environment with a large number of active buyers to ensure realisation of optimum prices. Teas sold at auctions are subject to proper grading and evaluation and there can be accurate monitoring of the quantum of teas available. Ready availability of tea at auctions helps exporters to plan their exports. In view of these considerations it is not possible to agree to the demand of the industry for repeal of the Order.

Instances of power shortage for tea industry in Kerala were brought to the notice of the Government and the matter was referred to the State Government.

The Government have recently announced rebate of 50 paise per kg. on export of bulk tea. Exports of packet teas have also been fully exempted from excise duty.

Loans to Textile Mills by IDBI

*68. SHRI A.J.V.B. MAHESHWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether any terms and conditions have been laid down by the Industrial Development Bank of India for granting loans to textile mills under the newly created modernisation fund ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (b) if so, the details thereof ?

(a) and (b) The types of loans to be provided for viable schemes under the Textile Modernisation Fund Scheme would be :

(i) Modernisation loans.

(ii) Special loans towards a part of promoters' contribution in case of weak but viable units. The terms and conditions for these two types of loans, as reported by IDBI, are indicated below :

Modernisation loans

- (a) 'Promoters' contribution : 20%
- (b) Rate of Interest : 11.5% upto Rs. 6 crores per company.
- (c) Commitment charge : 'Nil' for 180 days. $\frac{1}{4}$ % for next 365 days and $\frac{1}{4}$ % thereafter on the un-availed portion of loan.
- (d) Repayment period : Generally not exceeding 10 years.
- (e) Debt Equity Ratio : Flexible approach to be adopted depending on the merits of each case.
- (f) Security : First charge on fixed assets. Personal Guarantee where considered necessary.

Special Loans

- (a) Amount : Upto 80% of the stipulated promoters' contribution which is 20% of project cost.
- (b) Rate of Interest : 6% simple interest.
- (c) Commitment charge : NIL
- (d) Repayment period : Upto 12 years including a moratorium of 6 years on payment of principal and interest.
- (e) Security : Personal Guarantees of the promoters and residual charge on assets.

Status of Industry to Tourism

*69. SHRIMATI USHA CHOUDHARI : Will the Minister of TOURISM be pleased to state :

(a) whether some State Governments have agreed in principle to declare tourism as an industry ;

(b) if so, the details thereof ;

(c) whether any survey has been made about the places in the States and Union Territories having potential for tourist business so that a plan could be prepared for their development instead of executing tourist complexes at different places on different considerations ; and

(d) if so, the details thereof.

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The

Approach Paper for the Seventh Five Year Plan approved by the National Development Council (NDC) recommended that Tourism should be accorded the status of Industry. State Governments have accordingly been requested to declare Tourism as Industry so that the concessions available to other industries also become applicable to tourism-related activities. The Government of Himachal Pradesh, Uttar Pradesh, Meghalaya, Kerala and Arunachal Pradesh have declared Tourism as an Industry while the Governments of Orissa, Rajasthan and West Bengal have declared Hotels as an Industry. The other State Governments/ Union Territories are being persuaded to take similar action.

(c) and (d) The Central Department of Tourism had commissioned a Foreign Tourist Survey during 1982-83 to identify the most popular tourist destinations for the international tourists. A statement showing the percentage of foreign tourists

staying at least one night in different places of India is given below. These requirements have been taken into account in preparing schemes for development of tourism infrastructure at these destinations in consultation with the State Governments.

Statement

Result of Foreign Tourist Survey 1982-83

Percentage of foreign tourists staying at least one night in different places in India is given below

Places of night halt	Percentage of tourists
Delhi	53.45
Bombay	45.95
Madras	17.91
Agra	17.01
Jaipur	13.75
Varanasi	10.90
Calcutta	9.71
Bangalore	8.85
Srinagar	8.13
Goa	6.72
Madurai	5.55
Amritsar	5.33
Trivandrum-Kovalam	5.06
Rameshwaram	3.81
Hyderabad	3.80
Udainur	3.65
Tiruchirapalli	3.60
Mysore	3.46
Khajuraho	3.33
Cochin	2.71
Pune	2.60
Aurangabad	2.32
Patna	2.13
Ahmedabad	1.84

Pondicherry	1.64
Darjeeling	1.55
Jodhpur	1.48
Ootacamund	1.40
Leh	1.33
Chandigarh	1.32
Jaisalmer	1.23
Lucknow	1.04
Simla	0.99
Mahabalipuram	0.98
Ladakh	0.96
Hardwar	0.95
Kanyakumari	0.91
Pushkar	0.89
Dehradun	0.87
Mount Abu	0.87
Bhubaneshwar	0.85
Puri	0.82
Tanjore	0.81
Coimbatore	0.79
Dharamsala	0.76
Nagapattinam	0.76
Quilon	0.74
Baroda	0.73
Alleppey	0.72
Ajmer	0.71
Ganespuri	0.70
Manali	0.65
Mangalore	0.62
Kodaikanal	0.60
Surat	0.56
Gaya-Bodhgaya	0.54
Gorakhpur	0.52
Ranchi	0.51
Bhopal	0.50

**Stagnation in Export Growth Rate
and Trade Deficit**

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

(a) whether the growth rate of export has been stagnant at a level of three per cent ;

(b) if so, the likely effect of stagnation in exports on the balance of payment position during the Seventh Five Year Plan ; and

(c) the steps proposed to be adopted to tackle the trade deficit which is likely to go beyond Rs. 8,500 crores by the end of the Seventh Five Year Plan ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) No, Sir. The rate of growth of India's overall export in terms of Indian Rupees at current prices registered an increase of 4.6% in 1980-81, 16.3% in 1981-82, 12.8 in 1982-83, 11% in 1983-84 and 21.3% in 1984-85.

However, on a provisional basis, India's overall exports declined by 7.2% in 1985-86, due to virtual stoppage of crude oil exports on account of development of domestic refining capacity.

(b) Does not arise.

(c) The trade deficit position of India is under constant review. With a view to reducing the trade deficit, several initiatives has been taken in the field of fiscal policies, industrial licensing and import export policies and for streamlining the procedures to promote exports. Efforts are also being made to step up our indigenous production of importables during the Seventh Five Year Plan Period, particularly in the sphere of bulk commodities.

[Translation]

Trade Deficit

*71. SHRI SARFARAZ AHMAD :
SHRI M. RAGHUMA REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) the total deficit in foreign trade during the year 1984-85 with its break-up country-wise ;

(b) the extent to which the deficit has increased during the year 1985-86 ;

(c) the steps taken to reduce the deficit and the outcome thereof ;

(d) whether there has been any improvement in the trade deficit during the first six months of the year 1986-87 ;

(e) whether Government propose to ban the import of commodities of lesser utility in order to reduce the foreign trade deficit ; and

(f) if not, the reasons therefor ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) and (b) A table showing India's balance of trade deficit during 1984-85 in respect of some principal trading partners is given below.

According to data available India's balance of trade deficit increased from Rs. 5318.10 crores (Revised) in 1984-85 to Rs. 8616.36 crores (Provisional) in 1985-86.

(c) The balance of trade situation is determined by several internal and external factors. Policy measures have been designed to increase the production base of exportable commodities and goods, improving the quality and competitiveness of Indian products, providing incentives for exports and encouraging efficient import substitution. Some of these policy measures will take time to have an impact.

(d) The latest provisional figures of India's foreign trade available for the first quarter of the financial year 1986-87 i.e., April-June, 1986 place India's trade deficit at Rs. 1623.86 crores, which is smaller than in the corresponding period of last year, when it was at Rs. 2109.10 crores. It is difficult to estimate precisely the trade deficit with which we will end the financial year 1986-87, but the clear expectation is that the deficit will decline.

(e) and (f) : The import-export policy is reviewed from time to time, wherever necessary, keeping in view our changing domestic requirements, the international economic situation and our Balance of payments constraints.

Statement

*Table showing countries with over Rs. 100 Crores
Trade Deficit During 1984-85*

(Value : Rs. Crores)

S. N.	Country	Balance of trade* (PROVISIONAL)
1.	Saudi Arabia	—1004.48
2.	German, Federal Republic of	— 826.80
3.	Iraq	— 631.37
4.	Belgium	— 607.38
5.	Malaysia	— 4.77.51
6.	Iran	— 376.13
7.	Canada	— 373.70
8.	Singapore	— 350.84
9.	United Kingdom	— 348.78
10.	Brazil	— 292.62
11.	Kuwait	— 252.23
12.	Netherland	— 181.94
13.	Japan	— 179.44
14.	France	— 149.27
15.	USSR	— 148.79
16.	Oman	— 108.80

*Excluding exports of Bombay High Crude.

Source : DGC&S, Calcutta.

[English]

**Changes in Capital Goods Import
Policy**

*72. SHRI RAMASHRAY PRASAD
SINGH :

SHRI SODE REMAIAH :

Will the Minister of COMMERCE be
pleased to state :(a) whether the Government propose
to make some changes in the capital goods
import policy; and(b) if so, the details thereof and
reasons therefor ?THE MINISTER OF COMMERCE
(SHRI P. SHIV SHANKER) : (a) and (b)

The basic objectives of the Import Policy
are to provide easy access to inputs
essential for maximising production and
exports and at the same time promoting
self-reliance and safe-guarding the reasonable
interests of the domestic industry. To
achieve these objectives, the policy is kept
under constant review and changes made
in import policy from time to time.

Review of new Textile Policy

*73. SHRI MOHANBHAI PATEL :
SHRI C. MADHAV REDDI :Will the Minister of TEXTILES be
pleased to state :

(a) whether a review of the new textile policy was undertaken recently by the Planning Commission to give a boost to the textile industry; and

(b) if, so the details thereof ?

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

(b) Does not arise.

World Bank Assistance for 1986-87
and 1987-88

*75. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to refer to the reply given to starred Question No. 888 on 2 May, 1986 regarding India's participation in IMF and World Bank meeting in Washington and state :

(a) whether Government have posed a pipeline of projects to the World Bank Group (IDA and IBRD) for assistance for the financial year 1986-87 and 1987-88;

(b) if so, the details of the projects included in the pipeline and the amount of financial assistance offered by the World Bank Group to each of the projects; and

(c) the break-up of World Bank Group loans/credits amounting to US \$ 2066.1 million as approved earlier, project-wise ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to

(c) Projects are posed for assistance to the World Bank by Government of India from time to time. A list of projects presently posed and under consideration of the World Bank Group is appended to the statement.

2. The mentioned projects are under scrutiny of both the Government of India and the World Bank group. In India the scrutiny is undertaken through a process of mutual consultation between the Department of Economic Affairs, Planning Commission, administrative Ministry concerned and the State Government/ implementing agency. During these consultations relevant issues such as project scope, components of individual projects, institutional and funding arrangements are settled. All these issues are finalised in the context of sectoral and regional priorities and quite often projects are dropped or postponed during the process of consultation. Thereafter the project is posed to the World Bank which itself undertakes a detailed process of appraisal and scrutiny. Even during this process projects can be dropped, postponed or considerably modified so that no finality can be presumed till the stage of final negotiations.

3. The level of assistance from the World Bank group is only finalised during the individual project negotiations.

4. The details of the projects approved by the World Bank Group during the Bank fiscal year 1986 i.e. from 1st July, 1985 to 30th June, 1986 are as follows :—

Sl. No.	Name of the project	Amount in US \$ million	
		IBRD	IDA
1.	Population project-IV.	—	51
2.	Kerala Water Supply	—	41
3.	West Bengal Minor Irrigation project	—	99
4.	Maharashtra Irrigation-III project	—	160
5.	National Agricultural Research project	—	72.1
6.	Industrial Export (Engineering) project	250	—

1	2	3	4
7.	Gujarat Urban Development	—	62
8.	National Bank for Agriculture and Rural Development project	375	—
9.	Cement Energy Saving project	200	—
10.	Andhra Pradesh Irrigation project	131	140
11.	Combined Cycle Power project	485	—
12.	Aonla Fertilizer project	302.2	—
		<u>1743.2</u>	<u>625.1</u>

List of projects being considered by the World Bank Group for loan/credits

Sl. No.	Name of the project
(1)	(2)
1.	National Capital Power
2.	Bombay Water Supply-III
3.	Gevra and Sonapur-Bazari Thermal Coal
4.	Oil India Limited Petroleum
5.	National Agricultural Extension Project (NAEP-III)
6.	Gujarat Rural Roads.
7.	Uttar Pradesh Urban Development
8.	Talcher Thermal Power
9.	Telecommunication-IX
10.	National Water Management
11.	Western Gas Development
12.	Karnataka Power
13.	Madras Water Supply
14.	Narmada (Madhya Pradesh) Resettlement
15.	Narmada (Madhya Pradesh) Dam
16.	Upper Krishna Irrigation-II
17.	Fertilizer Distribution
18.	National Seeds-III
19.	National Dairy
20.	Tamil Nadu Urban Development

1	2
21.	Forestry Research, Education and Training
22.	Nathpa Jhakri Hydroelectric
23.	Bombay/Madras Population
24.	Railways Modernisation-III
25.	Steel Sector Modernisation/Restructure
26.	Electronics
27.	Automotive Industry
28.	Kerala Urban Development
29.	Power Finance Corporation.
30.	Uttar Pradesh Power (Srinagar)
31.	Industrial Sector Loan
32.	Housing Development Finance Corporation
33.	National Agricultural Extension Project-IV
34.	Karnataka Power-III
35.	Cauvery Delta Irrigation

Intrusion by China in Arunachal Pradesh Region

***76. SHRI C. JANGA REDDY :**
SHRI TEJA SINGH DARDI :

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

(a) whether Government are aware of the continuing serious misgiving in the minds of the people about Chinese intrusion in the Arunachal Pradesh region;

(b) at what level this matter has been taken up by Government of India with the Chinese authorities and with what outcome; and

(c) whether this issue figured specifically at the recent meeting of the Ministers of External Affairs of India and China and if so, position taken by him in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) to (c) Government are aware of the concern caused as a result of the Chinese intrusion

into the Wangdung area of Arunachal Pradesh. Government informed Parliament on 18th July and again on 1st August and 8th August 1986 of the action taken. The matter was then raised by Foreign Secretary with the Chinese Acting Premier Wan Li and Foreign Minister Wu Xueqian during the 7th Round of official level talks in Beijing (21st-23rd July 1986).

The then External Affairs Minister had thereafter taken up the matter with the Chinese Foreign Minister on 18th September 1986 in New York. The Chinese Foreign Minister had reiterated the readiness of his Government to discuss all outstanding issues between the two countries and to seek a peaceful solution of the border question.

RBI Report on loans to Reliance Industries

***77. SHRI INDRAJIT GUPTA :**
SHRI S. JAIPAL REDDY :

Will the Minister of **FINANCE** be pleased to state :

(a) whether the high-level Committee set up by the Reserve Bank of India to inquire into the large amount of loans advanced by some banks to several companies connected with Reliance Industries, against shares and debentures of that company has submitted its report; and

(b) if so, the details of the findings and the action taken thereon by Government?

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

(b) A copy of the Report of the Committee set up by the Reserve Bank of India is being laid on the Table of the House today. A Summary of the findings of the Committee is given in the statement below.

As a consequence of the findings of the said Committee, Reserve Bank of India has directed the Chairman and Managing Directors/Chief Executive Officers of the banks concerned to take urgent steps to recall the loans unless in the case of any particular borrowing company they are satisfied that an advance was wholly utilised for the purpose for which it was given. Reserve Bank of India has also issued consolidated guidelines for regulating bank advances against security of shares/debentures.

Statement

Summary of the findings of the Committee set up by Reserve Bank of India on the advances made by banks to certain borrowers against the security of shares/debentures of the Reliance Industries Limited.

(1) In granting the loans, the banks were guided by the prospects of the substantial quantum of deposits of RIL, the marketability of the shares pledged as security and profitability. The banks have complied with the the guidelines/directions of the Reserve Bank of India in so far as they relate to marketability of the shares taken as security, margin to be maintained,

transfer of shares to the bank's names, vesting of voting rights in respect thereof with them and fixing of repayment schedule.

(2) A feature of the loans in question is that the matter of granting the loans has been discussed at senior levels between RIL and the banks and decision had been taken at the top management levels to grant loans. Placement of deposits and grant of loans have been treated as part of a composite scheme.

(3) In granting loans, the banks have not made a careful assessment of the purpose for which the loans have been sought. The information and data essential for assessment of the need based requirements of the borrowing companies, either for the business of trading in yarn and fabrics or for investment purpose, have not been obtained. The banks having been satisfied about the security of the loans have not bestowed any attention on either determining by independent assessment the requirements of the companies or the manner in which the funds were to be utilised. The examination of the relevant data would have shown to the banks that a more appropriate means of financing the company if any finance had to be extended to them for meeting the working capital needs would have been by way of purchase/discount of bills and terms loans repayable over a period was not suited for the purpose. If the loans were for investment purposes, analysis of the relevant data would have made it clear that loans sanctioned to the companies would have either gone towards repayment of funds obtained by the companies for past purchases or to make fresh investment adding to the already significant holdings of RIL shares of these companies. Assuming that the banks regarded the borrowing companies as investment companies, they can make bridge loans to them but such loans will have to be only the extent of the gap between their own investment and receipt of long-term funds. Banks have not made any assessment of the gap and the sources of long-term funds in respect of these companies. Banks have thus failed to comply with the guidelines which required that "banks should scrutinise carefully the

purpose for which the advance against shares is sought".

(4) The Managers of the branches knowing that a decision had already been taken at highest level to finance the companies have merely gone through the formalities of receipt of applications, processing, etc. The repayment schedule as proposed by the companies have generally been accepted without making any scrutiny. However, the loans have been sanctioned by the Board or Chairman or appropriate officials as per the powers vested in them.

(5) The analysis of the information furnished by the banks reveal that loans availed of by the 43 companies have not been utilised for subscription to 'F' series debentures of RIL. As reported by the borrowing companies to the banks, an amount of Rs. 32.45 crores have been utilised towards purchase of yarn and fabrics. Amounts utilised for repayment of debt towards past purchases of shares and market borrowings aggregated Rs. 9.85 crores and Rs. 7.95 crores respectively. Utilisation of loans to the extent of Rs. 6.75 crores has not been ascertained by the concerned banks. As per RIL's submission, repayment of borrowings/debts in respect of earlier purchase of shares accounted for Rs. 14.88 crores while an amount of Rs. 43.17 crores was utilised towards purchase of yarn and fabrics (credit for past purchases and current purchases). The data furnished by the borrowing companies to the bank also indicate that the investment creditors of certain borrowing companies which amounted to about Rs. 38 crores as on the 30th June 1985 (prior to the availment of loans) stood reduced to Rs. 0.50 crores as on the 31st December, 1985. These figures are a pointer to the use to which the funds drawn under the loans availed of from the banks have been put to. A test scrutiny carried out by RBI has also revealed that funds have been directly or indirectly transferred to the accounts of shares brokers. On the basis of the above analysis, it would be fair inference to make that a significant portion of the bank loans has been utilised to sustain the purchases

of shares made earlier by substituting credit raised elsewhere by bank credit.

(6) In sum, the loans granted have been secure and profitable from the point of view of banks. The repayments in the loans have been generally regular so far. However, banks failed to adhere strictly to the guidelines of the Reserve Bank of India in determining the purpose and quantum of loans resulting in a fairly large amount of loans going to one group of companies from the Banking system while in fact a proper scrutiny would have revealed that such large loans are not justified.

Import Duty on PTA

*78. SHRI GANGA RAM :

Will the Minister of FINANCE be pleased to state :

(a) whether the import duty on PTA has been hiked twice during a period of less than one year;

(b) if so, the details thereof; and

(c) the reasons for such action when ordinarily the Government do not adjust import duties so frequently and also when prices of all petroleum products have declined in international market ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): (a) and (b) The effective rate of import duty on PTA was raised to 190% ad valorem from 140% vide notification No. 305-Customs dated 30.9.1985 and by Rs. 3 per kg. vide notification No. 250-Customs, dated 16.4.1986.

(c) DMT and PTA are used for the manufacture of polyester fibre and yarn. DMT is produced in the country, while production of PTA is yet to be established. Import duty on both PTA and DMT was increased in the interests of indigenous production of DMT in the country.

Guidelines Re : Advances against Shares, Debentures and Marketable Corporate Securities

*79. SHRI D.N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government have issued any fresh guidelines or instructions to the commercial banks for making advances against shares, debentures and marketable corporate securities; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India have on October 24, 1986 issued comprehensive revised guidelines to be followed by banks in respect of advances against shares/debentures. The details of these guidelines are indicated in the statement given below.

Statement

Guidelines to be followed by banks in the matter of granting of advances against shares/debentures

1. Statutory provisions regarding the grant of advances against shares contained in Sections 19 (2) and (3) and 20 (1) of the Banking Regulation Act, 1949 should be strictly observed.
2. Banks should exercise due caution and restraint in lending against shares and debentures. They should, while considering proposals for advances against shares/debentures, primarily take into account the nature, purpose and need for such advances ensuring that bank finance is not utilised for speculative purposes. Banks should be more concerned with what the advances are *for* rather than what the advances are *against*. While considering grant of advances against shares/debentures, banks must follow the

normal procedures for presanction appraisal and post-sanction follow-up.

3. Any advance against the primary security of shares and debentures should be kept distinct and separate and not combined with any other advance.
4. Banks should satisfy themselves about the marketability of the shares/debentures and the net worth and working of the company whose shares/debentures are offered as security.
5. Shares/debentures should be valued at the average of the market prices as at the end of last twelve months or the current market price, whichever is lower. Adequate and proper margins should be maintained while granting advances.
6. No advance against the security of partly-paid shares shall be granted.
7. Banks should exercise particular care when advances are sought against large blocks of shares by a borrower or a group of borrowers both from the point of view of the borrower's ability to repay such advances and also to ensure that such advances are not utilised for other than short term productive purpose. It should be ensured that advances against shares are not used to enable the borrower to acquire or retain a controlling interest in the company/companies or to facilitate or retain inter-corporate investments.
8. While granting advances against shares/debentures it would be advisable to obtain a declaration from the borrowers indicating the extent of loans availed by them from other banks. Care should be taken to ensure that a single borrower or a group of borrowers do not obtain large credit against

shares/debentures from different banks. It would also be necessary to ensure that such accommodation from different banks is not obtained against shares of a single company or a group of companies.

9. Whenever the limit/limits of advances granted to a borrower against the security of shares/debentures exceed Rs. 100000/- it should be ensured that the said shares/debentures are transferred in the bank's name and that the bank has exclusive and unconditional voting rights in respect of such shares. For this purpose, the aggregate of limits against shares/debentures granted by a bank at all its offices to a single borrower should be taken into account.
10. Banks shall exercise voting rights in respect of shares held by them as security only with the prior approval of the RBI and in accordance with such directions as may be given by RBI.
11. The requirement mentioned in item 9 above regarding transfer of shares with voting rights shall not apply in respect of advances granted to shares and stock brokers provided such shares are held as security for a period not exceeding three months.
12. Advances exceeding Rs. 51 lakhs against shares and debentures should be sanctioned by the Board/Committee of directors. Suitable powers may be delegated to the Chief Executives and others for sanctioning advances for lesser amounts.
13. Advances against the primary security of shares/debentures may be given only to (i) individuals; (ii) investment companies (iii) stock and share brokers; and (iv) trusts and endowments as per guidelines given below :

(i) Individuals :

Loans for amounts not exceeding Rs. 2 lakhs per borrower, with appropriate repayment schedules; may be granted to individuals for meeting contingencies and needs of personal nature or for subscribing to rights or new issues of shares/debentures against the security of existing shares/debentures.

(ii) Investment Companies :

Investment Companies are expected to carry on their investment operations mainly on the basis of long term funds raised by them e.g., capital and reserves, debentures and deposits. Pending mobilisation of such long term funds, banks may consider granting advances of a bridging nature for a period not exceeding nine months to investment companies to cover the gap between resources currently available to them and their existing and proposed investment in shares/debentures. Banks should satisfy themselves about the financial position and the working of the borrowing companies as also about the arrangements made by them for mobilising long term funds. The total outside liabilities of a borrowing investment company (including the proposed bank borrowings) should however not exceed 10 times its owned funds. Banks should satisfy themselves that the borrowing company is a genuine investment company with a diversified portfolio of investments and that its investment operations are not confined to a company or a group of companies.

(iii) Share and Stock brokers :

Share and stock brokers may be provided reasonable overdraft facilities against shares and debentures held by them as stock-in trade. A careful assessment of requirements for such finance should be made taking into account the financial position of the borrower, operations on his own account and on behalf of clients, income earned, the average turnover period of stocks and shares and the extent to which the broker's funds are required to be involved in his business operations. Large scale investment in shares and debentures on own account by stock and share brokers with bank finance

should not be encouraged. There must be regular turnover in the shares/debentures lodged as security. Condition specified in para 9 must be complied with if such shares/debentures are held beyond three months.

(iv) Trusts and endowments :

Banks can grant bridge loans to trusts endowments for short periods not exceeding nine months against the security of shares/debentures for the purpose of fresh investments/subscriptions to rights issues. Such advances should not exceed Rs. 5 lakhs per borrower.

14. The question of granting advances against primary security of shares and debentures to industrial or corporate borrowers should not normally arise. In the course of setting up of new projects of expansion of existing business or for the purpose of raising additional working capital required, there may be situations where such borrowers are not able to find the required funds towards margin, pending mobilisation of long term resources. In such cases, there would be no objection to the banks obtaining collateral security of shares and debentures by way of margin. Such arrangements would be of a temporary nature and may not be continued beyond a period of one year. Banks have to satisfy themselves regarding the capacity of the borrower to raise the required funds and to repay the advances within the stipulated period.

15. The objective of the various non-resident deposit and investment schemes is essentially to attract genuine savings of the non-resident Indians and all banks should ensure that mobilisation of only this kind of enduring funds is facilitated under the shares. Any bank operating in India should not be a party to transactions such

as making advances or issuing back-up guarantees favouring other banks for extending credit to clients of Indian nationality/origin by some of their overseas branches to enable the borrowers to make (i) deposits in India under FCNR/NRE Schemes and (ii) investments in shares and debentures of Indian companies.

Revision of Australian Aid

*80. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

- (a) whether Australia has suspended its aid to India due to economic difficulties;
- (b) if so, how much aid Australia used to provide to India every year and for which purpose; and
- (c) the impact of this aid suspension on the Indian economy ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c) In the recent years the Australian assistance to India has been in the order of Aus. \$ 2 to 3 million per annum. The assistance has been of the nature of technical assistance for a number of projects in sectors like Animal Husbandry, Rural Development etc.

The Australian Government had recently conveyed their intention to phase out this assistance, because of their own economic problems.

**Funding by U.S. in India's Telecom.
Expansion Plan**

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

- (a) whether U.S. is considering funding India's telecom expansion plan;
- (b) if so, the details thereof; and
- (c) the reaction of Government thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c) No formal funding offer has so far been received from the U.S. for India's telecommunication expansion plan.

Nationalisation of sick Jute Mills in West Bengal

571. DR. SUDHIR ROY: Will the Minister of TEXTILES be pleased to state:

(a) whether jute mills in West Bengal are growing sick day by day;

(b) whether Union Government are contemplating any measures to nationalise the sick jute mills;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR): (a) Incidence of sickness in many of the jute mills in West Bengal is mainly attributable to the disparity between rising cost of production and un-remunerative sale realisation on account of sluggish demand for jute products. This has affected their financial viability.

(b) No, Sir.

(c) Does not arise.

(d) Nationalisation is not considered to be an appropriate solution to deal with the problems faced by the jute industry. On the other hand steps have to be taken to modernise the jute industry to increase productivity and competitiveness of its products. With this objective in view Government have set up a Jute Modernisation Fund of Rs. 150 crores besides a Special Development Fund of Rs. 100 crores for rehabilitation, re-opening and restructuring of jute industry.

Complaints Regarding Unbated Smuggling Activities at Ports

572. SHRI BHARAT KUMAR DEDRA: Will the Minister of FINANCE be pleased to state:—

(a) whether Government have received complaints that smugglers and anti-social elements are fearlessly loading the contraband items from vessels into trucks in port areas despite the presence of Coast guard Customs and police authorities; and

(b) if so, the action taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) Reports received by Government and seizures made indicate that the entire coastline of our country, including port areas, continue to be vulnerable to smuggling activities. However, the preventive and intelligence machinery of the Customs department remain vigilant to check smuggling activities through coastal areas, including ports.

The anti-smuggling drive in general has also been intensified throughout the country with particular emphasis in the highly vulnerable areas of our sea-coasts as is evident from the figures of seizures made from the West and East Coast regions furnished below:

Year	(Rs. in crores)	
	West Coast seizures	East Coast seizures
1984	60	21
1985	109	39
*1986	86	31

(Upto September)

*figures are provisional.

Appropriate anti-smuggling measures in this regard are also taken in close co-ordination with the concerned Central and State Government authorities.

Drug Trafficking

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

(a) whether efforts have been made to enlarge the scope of the extradition treaty between India and the U.S. in order to bring the mushrooming offences relating to drug trafficking within its ambit ;

(b) whether it is a fact that a 12 member US delegation led by Mr. J.N. Dion of the Bureau for International Narcotics Matters, visited Delhi recently and had meetings with Indian Government ; and

(c) if so, the details of the discussion held ?

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

(b) and (c) : The U.S. delegation to the first meeting of the India/U.S. Working Group on Narcotics, held in New Delhi on 19-20th September, 1986 was led by Mr. Jerrold Mark Dion, Deputy Assistant Secretary, Bureau for International Narcotics Matters, Department of State, United States Government. The following items were considered by the meeting :—

(a) Exchange of information on drug trafficking patterns.

(b) Rehabilitation and education programmes.

(c) U.S. technical support for Indian narcotics control efforts through U.N. agencies.

(d) Training for prevention of drug abuse/trafficking.

(e) Joint action in regional and U.N. bodies for reducing supply and demand of illicit drugs.

(f) Increased import of licit opium for medical use by U.S. from India.

(g) Extradition Treaty.

Purchase of Raw Jute in West Bengal

574. SHRI ANANDA PATHAK : Will the Minister of TEXTILES be pleased to state the details and the quantity of jute purchased by Jute Corporation of India (JCI) during the current year, district-wise in West Bengal ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : Details of the quantity of jute purchased by Jute Corporation of India (JCI) during the current jute year up to 27th October, 1986, district-wise in West Bengal, are as under :

In bales of 180 Kgs.

District	JCI	Cooperatives	Total
Coochbehar	82,222	26,111	1,08,333
Jalpaiguri	72,222	33,333	1,05,555
Darjeeling	12,222	—	12,222
West Dinajpur	43,333	28,889	72,222
Malda	15,556	8,333	23,889
Murshidabad	61,111	31,557	92,668
Nadia	55,556	44,444	1,00,000
Burdwan	22,223	20,000	42,223
Hooahly	24,444	12,223	36,667
Howraha	1,944	2,556	4,500
Bankura	2,500	3,000	5,500
Midnapur	10,000	4,444	14,444
North 24-Parganasa	82,222	23,333	1,05,555
Total	4,85,555	2,37,223	7,22,778

Export of Betel Leaves

575. SHRI ZAINAL ABEDIN : Will the Minister of COMMERCE be pleased to state :

(a) the provisional estimate for exporting betel leaves during the next three years, year wise ; and

(b) the details of the action taken to popularise the market of betel leaves in European Economic Community and Middle East countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Export of betel leaves during 1985-86 were valued at Rs. 61 lakhs as per provisional estimates. Estimates for future export have not been drawn up.

(b) The export potential of betel leaves is limited. Exports are primarily being made to Middle East countries which have sizeable ethnic community which consume this item. The consumption of betel leaves being limited, no specific proposals for increasing its exports are envisaged.

Visit of Nicaraguan President

576. SHRI SOMNATH RATH :

SHRI JAGANNATH PATTNAIK :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the President of Nicaragua visited India in September, 1986 and has discussion on bilateral cooperation ; and

(b) if so, the outcome of the discussion held ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) Yes, Sir,

(b) The discussions covered bilateral relations and international affairs. Three bilateral Agreements were signed during the visit—a Cultural Agreement, a Memorandum of Understanding covering Economic Cooperation and a Credit Agreement.

Amount Spent by Banks on Employees Involved in Union Activities

577. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) the amount spent by way of salary, travel, phone facility etc. on the employees involved in union activities in each of the nationalised banks in the year 1983-1984 ;

(b) the number of employees 'released' for union activity in the year 1983-1984 in each of the nationalised banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A statement indicating the available information received from the nationalised banks is given below.

Statement

Amounts spent by each of the nationalised banks by way of salary, travel phone facility etc. on employees involved in union activities and the number of employees released for union activities, during the year 1983-84

S. No.	Name of the Bank	Amount spent by way of salary, travel, phone facility, etc. on employees involved in activities during the year 1983-1984. (Rs. in lakhs)	(DATA PROVISIONAL)
			Number of employees released for union activities in the year 1983-1984.
1	2	3	4
1.	Central Bank of India	1.19	1
2.	Bank of India	N.A.	Nil

1	2	3	4
3.	Punjab National Bank	Nil	Nil
4.	Bank of Baroda	N.A.	Nil
5.	UCO Bank	1.53	Nil
6.	Canara Bank	N.A.	N.A.
7.	United Bank of India	N.A.	N.A.
8.	Dena Bank	7.80	Nil
9.	Syndicate Bank	1.43	Nil
10.	Union Bank of India	Nil	Nil
11.	Allahabad Bank	0.20	Nil
12.	Indian Bank	0.90	4
13.	Bank of Maharashtra	N.A.	N.A.
14.	Indian Overseas Bank	2.62	9
15.	Andhra Bank	0.80	Nil
16.	Punjab and Sind Bank	Nil	Nil
17.	New Bank of India	0.80	Nil
18.	Vijaya Bank	Nil	Nil
19.	Corporation Bank	0.43	Nil
20.	Oriental Bank of Commerce	0.59	Nil
	Total	18.29	14

N.B. :—Certain banks have informed that special leave was granted to the union activists for attending the negotiating committee meetings and joint talks etc.

Reduction in Rebate Days in Handloom Products

578. SHRI GADADHAR SAHA : Will the Minister of TEXTILES be pleased to state :

(a) whether rebate on handloom products is now being allowed for a period of 30 days in a year as against 60 days earlier ; and

(b) if so, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMRR) : (a) and (b) Under the existing scheme 20% rebate on handloom products is allowed for 30 days in a year plus during Exhibitions organised and

approved by the Office of the Development Commissioner for Handlooms, as originally conceived. Only during 1983-84 and 1984-85 there was a change in the Policy when 20% rebate was offered for 60 days in a year to be utilised at the discretion of the States for general rebate or for rebate at Exhibitions and in 1985-86 rebate was allowed for 45 days in a year plus National Handloom Expos. The Government have now reverted back to the original scheme as some of the State Governments had represented that the earlier scheme was more equitable, and also because the Sub-Group on Handloom which was set up for the 7th Plan into all aspects relating to the development of the Handloom sector, including the rebate scheme had recommended that this scheme must be phased out,

Scheme to Popularise Handloom Products

579. **SHRIMATI BIBHA GHOSH GOSWAMI** : Will the Minister of **TEXTILES** be pleased to state the schemes taken up by Union Government to popularise the handloom products in the country and to save the handloom weavers ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : The Union Government has been implementing a number of schemes to support and develop the handloom sector. The schemes, which are implemented mostly with matching assistance from the State Government are as follows :—

- (1) Share Capital assistance to Primary Handloom Weavers Cooperative Societies ;
- (2) Share capital assistance to Apex Weavers Cooperative Societies and State Handloom Development Corporations for their marketing operations ;
- (3) Managerial subsidy to Primary Weavers Cooperative Societies ;
- (4) Assistance for modernisation of looms and introduction of more productive looms ;
- (5) Assistance for setting up of pre-loom and post-loom processing facilities ;
- (6) Assistance to State Governments through the National Cooperative Development Corporation for setting up of handloom weavers cooperative spinning mills ;
- (7) Janata Cloth Scheme ;
- (8) Special rebate for disposal of accumulated stocks of handloom cloth and for generation of demand ; and
- (9) Organisation of Handloom Expos in various parts of the country to

popularise the handloom products and to make the people aware of the technological improvements effected in the handloom sector.

Rehabilitation of Bombay Textile Workers Displaced Due to Strike and Closing of Mills

580. **PROF. MADHU DANAVATE** : Will the Minister of **TEXTILES** be pleased to state :

(a) the total number of textile workers in Bombay who have been displaced as a result of the closing down of the mills following the prolonged strike of the textile workers in Bombay ;

(b) what concrete steps have been taken to provide jobs to these workers uprooted due to closing down of the textile mills ; and

(c) how many of them have been absorbed in the mills run by the National Textile Corporation ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) As on September 1986, 57 out of 60 cotton textile mills in Bombay had started working. According to available information, the number of workers on the rolls of the three closed textile mills are as follows :—

1. Bradbury Mills	3093
2. Mukesh Textile Mills	1656
3. Shrinivas Cotton Mills	5322
	<hr/>
Total	10071
	<hr/>

(b) A nodal agency has been set up to evolve and manage a suitable financial package for rehabilitating potential viable units in the country. At present there are no specific proposals with government for revival of these 3 units. Any suggestions regarding their rehabilitation would have to be considered keeping in view the principle of potential viability.

(c) There is no proposal to absorb workers of these 3 closed textile mills in units run by National Textile Corporation. However, the number of employees engaged in 13 mills, whose management was taken over by the NTC in 1983, is more than 23,300.

Credits Deposits of Banks in West Bengal, Bihar and Orissa

581. SHRI R.P. DAS : Will the Minister of FINANCE be pleased to state

the position in respect of deposits and amount of loans advanced by nationalised banks as at the end of 1983, 1984 and 1985 in West Bengal, Bihar and Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : Deposits and Advances of Public Sector Banks as on the last Fridays of 1983, 1984 and 1985 in respect of West Bengal, Bihar and Orissa are given below :—

Name of the State	Deposits			Amount in Rs. crores Advances		
	1983	1984	1985	1983	1984	1985
West Bengal	5802	6641	7822	3331	3717	3753
Bihar	2592	3112	3600	1033	1199	1343
Orissa	715	819	969	525	642	774

Modalities for African Fund

582. DR. B.L. SHAILESH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government held talks with other non aligned countries in September, 1986 on the modalities of the "African Fund" set up under its chairmanship at the Harare non-aligned summit to assist the front-line States to reduce their dependence on South Africa

(b) if so, the expected corpus of the proposed fund ; and

(c) the outcome of these talks and the stage at which the matter stands at present ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) The eighth NAM Summit Conference held in Harare recently resolved to establish Action for Resisting Invasion, Colonialism and Apartheid (AFRICA) Fund. India as the Chairman of the 9 member Fund Committee had consultations with the Frontline States in Southern Africa viz. Zimbabwe, Zambia, Angola, Tanzania, Botswana and

Mozambique last month on the modalities for establishment of the Fund and to assess the priority needs of the Frontline States and the liberation movements in South Africa and Namibia in terms of the charter of the AFRICA Fund. India has also been consulting with the other member states of the Fund Committee and with other NAM countries on the issue.

(b) The AFRICA Fund Committee is to draw up a suitable action plan for assistance to Front Line states and South African liberation movements. The Fund Committee will have to determine the resources required for this purpose. No specific target has so far been set for the fund.

(c) The consultations with the Frontline States have been useful in identifying priority areas of assistance to these States to reduce their dependence on South Africa. Officials of the Fund Committee Member State- are expected to meet shortly to take stock of the situation and decide on further action.

INDO-Swedish Trade Agreement

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

(a) whether it is a fact that India and Sweden have recently signed a protocol envisaging higher exports from India to Sweden at a large scale ; and

(b) if so, the details regarding India's products decided to be exported to Sweden ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b) The Indo-Swedish Joint Commission met in New Delhi from 3rd to 7th October, 1966. This Commission deliberated through three Sub-Commissions including the one on trade.

During the meeting of the Sub-Commission on Trade, it was noted that trade between the two countries had not grown to its full potential. Items like textiles, garments, mica, Indian talc, computer software were identified for increased exports from India to Sweden. The Indian side proposed that future Swedish assistance for trade promotion be on the basis of a well defined programme focussing on a few selected products such as, sea food, cotton fabrics, bed linen, furnishings, made-ups, garments, carpets, furniture, sports goods and precious and imitation jewellery.

Bogus Garment Exporting Firms

584. SHRI NARSING SURYA-WANSHI : Will the Minister of TEXTILE be pleased to state :

(a) whether Government's attention has been drawn to the news-item captioned "70 per cent garment exporting firms are bogus" appearing in the Deccan Herald dated 4 September, 1986 according to which Export Commissioner is reported to have said that seventy percent of the garment exporting firms in the country are bogus ; and

(b) if so, the steps taken by Government to check such firms ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILE (SHRI S. KRISHNA KUMAR) : (a) and (b) The

Export Commissioner while discussing the elements of duty free import scheme had referred to the problem of associate firms in the garment sector. The Govt., has already taken measures to discourage associate firms by insisting on affidavits under the Export Entitlement Distribution Policy. The Govt., has also recently stipulated that a firm should be an income tax assessee to be eligible to apply for entitlements.

Currency note Printing Press in West Bengal

585. SHRI PURNA CHANDRA MALIK :
SHRI SAIFUDDIN CHOWDHARY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken a final decision to set up a currency note printing press at Panagarh or any other place in West Bengal ;

(b) if so, the details thereof ; and

(c) if not, the reasons for the delay in taking a decision ?

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

(b) Does not arise.

(c) While the need for augmenting the Bank Note Press capacity in the country has been established, aspects like optimum capacity per units, technology, demand distribution, etc. are under examination and a decision on preparation of a detailed project report is likely to be taken soon.

Decline in Engineering Exports

586. SHRI AMARSINH RATHAWA :
SHRI MOHANBHAI PATEL :

Will the Minister of COMMERCE be pleased to state :

(a) whether there is a decline in engineering goods export and if so, the reasons therefor ;

(b) whether it is a fact that the Association of India Engineering Industry (AIEI) has sent a note to the Government in this respect ;

(c) the details of suggestions made by the AIEI ;

(d) the action taken thereon ; and

(e) the other measures being taken to boost this industry and increase the export during the remaining period of the current financial year ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir. The decline in export of engineering goods is, inter alia, on account of severe competition in international markets, protectionist tendencies in some of the developed countries, balance of payments problems and slowing down of developmental activities in a number of developing countries in Asia and Africa continued instability in West Asia, high cost of indigenous inputs and technologically inadequate production base in India for some engineering products etc.

(b) Yes, Sir.

(c) The AIEI (Now Confederation of Engineering Industry) (CEI) had suggested that it was preparing sectoral and company level plans and desired quick decisions to be taken to raise exports of machine tools, steel castings, software etc. ;

(ii) a National Export Authority should be set up to serve as a single window mechanism for various approvals and clearances to be obtained by the exporters ;

(iii) there should be a closer co-ordination between Commerce and Industry Ministries, as also the Ministries dealing with labour, Power, Steel, Energy etc. ; and ;

(iv) Establishment of a free port in the Andamans.

(d) Government has already commenced preparation of export strategy packages for some of the identified thrust industries which have maximum export potential, proposing short-term and long-term measures to boost exports.

Government has set up both an Empowered Committee of Secretaries on Exports and a Cabinet Committee on Exports to provide a speedy resolution of problems concerning the export sector. These Committees also provide a forum for highlevel interaction between various Ministries involved in the export efforts.

The proposal to set up a free port in the Andamans has to be considered as a part of the overall developmental plans for the A&N Islands.

(e) Government has taken a number of measures to boost exports which include, inter-alia :

(1) Liberalisation of industrial policy and licensing and collaboration procedures.

(2) Introduction of 3 year Import—Export Policy to provide a stable policy frame work.

(3) Introduction of the Import-Export Pass Book Scheme for duty free access to imported inputs for export production from 1.1.1986.

(4) Liberalisation of the import policy for technology to enable modernisation and technological upgradation.

(5) Provision of Pig iron and steel raw material to exporters at international prices under the International Price Reimbursement Scheme.

(6) Decision to extend the International Price Reimbursement Scheme to indigenous aluminium supplies to engineering exporters.

(7) Introduction of a new cash compensatory support regime from 1.7.86 to compensate for the cascading effect of domestic taxation.

(8) Provision of pre and post-shipment credit for all export goods at 9.5% rate of interest upto 180 days.

(9) Provision of assistance from the Market Development Fund to reimburse the 50% cost of bids made by companies for turn-key/construction projects and for export of consultancy services.

(10) Project assistance at the rate of 10% of net foreign earnings for the service portion of the contract for turnkey and civil construction projects and for export of consultancy services.

(11) Provision of market development assistance to consultancy organisations for opening offices in foreign countries.

(12) Exporters had been allowed to set off 4% of the fob value of net foreign exchange earnings for income tax purpose and retention of 50% of the profits attributable to exports for purpose of business.

(13) Preparation of export strategy packages proposing long term and short-term measures to boost exports of selected thrust industries.

(14) Preparation of a coordinated marketing campaign involving trade fair participation and media advertising for selected products and markets. Approval has been given to EEPC to set up warehouse in Rotterdam for engineering products.

(15) Undertaking a project to set up a computerised data base at the EEPC provide upto date market information to exporters.

In addition, the Government has decided in principle, on the following measures :

(i) Permission to exporters to use 5 to 10% of their foreign earnings for specified export promotion activities.

(ii) Permission to import capital goods, duty free or at low rates, for export production provided, there is no indigenous production of the machinery.

(iii) Permission to firms to manufacture selected products for export, provided they are willing to export 60% of their production.

The details of guidelines for implementation of the above decisions in principle are being worked out.

Ghosh Committee on Foreign Exchange Regulations

587. SHRI SRIBALLAV PANI-GRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a Ghosh Committee was appointed by the Government on Foreign Exchange Regulations ;

(b) if so, the details regarding its main recommendations which have been accepted by Government ;

(c) whether there is any proposal under the consideration of Government to impose restrictions on the transfer of non-resident's holdings in any business in India to another non-resident ; and

(d) if so, the details regarding the policy formulated in this regard ?

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

(b) A Statement is given below.

(c) No, Sir.

(d) Does not arise.

Statement

The recommendations of the Ghosh Committee which have been accepted by the Government are :—

Special/Practical Technical Training abroad

(i) Per diem scales may be raised from US \$. 85 to US \$. 100 for first month and from US \$. 60 to US \$. 75 for the remaining period.

(ii) For practical training, total quantum of foreign exchange may be raised from US \$. 600 to US \$. 900.

(iii) Course fee for training may be allowed on actual basis upto US \$. 1000/- by Regional Offices of ECD and by Central Office of ECD in excess of this limit.

(iv) Exchange may be released to medical practitioners/specialists for undergoing training in highly specialised medical fields (eg. heart surgery, neurology, cytology etc.) at reputed institutions abroad upto 6 months.

(v) Applications for training programmes for duration exceeding 6 months may be considered by RBI in consultation with Government.

(vi) In approved cases, exchange may be released at the scales applicable for specialised training.

Release of foreign exchange towards incidental expenses (in case of full hospitality, scholarships, etc.)

Scales for release of exchange for incidental expenses may be raised from US \$. 10 per diem with minimum of US \$. 100 and maximum of US \$. 600 to US \$. 15 per diem with minimum of US \$. 150 and maximum of US \$. 900 respectively.

Medical treatment abroad

(i) Certificates countersigned by Director General of Armed Forces Medical Services and Principals of all Medical colleges recognised by Indian Medical Council should be accepted by RBI.

(ii) In the absence of an estimate, exchange may be released to patients upto US \$. 7500/- as against the existing limit of US \$. 5000/-.

(iii) Rate of maintenance allowance for out-door patients and for convalescence of indoor patients may be raised from US \$. 85 to US \$. 100 per diem.

(iv) Rate of allowance for attendants may be raised from US \$. 50 to US \$. 75 per diem.

Special Travel Schemes (FTS & NTS)

(i) The periodicity of FTS as well as NTS visit should be raised from once in two calendar years to once in three calendar years.

(ii) Exchange for children upto the age of 12 may be released at half the normal quota for adults both under FTS and NTS.

(iii) FTS and NTS should be made mutually exclusive i.e., a visitor to a neighbourhood country will get only the NTS quota and not the FTS quota.

(iv) Combination of FTS and NTS facilities for the purpose of drawing exchange should not be permitted.

(v) The currency component of FTS quota should be reduced to US \$. 100/- and that of NTS quota reduced to US \$. 50/-.

Blanket permit facility for 'supporting manufacturers'

(i) Supporting manufacturers may be permitted to include their representatives in the terms of Trading Houses/Export Houses/Canalising agencies holding blanket permits, going abroad on export promotion visits.

(ii) Drawal of exchange against the principals' blanket permits may be permitted for independent export promotion visits undertaken by representatives of supporting manufacturers.

Exchange facility for travel to Bilateral Group Countries

The quantum of free foreign exchange released to visitors going to any Bilateral Group country may be raised to 20 per cent of their exchange entitlement or US \$. 100 whichever is more.

Issue of International Credit Cards to holders of RBI exchange permits

International Credit Cards may be allowed to be used by holders of RBI Blanket exchange permits subject to guidelines framed by RBI.

Surrender of unspent foreign exchange by residents on return to India from visits abroad

RBI may grant general permission to persons returning to India from business/official visits to retain unspent foreign exchange upto US \$. 100 or its equivalent without making any declaration to RBI and upto US \$. 500/- or its equivalent subject to making a declaration to that effect to RBI within 14 days from the date of their return to India.

Repatriation out of funds/assets (including legacies, bequests, inheritances) held in India

- (i) Pre-zero cases—Facility of lump sum remittances upto Rs. 10 lakhs may be allowed to non-resident Indians out of their assets left behind in India including assets inherited. All assets including balances in ordinary non-resident accounts may be considered eligible for this purpose.
- (ii) Post-zero cases—Indians who emigrated prior to 1.1.70 may be considered eligible for remittance of assets upto Rs. 2.5 lakhs for specified approved purposes.

(iii) Remittance facilities to Indian emigrants in 'hardship cases'—

- (a) The limit of Rs. one lakh may be raised to Rs. 2 lakhs per individual/family.
- (b) The annual allocation of foreign exchange for release by RBI may be raised to Rs. 20 lakhs from Rs. 10 lakhs.

Export of gift articles by Indian residents to non-resident relatives on special occasions

Out of an enhanced overall limit of US \$. 1500 for gifts in case and kind by resident Indians to their non-resident close relatives on special occasions, the following sub-limit may be prescribed—

Value of gold articles should not exceed US \$. 300 or its equivalent.

Returning Indians Foreign Exchange Entitlement Scheme (RIFEEES)

The percentage of entitlement under RIFEE Scheme should be increased from 25% to 50% of the amount of foreign exchange brought to India by the applicant at the time of his return for permanent residence.

Foreign Currency Insurance Policies

The existing requirement that resident Indians would be eligible to remit premia towards life insurance policies obtained by them while they were living abroad only if the policies had been in force for at least 7 years prior to their return to India for settlement may be relaxed by reducing the said minimum period to 3 years.

Retirement facilities for foreign nationals

- (i) Initial quota under retirement facilities out of capitals assets left

behind by foreign nationals may be raised from Rs. 1 lakh to Rs. 5 lakhs.

- (ii) The ceiling on remittance of value of remaining capital assets left in India by retiring foreign nationals may be raised from Rs. 50,000/- p.a. to Rs. 2.5 lakhs p.a.

Remittance facilities to foreign-born widows of Indian nationals

Remittance facilities on above lines may be extended to foreign born wives of resident Indians in respect of their combined current and capital assets in cases where the ladies decide to return to their countries of birth for settlement after death of their husbands.

Remittances towards legacies and bequests

- (i) These remittance facilities may be delinked from remittances under retirement facilities (i.e. remittances towards legacies and bequests may be allowed independent of the usual retirement facilities in regard to beneficiaries who are foreign nationals).
- (ii) The ceiling may be raised to Rs. 5 lakhs for the initial remittance and to Rs. 2.5 lakhs for the subsequent annual instalments.

Exports of goods on cash terms

- (i) The ceiling rates of agency commission on export of 'non-select' list items may be raised from 5% to 7.5% of the value of exports. Similarly, ceiling rate of agency commission in respect of 'select' list items may be raised to 12.5 per cent of the value of exports.
- (ii) The revised ceiling rates of agency commission will be applicable in respect of exports to all countries. The cushion of 2.5 per cent in

respect of exports of both 'select' list and 'non-select' list items will be available to RBI. It should be used only by the Central Office and not by regional offices of ECD. For this purpose, RBI may frame suitable guidelines in consultation with Ministry of Finance. Cases involving agency commission beyond these limits only may be considered in consultation with Government.

Export of engineering goods on deferred payment terms

The Working Group of financial institutions for project exports (WGPE) may allow the bidders to pay agency commission upto 10 per cent of the contract value.

Periodic remittances of Agency Commission

Powers may be delegated to designated branches of authorised dealers (named by exporters) to effect periodic remittances towards agency commission on the strength of initial letter of approval issued by WGPE or RBI, as the case may be.

Problems of Shipping companies— Surplus Freight and Passage collection

RBI may in consultation with GIC and DGS frame broad guidelines for Indian shippers for booking their export/import cargo on vessels approved by GIC to avoid losses/expenses on account of cargo or ships being abandoned on high seas or in transit.

Port congestion and detention charges

Charges claimed by tramp vessel operators should not be higher than those claimed by Conference line vessels. Doubtful cases should be settled by RBI in consultation with DGS.

Remittances towards operational expenses abroad and cost of dry docking, repairs, purchase of spare parts, etc.

Indian shipping companies' applications for dry-docking, repairs and purchase of spares abroad may continue to be examined by RBI in consultation with DGS.

Remittances towards additional expenses

RBI should consider shipping companies' applications for remittances for additional expenditure abroad in consultation with DGS.

Counter-Trade and Link Deals

As recommended by the Patwardhan Committee, till RBI is able to build up sufficient data and requisite experience and Government is able to lay down broad guidelines for handling applications, RBI may continue to deal with such applications in consultation with Government of India (Ministry of Finance)-

Remittance of dividend to foreign shareholders by Indian companies

- (i) Powers may be delegated to authorised dealers to clear applications for remittance of dividends to overseas shareholders of all non-FERA companies.
- (ii) Applications of FERA companies for remittance of dividend to non-resident shareholders may continue to be dealt with centrally by Central ECD.
- (iii) RBI may issue a notification under section 9 (1) (d) to facilitate extension of hospitality by residents of India to non-residents on visits to India provided the amount involved does not exceed Rs. 2000/- on any single occasion,

Borrowings on non-repatriation basis

Indian residents may be allowed to borrow freely from their non-resident close relatives and friends for personal purposes and for certain business activities on non-repatriation basis subject to compliance with conditions prescribed for repayment of principal and payment of interest.

Travel to and from India of foreign technicians/experts and per diem rate of fees

Regional offices of RBI (ECD) may release foreign exchange towards per diem fees of foreign technicians/experts upto US \$ 500/-. Applications for per diem fees in excess of US \$ 500/- may be cleared by Central Office of ECD.

Appointment of non-resident directors in FERA/Non-FERA companies

- (i) RBI may grant general permission to Indian companies to book in India to and fro passages against payment in Indian rupees for travel of their non-resident directors for the purpose of attending board meetings and other official business of the host company.
- (ii) Indian companies may be granted general permission by RBI to meet their non-resident director's local living expenses at a rate not exceeding Rs. 1500 per diem for a period not exceeding 5 days at a time in connection with board meetings and other official visits.

Exchange facilities for correspondents stationed abroad by Newspapers/news agencies

- (i) The scales may be raised to US \$ 2500/- p.m. and US \$ 2000/- p.m. from existing scales of Rs. 20,000/- p.m. and Rs. 16,000/- p.m. for UK/USA/Japan/

European/Gulf countries and other countries respectively.

- (ii) Scales may be expressed in US dollars instead of in Indian rupees for the sake of uniformity with rates prescribed by RBI for various other purposes.
- (iii) RBI may evolve a scheme in consultation with Govt. for issuing blanket exchange permits to newspapers and news agencies to pay for publishing material to be obtained from abroad, cost of travel and hotel expenses of the overseas correspondents and office expenses such as postage, telegram/telephone charges.

Delegation of additional power by Govt. of India to Reserve Bank of India

Export of Engineering Goods on deferred payment terms & turnkey/construction/service contracts (Project exports)

Advance and Down Payments

Working Group on Project Exports (WGPE) may be empowered to waive the requirement of minimum advance down payment of 5 per cent of big value on merits in exceptional cases after satisfying itself that there is no possibility of getting advance/down payment from the overseas buyer, but the contract will ultimately be reasonably profitable.

Investments abroad of temporary surpluses by Indian contractors

Interest earned on investments of temporary surplus funds in short term bank deposits made with approval of RBI by Indian contractors executing turnkey/construction/service contracts abroad may be allowed to be retained abroad for meeting expenditure of the same project.

Payment in free foreign exchange for parts/components procured from External Group Sources to fulfill export orders from Bilateral Group countries

RBI may be empowered to approve cases involving remittances in free foreign exchange for procurement of balancing equipment/small components for fulfillment of export orders procured from the Bilateral Group of Countries. The expenditure in free foreign exchange should be within 25 per cent of the value of the full export orders.

Construction of Hotels in Andaman and Nicobar Islands

588. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR :
Will the Minister of TOURISM be pleased to state :

(a) whether Government have extended offer to private sector to put up a hotel in Andaman and Nicobar Islands ;

(b) if so, the names of the private companies which have expressed their keenness to set up hotels in Andaman and Nicobar Islands in response to the offer of Government ; and

(c) the progress made in the construction of hotels either by the private sector or by the public sector in Andaman and Nicobar Islands ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The plans under consideration of Government of India for the development of tourist infrastructures in Andaman & Nicobar Islands envisage construction of hotels by the private sector. Accordingly a number of entrepreneurs have shown interest in setting up of hotels at Port Blair and nearby islands in the Andaman group. So far three private parties namely, (i) M/s Sterling Holiday Resorts (India) Pvt. Ltd., Madras ; (ii) Shri Naren R. Bhuva Bombay and (iii) Travel Corpora-

tion (India) Pvt. Ltd. Bombay have expressed their specific intention to set up hotels in these islands.

(c) The Department of Tourism has already approved a private party's 48-room hotel project of the 3-star category at Port Blair from the point of view of its suitability for tourists but the progress reports on the construction of this project have not been received from the party.

The India Tourism Development Corporation, a public sector undertaking, is also planning to construct a hotel along with tourism related facilities in Port Blair.

Scheme to Popularise Handloom Products in Foreign Countries

589. SHRI SYED MASUDAL HOSSAIN : Will the Minister of TEXTILES be pleased to state the schemes taken up by Union Government to popularise handloom products in foreign countries ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : The Govt. has set up Handloom Export Council for promotion of Handloom products in foreign countries. The Council has been undertaking the following activities for popularising handloom products in foreign countries :

- (i) Participation in Trade Fairs.
- (ii) Organisation of Buyer-seller Meets.
- (iii) Sending of sales-cum-study tours.
- (iv) Advertisement abroad about Indian handloom products.
- (v) Inviting foreign buying teams and designers.

The Govt., assists the Council financially in the above export promotion activities.

Loans to Unemployed Youths under 20 point Programme in A.P.

590. SHRI S. PALAKONDRAYUDU : Will the Minister of FINANCE be pleased to state :

(a) the number of unemployed youths granted loans by nationalised banks in Andhra Pradesh under 20-point programme in 1983-84, 1984-85 and 1985-86 ; and

(b) the total amount given as loans to unemployed youths bank-wise and year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Presumably, the Hon'ble Member is referring to the Scheme for providing Self-Employment to the Educated Unemployed Youths introduced in the year 1983-84. The present data reporting system from the banks does not generate information in the manner asked for. However, as per the information received from the Office of the Development Commissioner (Small Scale Industries) in the Ministry of Industry, the number of cases sanctioned by the banks in Andhra Pradesh are 14,781, 13,084 and 16,518 involving the amounts of Rs. 29.36 crores, Rs. 27.34 crores and Rs. 34.74 crores for the years 1983-84, 1984-85 and 1985-86 respectively.

Establishment of APEDA

591. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to refer to the reply given to Unstarred Question No. 187 on 18th July, 1986 regarding setting up of panel to look into the affairs of Agricultural and Processed Food Products Exports Development Authority (APEDA) and state :

(a) whether the Food Products Export Development Authority has since been constituted ; and

(b) if not, the reasons for delay ?

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

DAS MUNSI) : (a) Yes, Sir. The Agricultural and Processed Food Products Exports Development Authority has been constituted,

(b) Does not arise.

Exemption of duty of semi-precious Stones

592. SHRI JAGANNATH PATTA-
NAIK : Will the Minister of
COMMERCE be pleased to state :

(a) whether it is proposed to give duty exemption on semi-precious stones in break/slice/tumbled damaged from ; and

(b) if so, the details regarding such concessions and the extent it will help precious and semi-precious stones regain their status as the second largest item of export in gem jewellery sector ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P.R.
DAS MUNSI) : (a) and (b) The Department of Revenue have clarified vide their Notification No.3 55/130/85-Cus-I dated the 2nd September, 1986 that broken, sliced, damaged and tubled semi-precious stones would be covered in the nomenclature 'unworked or simply sawn or roughly shaped' stones, under Heading No. 7103.10, which are already exempt from Customs duty. It is expected that this would augment supplies of raw material and would help boost our exports of processed semi-precious stones.

Middle East Situation

593. SHRI THAMPEN THOMAS :
Will the Minister of EXTERNAL
AFFAIRS be pleased to state :

(a) Government's assessment of the situation obtaining in Middle East ; and

(b) what steps India has recently taken or proposes to take to help in solving various issues threatening the peace in that region ?

THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) : (a)
Government considers that the situation in West Asia remain explosive as a result of Israel's continued occupation of Arab territories and the denial to the Palestinians of their legitimate right of self-determination and an independent state of their own. Israel's invasion and continued occupation of parts of Lebanon has further aggravated the situation.

(b) India has consistently supported and continues to support and continues to support the Palestinian cause. India also favours the convening of an international conference on West Asia. This proposal is supported by the non-aligned movement and the majority of parties to the conflict. India is also a member of the 9-member NAM Committee on Palestine. India will continue to exert its influence and to maintain contacts with all countries with a view to promoting a just and equitable settlement of the West Asian conflict.

Joint Ventures in Thailand

594. SHRI RADHAKANTA DIGAL :
Will the Minister of COMMERCE be
pleased to state :

(a) whether some Indian Companies propose to start joint ventures in Thailand ;

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

(c) the details of the joint ventures propose to be started by them ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P.R.
DAS MUNSI) : (a) As on date only one proposal for entering into a joint venture in Thailand is under the consideration of this Ministry.

(b) M/s Ranbaxy Laboratories Ltd.

(c) The proposal initially is for the marketing and then manufacturing of bulk drugs and branded formulations.

Measures to help the Handloom Weavers in Kerala

595. SHRI K. KUNJAMBU : Will the Minister of TEXTILES be pleased to state :

- (a) the specific measures taken to help the handloom weavers in Kerala ;
- (b) whether Government have received any memorandum from the weavers detailing their grievances ;
- (c) if so, the details thereof ; and
- (d) the action taken thereon ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : A Government of India have been implementing a number of handloom development schemes designed to bring about overall development of the handloom industry and weavers engaged therein. These are applicable to all the States, including Kerala and are implemented through the agencies of the State Governments. These schemes, inter-alia, are as follows :—

- (i) Share capital assistance to primary handloom weavers Cooperative Societies.
- (ii) Share capital assistance to State apex societies and State handloom development corporations.
- (iii) Managerial subsidy to primary societies.
- (iv) Assistance for modernisation of looms.
- (v) Assistance for setting up pre-loom and post-loom processing facilities.
- (vi) Special rebate scheme.
- (vii) Janata cloth scheme.
- (viii) Welfare schemes comprising Workshed-cum-Housing Scheme and Thrift Fund Scheme.

(b) No memorandum has been received by Government of India regarding grievances of weavers from Kerala.

(c) and (d) Do not arise.

Purchase of Cloth Material by N.T.C. from Primary Cooperatives

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

(a) whether it is a fact that huge purchases were recently made by the National Textile Corporation (WBABO) Limited, Calcutta of certain cloth materials from some primary cooperatives located in the State of Bihar against all norms of purchase from recognised cooperatives units;

(b) if so, the facts thereof;

(c) whether any investigating agencies have already started enquiring into the matter; and

(d) if so, the outcome thereof and further action proposed to be taken against the management ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No Sir. The report of NTC (WBABO) Limited indicates that purchases worth only about Rs. 43,000 were made by the Marketing Division at Patna, on trial basis at Bihar Govt. approved rates in lieu of yarn sold.

(b) to (d) Do not arise.

Kerala Request for Financial Assistance for Anti Disaster Shelters

597. SHRI V.S. VIJAYARAGHAWAN :

SHRI K. KUNJAMBU :

Will the Minister of FINANCE be pleased to state :

(a) whether Government of Kerala has requested Union Government for financial assistance for the construction of anti-disaster shelters in the State; and

(b) if so, the decision taken thereon ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Yes, Sir. Government of Kerala in its memorandum for flood relief assistance presented in July, 1985 had requested the Union Government for financial assistance to the tune of Rs. 12 crores for the construction of 300 anti-disaster shelters in the state.

(b) The request of the State Government was not accepted since this is an item that should be provided for in the state plan.

Scheme to Develop Kappad and Muzhappillangad Beach Resorts in Kerala

598 SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of TOURISM be pleased to state :

(a) whether Government have any scheme to develop beach resorts in the State of Kerala;

(b) whether Government of Kerala has made any proposal to develop Kappad beach in Calicut district of Kerala where Vasco-da-Gama landed;

(c) if so, the details of measures to be taken for the development;

(d) whether Government have plan to develop Muzhappillangad beach in Cannanore district, Kerala; and

(e) if so, details thereof ?

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

(b) Yes, Sir.

(c) The Government of Kerala plan to construct 4 beach cottages, a restaurant, reception block, health club, swimming pool and cafeterias at the proposed Kappad Beach Resort.

(d) and (e) The State Government have also identified Muzhappillangad beach in

Cannanore District for development as a beach resort in 1987-88. No proposal however, has so far been received from the State Government.

Opening of branches of Nationalised Banks in Andhra Pradesh

599. SHRI KATURI NARAYANA SWAMY : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to open more branches of nationalised banks in Andhra Pradesh; and

(b) if so, the details thereof including locations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Nationalised banks open branches at various centres on the basis of licences issued to them by Reserve Bank of India. Under the current branch licensing policy for the period April 1985 to March 1990 lead banks and State Governments have been requested to identify centres in accordance with the criteria laid down under the branch licensing policy. State Governments have been asked to forward the list of identified centres to the Reserve Bank of India after the centres are approved by the District Consultative Committees and the State Governments, Reserve Bank of India has further reported that Government of Andhra Pradesh have forwarded a list of 291 centres for opening branches by commercial banks. Reserve Bank of India has reported that it has not yet completed the security of these proposals and as such no centres have yet been allotted so far to any of the nationalised banks in Andhra Pradesh under the current branch licensing policy.

Excise duty outstanding against Manufacturers

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

(a) the names of manufacturers against whom the claim of excise duty to the tune of more than rupees fifty lakhs are pending as on 31 October, 1986;

(b) break-up for the yearly pending claims against each of the manufacturers for the last three years and the amount deposited by each of them;

(c) whether any manufacturer is connected to any of the top fifty industrial houses; and

(d) if so, the nature of the relationship ?

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

Production of Janata Cloth

601. SHRI HAFIZ MOHD. SIDDIQ : Will the Minister of TEXTILES be pleased to state :

(a) whether Janata cloth is not being produced in the desired quantity consequent to which the weaker sections are not getting the desired relief;

(b) if so, the reasons thereof;

(c) the quantum of Janta cloth produced during the last 12 months and its disposal;

(d) steps taken to increase the production; and

(e) whether Government have issued any guidelines to N.T.C. for Janata cloth through Central Government Employees Consumer Cooperative Society Ltd., New Delhi also with a view to extend more facilities to salaried class people ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The Janata cloth production is not intended to cover the entire requirements of the weaker sections in view of the resource constraints for payment of subsidy.

(c) Janata cloth produced during 1985-86 in the entire country was 398 million square metres. It is mostly consumed in the states in which it is produced.

(d) The new Textile Policy of June, 1985 envisages the transfer of the production of controlled cloth from the National Textile Corporation to the Handloom sector. Consequently, the target for Janata cloth 1986-87 has been increased to 500 million square metres as against the target of 420 million square metres for 1985-86.

(e) No such guidelines have been issued to NTC for distribution of Janata cloth in New Delhi.

[Translation]

Voluntary Disclosure of Income-tax and wealth-tax

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

(a) whether it is a fact that Government have further extended the period for voluntary disclosure of Income-tax and Wealth-tax;

(b) whether the period the efor was extended earlier also; and

(c) if so, the last date fixed now therefor and the reasons for extending the period again and again ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The period of Amnesty under the Income-tax and Wealth-tax Acts has been extended further;

(b) Yes, Sir.

(c) The last date now fixed is 31.3.87. The date has been extended on public demand and in view of the good response from the taxpayers.

[English]

**Setting up of a Revolving fund for
Boosting Indian Joint Ventures
Abroad**

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

(a) whether suggestions for setting up
of a revolving fund for boosting Indian
joint ventures abroad have been received
by Government;

(b) if so, whether the suggestions have
been examined; and

(c) if not, the measures proposed to
be taken to promote such ventures abroad
in near future ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI
P. R. DAS MUNSI) : (a) No suggestion
for setting up of a revolving fund for on-
going joint ventures abroad has been
received. A suggestion for setting up such
a fund in respect of joint ventures that
may in future be set up in Tanzania has
been received from Indian High Commis-
sioner in Dar-Es-Salaam.

(b) The suggestion of High Commis-
sioner, Dar-Es-Salaam is under considera-
tion in this Ministry.

(c) Does not arise.

**Export of Indian projects and
Consultancy services to Africa**

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

(a) whether any study has been
conducted by Government in regard to
export of Indian projects and consultancy
services in Africa and other emerging
markets where ample opportunities are
reported to be available in these fields;

(b) if so, the results thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE (SHRI P. R.
DAS MUNSI) : (a) to (c) In view of the
contraction of markets for Indian project ex-
ports in West Asia, efforts are being made
to diversify into other regions like Africa
and South East Asia. Towards this end, our
Missions abroad have been requested to
bring to the notice of government the
development plans of the various coun-
tries and the opportunities available for projects.
Export Import Bank of India (Exim Bank)
has evolved a tracking system for identify-
ing multilateral agency financed projects for
increasing business share of Indian
companies. Representative offices have
been set up by Exim Bank in Washington
and Abidjan. Information about the
projects being funded by the multilateral
financing agencies like the World Bank,
Asian Development Bank, African Develop-
ment Bank is regularly disseminated by the
Engineering Export Promotion Council
and the Overseas Construction Council of
India through their fortnightly duplications.

**Amnesty Scheme for violations under
FERA**

605. SHRIMATI PATEL RAMABEN
RAMJIBHAI MAVANI : Will the Minister
of FINANCE be pleased to state :

(a) whether the attention of Govern-
ment has been drawn to the news as
reported in Indian Express of 19.10.86
captioned "Hurdles in FEEA scheme"
according to which Reserve Bank of India
has raised some objection to amnesty
scheme for violations of FERA;

(b) if so, the details thereof and the
reaction of Government thereon; and

(c) when the amnesty scheme is likely
to be finalised ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) Yes,
Sir. But the report appearing in the Press
is not factually correct.

(b) and (c) A Statement has already
been made by Finance Minister on 6th
November, 1986.

Quality Coefficient to Viscose Fibres

607. DR. A.K. PATEL :

SHRI C. JANGA REDDY :

Will the Minister of TEXTILES be pleased to state :

(a) the tenacity (quality) coefficients of the viscose fibres produced in India and their cost of production per kg. ;

(b) how do these coefficients and production costs compare with those of the Japanese Ordinary, Lon Bell and Super Lon Bell fibres and also these of Taiwan, South Korea, Yugoslavia, Courtaulds (England) etc. ;

(c) the reasons for the low quality of Indian fibres ; and

(d) the steps being taken to improve the quality and to lower the cost of the Indian fibres so as to compete in the international market ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILE (SHRI S. KRISHNA KUMAR) : (a) to (c) The tenacity coefficient of Viscose Fibre depends upon the type of wood pulp used i.e. wood used in the manufacture of pulp. According to a major manufacturer the cost of production during 1984-85 varied from Rs. 17.90 to 20.74 per kg. for viscose staple fibre and was Rs. 27.22 per kg. for grasslene fibre. The tenacity of Indian Viscose Staple Fibre produced from various types of wood is comparable to the fibres produced in other countries. The tenacity coefficient of Viscose Fibre produced in Japan, Taiwan, South Korea, England, etc. will vary as the types indicated therein are their trade marks and their proprietary products.

(d) In order to improve the availability of suitable fibres at competitive prices for projected requirements, Government have, from time to time, issued letters of intent for fresh capacity.

Conference between Government and Non-Resident Indians for Industrial Development

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

(a) whether a conference between Government and Non-resident Indians will be held in January, 1987 for development of industries ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No Sir. Some NRIs have conveyed the intention of holding a Conference in New Delhi in January, 1987 and also sought cosponsorship of IIC. However, a decision has been taken that no cosponsorship of any Government agency would be given. There are a number of organisations of NRI's and it is difficult to select any particular organisation as a representative body. It has been conveyed to the organisers of this conference that the responsibility for convening the conference, conducting and financing it would be theirs.

(b) The question does not arise.

Export of Handloom Garments

609. SHRI KADAMBUR M R. JANARTHANAN : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are thinking of streamlining the Handloom Industry in the country ;

(b) whether it is a fact that the Handloom exporters in the Southern States are having great difficulty in exporting the Handloom garments to other countries due to the latest policy of Government of giving quota on first come first served basis ; and

(c) if so, the steps taken to remove the grievances of the manufacturers and exporters of Southern States ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The Govt. has been taking a number of steps for increasing productivity and the earning of the weavers and also the quality of the Handloom products.

(b) No, Sir.

(c) Does not arise,

Market Survey by N.T.C.

610. SHRI N. DENNIS : Will the Minister of TEXTILES be pleased to state :

(a) whether the National Textile Corporation has undertaken any market survey to find out the consumers' preferences ; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) Production plans of of National Textile Corporation take into account the orders received and likely market demand both in regard to cloth and yarn. Market trends are assessed through various media viz. feedback from the agents, merchants, dealers etc. and NTC retail outlets. In addition to using published data, NTC conducts market surveys on specific products/market segments. In the year 1985, a consumers survey on controlled cloth and a limited survey on industrial fabrics was conducted by NTC.

Plants for Viscose Yarn Production

611. SHRIMATI KISHORI SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether the viscose yarn or fibre capacity in the country is adequate ;

(b) whether any proposals putting up new plants for it is pending before Government ; and

(c) if so, the details thereof and the reasons for the delay in setting up new plants ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir. The deficiency is covered by imports.

(b) and (c) There is at present no proposal for issue of fresh letters of intent for new units. Companies holding letters

of intent have to complete various steps required for setting up new plants. One company holding a letter of intent has applied for enhancement of capacity of the said letter of intent, for approval of foreign collaboration and for clearance for import of capital goods. Another company holding a letter of intent for a new plant has filed an application for approval of foreign collaboration.

Emergence of Israel as Nuclear power

612. SHRI BRAJAMOHAN MOHANTY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that Israel is emerging as a nuclear power having manufactured the nuclear weaponry including atomic bombs; and

(b) if so, the reaction of Government thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) Government of India have seen recent reports giving fresh evidence of Israel having acquired nuclear weapons capability. This cannot but have a destabilising effect. Moreover, Government are opposed to all nuclear weapons. They are therefore, concerned about and condemn Israel's clandestine nuclear weapons programme.

Smuggling on Indo-Tibet Border

613. DR. G.S. RAJHANS :
SHRI V. SREENIVASA PRASAD :
SHRI BANWARI LAL PUROHTI :
DR. B.L. SHAILESH :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to a news item captioned "Smuggling on Indo-Tibet border"

appearing in the Indian Express of 13 October, 1986;

(b) if so, whether it is a fact that the BSF jawans posted in the eastern border of Himachal Pradesh which adjoins Tibet have failed to detect the smuggling activities; and

(c) the steps Union Government propose to take to stop smuggling at Indo-Tibet border?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Government's attention has been drawn to the news-item captioned "Smuggling on Indo-Tibet border" which appened in the Indian Express dated the 13th October, 1986.

(b) No, Sir. Reports received do not indicate prevalence of smuggling activities in the region on any significant scale.

(c) In order to check smuggling activities in the region, the Government, have entrusted certain functions of the officers of Customs under the Customs Act to the Officers of Indo Tibet Border Police. The trends in smuggling and seizures made in the region are kept under constant review for taking appropriate remedial measures in close co-ordination with the concerned Central and State Government agencies deployed in the region.

Commissioning of Nuclear Research Reactor of Bangladesh

614. SHRI ANAND SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government's attention has been drawn to the reports that Bangladesh has had its first nuclear research reactor commissioned on September 14, 1986; and

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

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. PATWAR SINGH) : (a) Yes, Sir.

(b) Government have noted that according to the Bangladesh authorities, the reactor is to be utilized in the fields of radio isotopes production for use in nuclear medicine and applied agricultural research.

Export of Processed Fruit and Vegetables

615. SHRI SHAMINDER SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the percentage of Indian processed fruit and vegetable exports in terms of world figures; and

(b) the reasons for poor performance in this area?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The export of Indian processed fruits and vegetables constitute less than 1% in terms of world trade.

(b) There are a number of factors inhibiting the growth of exports. These interalia include the following :—

- (1) the level of productivity of Fruits and vegetables in India is low as compared to the productivity of the major exporting countries.
- (2) Suitable variety of fruits are not specifically grown for processing as the horticulture production is not organised specifically for export production.
- (3) The fruits and vegetables are processed mostly in the Small Scale Sector, which employ out-moded Technology of processing which is not cost-effective.
- (4) Packaging materials are costly and packagings are not suited to the requirements of the highly quality conscious consumers.
- (5) The processing Industry is dependent on exports. It does not have the support of the domestic market as the domestic market is limited, owing to high prices of the processed products.

[*Translation*]**Development of 'Shanidev' temple in
Chambal As Tourist Centre**

616. SHRI KAMMODILAL JATAV :
Will the Minister of TOURISM be pleased
to state :

(a) the name of places in Madhya
Pradesh where tourist centres are being
developed at present;

(b) the amount being spent on each of
these places:

(c) whether 'Shanidev' Temple in
Chambal division has been included as a
tourist centre; and

(d) if not, the reasons therefor ?

THE MINISTER OF TOURISM
(MUFTI MOHD. SYED) : (a) and
(b) The names of the places in Madhya
Pradesh for which the Ministry of Tourism
have sanctioned funds along with the total
amount sanctioned and amount released so
far are given below :—

(Rs. in lakhs)

Names of the Places	Amount sanctioned	Year of sanction	Amount released
1. Provision of watersports facilities for Bhopal lake	7.71	1984-85	3.00
2. Construction of a cafeteria at Sanchi	8.32	1985-86	2.00
3. Way-side facilities at Koskal, Bastar Distt.	4.90	1985-86	2.00
4. Way-side facilities with accommodation at Deori Village	13.71	1985-86	2.00
5. Tourist Complex at Jagdalpur.	31.86	1985-86	5.00
6. Sound & Light Show at Man Mandir, Gwalior.	28.83	1985-86	5.00
7. Forest Lodge at Bandhavgarh	21.00	1984-85	19.50
8. Mini Buses/Elephants for Panna/Bandhavgarh National Parks.	3.21	1984-85	2.89
9. Tourist Village, Shivpuri	44.04	1985-86	40.00
10. Mini Buses for Kanha/Bandhavgarh National Parks.	2.49		2.43
11. Provision of toilets & drinking water facilities at Sanchi, Khajuraho.	3.00	1985-86	2.00
12. Construction of Chandela Cultural Heritage Centre at Khajuraho.	22.00	1985-86	5.00

(c) and (d) The Government of Madhya Pradesh has not forwarded any proposal for development of Shanidev Temple in Chambal division. The proposal will be considered on merits when received from the State Government.

Raids on Tax Evaders

617. SHRI R.B. PASWAN :
SHRI MOOL CHAND DAGA :

Will the Minister of FINANCE be pleased to state :

(a) The number and names of the industrialists and other persons whose premises were raided during 1984 to 1986 (till date) on the charges of tax evasion and the outcome thereof;

(b) the quantum of gold, silver, cash etc. seized as a result thereof;

(c) the number of persons who are being prosecuted; and

(d) the number of persons convicted/ acquitted, separately ?

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

[English]

Excise duty on DMT and PTA

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

(a) whether it is a fact that PTA, which is alternate raw material to DMT, is subject to excise duty while DMT is exempted; and

(b) if so, reasons for treating them differently in the matter of levy of excise duty ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) PTA attracts excise duty but DMT is exempt from excise duty. In some ways, PTA and DMT can be used for the same end-product.

(b) PTA production is yet to be established in the country. When it does, Government will consider its cost data and examine the excise duty burden it can bear as compared to DMT, so that there is no discriminatory treatment.

World Bank Fund for Poverty alleviation Project

619. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the statement made by the President of World Bank, Mr. Barber Conable in the last week of September, 1986 that the World Bank has got a few billion dollars of funds and they are willing to help in removing poverty in developing countries; and

(b) if so, whether Government propose to urge the World Bank for allotment of sufficient funds for poverty alleviation project and for developing famine stricken and desert areas in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) In his speech to the Annual Meeting of the World Bank Mr, Conable has stated that the central challenge to the World Bank is to mobilise the will and the resources of the affluent and the afflicted alike in the global battle against poverty.

Government of India have in the past posed and obtained World Bank Group assistance for projects directed towards poverty alleviation and would continue to do so in the future.

[*Translation*]

Indian Delegation to NAM Summit

620. SHRI KALI PRASAD PANDEY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the composition of the Indian delegation to the Eighth Non-Aligned Summit Conference held in Harare in September, 1986;

(b) on which issues the Indian delegation laid emphasis and vis-a-vis India's position, what the reaction of the leaders of delegations from other countries;

(c) India's position on each of the issues resolved at the Conference; and

(d) the issues which remain unresolved at the Conference ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) A statement is given below.

(b) The Indian delegation took an active part in the deliberations at Harare and contributed to the evolution of consensus positions on several important issues including the nuclear arms race, the situation in Southern Africa and the economic problems of developing countries which received special attention at the Summit.

(c) and (d) India's position on the major issues before the Nonaligned Movement is well known. In keeping with our active role in the Movement, India will continue to associate itself with their resolution and contribute to strengthening the unity of the Movement.

Statement

Indian delegation to the Eighth Conference of Nonaligned countries, Harare.

1. Shri Rajiv Gandhi, Prime Minister

2. Shri P. Shiv Shanker, Minister for External Affairs and Commerce
3. Shri K.R. Narayanan, Minister of State for External Affairs
4. Shri K. Natwar Singh, Minister of State and Secretary-General of the 7th Nonaligned Summit
5. Shri Mohd. Yunus, Chairman, Trade Fair Authority of India
6. Shri A.P. Venkateswaran, Foreign Secretary
7. Shri N. Krishnan, Permanent Representative to UN
8. Shri N.P. Jain, Secretary (ER), Ministry of External Affairs
9. Shri H.Y. Sharada Prasad, Information Adviser to Prime Minister
10. Shri G.K. Arora, Additional Secretary (Prime Minister's Office)
11. Shri M. Dubey, Additional Secretary, Ministry of External Affairs
12. Shri C.R. Gharekhan Permanent Representative-designate to UN
13. Shri K.K. Bhargava, High Commissioner of India, Harare
14. Shri Prakash Shah, Joint Secretary, Ministry of External Affairs
15. Shri Mani Shankar Aiyar, Joint Secretary (Prime Minister's Office)
16. Shri R. Sen, Joint Secretary (Prime Minister's Office)

[*English*]

Proposal to Develop Tourist Centres in Maharashtra

621. SHRI MUKUL WASNIK : Will the Minister of TOURISM be pleased to state ;

(a) whether Government have taken up some new states in consultation with the State Governments, to be developed as tourists centres during the current plan period;

(b) if so, whether there are any new sites to be developed in the State of Maharashtra; and

(c) if so, the names of such sites and the districts in which they have been located?

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

(b) and (c) Tourist centres at Ganapatipule, District Ratnagiri, Khopoli, District Raigad and Velneswar, District Ratnagiri are being taken up for development during the current Plan period.

Hike in price of cloth after New Textile Policy

622. SHRI R.S. MANE : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that after the announcement of new Textile Policy, the prices of cloth have gone up abnormally;

(b) if so, whether Government propose lifting the ban on manufacture of Dhoti, Rangeen Sarees etc. in Powerloom Sector; and

(c) whether Government propose to consider the independence of powerloom sector and recognise the composite mills, powerloom sector and handloom sector as three independent sectors?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No such instance of abnormal increase in the prices of cloth after the announcement of the Textile Policy has come to the notice of Government.

(b) Does not arise.

(c) The Textile Policy announced by Government stipulated to evolve a more integrated view of the textile industry. It proposes to view the industry in terms of stages of its manufacturing process viz. spinning, weaving and processing.

Africa Fund

623. SHRI G.G. SWELL : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether India is the Chairman of the Africa Fund set up by the Harare non-aligned summit in September, 1986 to help front line African states to stand up to South Africa and also struggle with South Africa to put an end to apartheid;

(b) whether the size of the fund has been envisaged; and

(c) if so, the kinds of uses to which the fund will be put?

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

(b) No specific target has been set for the Fund. The AFRICA Fund Committee is to draw up a suitable action plan for assistance to the Frontline States and Southern African Liberation movements. The Fund Committee will have to determine the resources required for this purpose.

(c) In terms of the resolution adopted by the Eighth NAM Summit held at Harare recently, the Fund is required to establish a strategic relief reserve to relieve shortages of essential commodities, to strengthen transport and communication systems in the Frontline States, to ensure the safety of infrastructural installations and networks, to neutralize negative trade effects, to develop trained manpower resources, to intensify mobilization of international public opinion against Apartheid, and to support the liberation movements in South Africa and Namibia.

[*Translation*]

**Integrated Handloom Development in
hill District of U.P.**

624. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) whether any scheme has been approved for the integrated handloom development for hill districts of U.P.; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Yes Sir.

(b) The scheme has been approved for setting up of a Hill area development project for woollen handlooms in Garwal and Kumaon Divisions of U.P. with an outlay of Rs. 798.73 lakhs to be spread over a period of five years. It envisages 8 Training-cum-production centres, 46 production centres (which would actually be the centres for supplying inputs like raw materials and designs, etc) one well-equipped Design Centre, a process House and also expansion/strengthening of marketing net work of U.P. State Handloom Corporation which is implementing the project. In all 1184 handlooms will be covered under the Project. The cost of Project is to be shared equally by the State and Central Government. 50% of the project cost will be way of grant and 50% by way of loan.

[*English*]

Trade Deficit in Engineering Sector

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

(a) whether it is a fact that currently there is a trade deficit in the engineering sector;

(b) if not the factual position thereof;

(c) to what extent engineering industry is responsible for foreign trade deficit;

(d) the other sectors which have contributed to trade deficit and the extent thereof; and

(e) the target of imports and exports of various sectors fixed for 1986-87 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d) The sector-wise statistics of trade deficit are not compiled.

(e) The targets for imports are not fixed. However, the overall target for exports during 1986-87 is fixed at Rs. 12203 crores.

Imports vis-a-vis Exports

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

(a) the latest estimates of export, import and trade deficit for 1985-86;

(b) the main items whose exports have fallen or whose imports have risen in value in 1985-86 as compared to the preceding year;

(c) the main countries whose imports from India have fallen and or whose exports to India have risen during 1985-86 as compared to the preceding year; and

(d) whether an item-by-item and country-by-country review has been made in order to reduce the bilateral trade gap ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) According to the provisional data available, India's exports, imports and balance of trade deficit during 1985-86 amounted to Rs 11005.91 crores, Rs. 12622.27 crores and Rs. 8616.36 crores respectively.

(b) Some of the principal commodities whose exports have fallen in 1985-86 as

compared to 1984-85 include crude oil, tea, chemical & Allied products, jute manufacturers, cotton fabrics, tobacco unmanufactured, metal manufactures (excl. Iron & Steel), Sugar & oil cakes. On the other hand, principal commodities whose imports have increased during 1985-86 as compared to 1984-85 include machinery & transport equipment, iron & Steel, metaliferrous ores & metal scrap, non-ferrous metals, artificial resins, plastic materials etc. chemicals (organic & inorganic), Professional Scientific controlling instruments etc. and pulp and waste paper.

(c) According to the provisional data available some of the principal trading countries to whom our exports have fallen and/or from whom our imports have risen during 1985-86 as compared to the preceding year include Belgium, France, Netherlands, Federal Republic of Germany, Italy, UK, Switzerland, Australia, Iran, Japan, Nepal, Singapore, Korea Rep., Oman, Saudi Arabia, UAE, Arab Republic of Egypt, USA, Canada and Brazil.

(d) The foreign trade situation of India is under constant review. Continuous efforts are being made by the Govt. to boost exports and encourage efficient import substitution.

Change in DMT/PTA Import Policy

627. SHRI GANGA RAM : Will the Minister of COMMERCE be pleased to state :

(a) whether the CCT&E announced change in the import policy on DMT/PTA import in April/May 1985;

(b) if so, whether the new manufacturers such as Bonagaigaon Refineries and Petro-Chemicals Limited and Bombay Dyeing were utilising to their full capacity at that time; and

(c) if not, the reasons for change in import policy in respect of these items ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) Under the Import Policy for 1985-88 announced on 12th April, 1985, the item DMT was in the Limited Permissible List and the item TPA was under Open General Licence. On 29.5.1985 TPA was also shifted to the Limited Permissible List. Import of items appearing in Limited Permissible List is allowed under Supplementary Licences Procedure on the basis of essentiality certificate from Sponsoring Authority and clearance from indigenous angle.

(b) and (c) TPA was shifted to the Limited Permissible List so as to ensure full utilisation of indigenously produced DMT, the alternative raw material for the manufacture of Polyester fibre, filament yarn etc.

Construction of Youth Hostels in Kerala

628. PROF. K.V. THOMAS : Will the Minister of TOURISM be pleased to state :

(a) number of youth hostels proposed to be started in Kerala during the Seventh Plan to help tourists;

(b) the cost of this project;

(c) whether a youth hostel will be started at Cochin;

(d) whether financial assistance will be purchased boats for tourists at Cochin and other tourist centres ; and

(e) number of motels to start along the National Highway in Kerala ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) During the Seventh Five Year Plan youth hostels are proposed to be set up at Ernakulam and Calicut. The Department of Youth Affairs and Sports have already sanctioned estimates amounting to Rs. 22,71,000/- + departmental charges @ 11½% payable to CPWD for Calicut Youth Hostel and released an amount of Rs. 22,57,110/- + departmental charges @

11½% payable to CPWD for construction of a Youth Hostel at Ernakulam (Cochin).

(d) The Central Department of Tourism has sanctioned an amount of Rs. 50.78 lakhs for the purchase of boats for use in Cochin, Kumarakom, Quilon and Thekkady. Out of this amount, a sum of Rs. 25.00 lakhs was released during 1985-86.

(e) No proposal in respect of construction of motels along the National Highways in Kerala has been received in the Department.

Import of Wood Pulp

629. SHRI S.G. GHOLAP : Will the Minister of COMMERCE be pleased to state :

(a) whether it is the policy of Government to allow import of wood pulp to the extent of one-third of the requirement;

(b) if so, the quantity of import allowed in the year 1986-87;

(c) whether it is a fact that the association of Rayon Industry has represented for increasing the imports; and

(d) if so, the action taken thereon ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) and (b) Import of Rayon Grade Wood Pulp has been allowed to manufacturers of Viscose Filament Yarn/Staple Fibre to the extent of 50% of quantity of Rayon Grade Wood Pulp purchased by them from indigenous producers during 1985-86. On this basis import of a total quantity of 14,240 tonnes has been allowed.

(c) Yes, Sir.

(d) This is under Examination.

[Translation]

Transfer of officials of State Bank of Indore

630. SHRI RAJ KUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) the maximum period for which officers of the State Bank of Indore can remain posted continuously at its branches in Bombay, Madras, Calcutta and Delhi;

(b) whether rules governing their transfers are being observed in the branches located in Delhi; and

(c) the number of officers who have remained posted at one place for over five years ?

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

[English]

Export during 1986

631. SHRI DINESH SINGH : Will the Minister of COMMERCE be pleased to state :

(a) the value of exports in terms of US dollars of goods in the first six months of the current financial year; and

(b) how does it compare with the exports during the corresponding period last year ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b) The latest provisional figures of India's foreign trade in Indian Rupees are readily available for the first quarter of the current financial year, i.e. April-June, 1986. Taking into account the average exchange rate of 1 US \$ = Rs. 12.4867 for April-June, 1986 and 1 US \$ = Rs. 12.4564 for April-June, 1985, India's exports during April-June 1986 work out to US \$ 2234.62 million as compared to US \$ 1797.86 million during April-June, 1985, thereby implying a growth rate of 24.3 per cent.

Income Tax Raids on Newsprint Importers

632. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether nation-wide income-tax raids on newsprint importers were recently conducted in various parts of the country ;

(b) if so, the details thereof stating the results achieved ; and

(c) action taken by Government in each case ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Yes, Sir. The Income Tax Department recently conducted searches at 76 premises of newsprint importers. As a result of search prima-facie unaccounted assets worth approximately Rs. 21.60 lakhs were seized. Appropriate action under the Income Tax Act is being taken in the cases.

Outcome of NAM's Harare Summit

633. SHRI UTTAM RATHOD :
SHRI E. AYYAPU REDDY :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the subjects discussed by the recent NAM Summit held in Harare ;

(b) the outcome of those discussions ; and

(c) the role played by the Indian delegation in the above Summit ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) The Harare Summit undertook a comprehensive evaluation of the global political and economic situation. It devoted special attention to the nuclear arms race, racism, colonialism and aggression in Southern Africa and the state of the world economy

especially the plight of nonaligned and developing countries. The Summit also considered the conflicts and tensions prevailing in several regions of the world and laid down the Movement's principled position for their resolution.

The Final Documents of the Conference re-affirm the basic principles and objectives of nonaligned countries and express the Movement's strategy to give effect to them in the prevailing international situation. Among the significant decisions taken at Harare, particular mention must be made of the establishment of the AFRICA (Action for Resisting Invasion, Colonialism and Apartheid) Fund and the setting up of a Standing Ministerial Committee to coordinate and harmonise action among nonaligned countries on global economic issues.

(c) As outgoing Chairman of the Movement, India commanded a special position in the deliberations at Harare and its voice was heard with respect. The Indian delegation made a major contribution to the evolution of consensus positions on several important issues. The Prime Minister himself played a key role in this process, especially in the Summit's crucial decisions regarding the Movement's strategy to combat racism, colonialism and destabilisation in Southern Africa.

Development of Tourism in Lakshadweep

634. SHRI P.M. SAYEED : Will the Minister of TOURISM be pleased to state :

(a) whether the representatives of the private hotel chains have visited Lakshadweep in a bid to develop these islands for the purpose of tourism ;

(b) if so, the observations made by them and whether a feasibility report has been received by Government and if not, when it is likely to be submitted by them ;

(c) whether Government have received any demands from the private entrepreneur to extend some facilities ; and

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

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) We have no such information.

(b) Does not arise.

(c) and (d) Some suggestions to allow duty-free import of equipment and other items, tax holiday for 10 years, higher equity-debt-ratio, highly subsidised rate of interest and possibility of operating charter flights have been made.

**Assistance to Small Scale Sector
by IDBI**

635. SHRI MURLI DEORA : Will the Minister of FINANCE be pleased to state :

(a) whether the IDBI have launched a plan for doubling the assistance to the small scale sector :

(b) whether the purpose of this assistance is to revive sick units ; and

(c) the steps being contemplated to revive sick units and to recover the locked up funds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A Small Industries Development Fund (SIDF) has been created in Industrial Development Bank of India (IDBI) for coordinating and providing financial assistance to small scale sector as well as for revival of sick small units. IDBI has reported that with the implementation of several new schemes under SIDF, total estimated assistance during 1986-1991 is expected to double as compared to the corresponding figure during the years 1981-86. IDBI also operates a refinance scheme on concessional terms for rehabilitating of sick small scale units through State Financial Corporations and Banks. IDBI hopes that rehabilitation support will help in recovering locked up funds in sick small units.

**Effect on Employment Opportunities
Due to Computerisation in Banks**

**636. SHRI MAHENDRA SINGH :
SHRI AMARSINH RATHAWA:**

Will the Minister of FINANCE pleased to state :

(a) whether representatives of various Bank Employees' Unions called on him on August 29, 1986 to express their apprehension against computerisation in regard to its likely effect on employment opportunities ;

(b) if so, the submissions made by them, and

(c) assurances given to them to allay their fears and the steps taken in the light thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The representatives of the All India Bank Employees Association (AIBEA), National Confederation of Bank Employees (NCBE) and the Indian National Bank Employees Congress (INBEC) had met the Finance Minister on 28th August, 1986 to discuss matters relating to mechanisation and computerisation in the banking industry and rendering better customer service. During the discussions some of the representatives of the Unions had expressed certain fears that mechanisation and computerisation in the banking industry might lead to reduction in employment opportunities and possible retrenchment.

The Finance Minister drew the attention of the representatives of the Unions to settlement arrived at between the management of banks and the unions in September, 1983 wherein it had been stated that there would be no retrenchment as a result of mechanisation and if there is any displacement of staff it shall be kept to the minimum and the staff so displaced will be kept in the same city/town. Finance Minister also allayed their fears about likelihood of reduced employment opportunities.

[*Translation*]

**More Central Funds for
Uttar Pradesh**

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

(a) the Central funds allocated to the States, Statewise, during the last three financial years and the amount released upto the end of the year ;

(b) whether keeping in view the area and population of Uttar Pradesh, Government will consider sanctioning more funds for speedy development of the State ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE
DEPARTMENT OF EXPENDITURE
IN THE MINISTRY OF FINANCE (SHRI

B.K. GADHVI : (a) A statement showing the Central funds allocated to the States' State-wise during the last three financial years and the amounts released upto the end of the years, is given below.

(b) and (c) Government of India has been allocating and releasing the States' share in Central taxes and statutory grants under Article 275(1) of the Constitution in accordance with the principles laid down by the Finance Commission. Central assistance for State Plans is being allocated according to the Gadgil Formula approved by the National Development Council which gives 60% weightage to the population factor. Keeping these guidelines strictly in view, the Central Government is allocating funds for the development of the State of Uttar Pradesh also.

Statement

States	1983—84			1984—85		1985—86	
	Allocated (B.E.)	Released (A/c)	Released (R.E.)	Allocated (B.E.)	Released (R.E.)	Allocated (B.E.)	Released*
1.	2.	3.	4.	5.	6.	7.	
1. Andhra Pradesh	904.00	924.98	956.20	1367.27	1279.20	1322.91	
2. Assam	691.67	631.65	768.90	807.57	929.05	985.02	
3. Bihar	1190.25	1323.51	1355.14	1434.58	1553.43	1722.28	
4. Gujarat	677.35	664.17	781.75	798.64	794.30	837.60	
4. Haryana	202.87	260.00	266.43	304.18	291.92	401.81	
6. Himachal Pradesh	235.50	246.09	295.89	329.78	408.69	392.05	
7. Jammu & Kashmir	398.63	421.26	489.23	508.01	679.86	599.29	
8. Karnataka	543.69	591.85	672.55	745.06	806.33	993.42	
9. Kerala	379.13	513.44	444.30	462.98	559.73	948.50	
10. Madhya Pradesh	910.07	948.61	1047.07	1108.83	1324.75	1191.98	
11. Maharashtra	1069.24	1229.67	1321.45	1468.08	1474.32	1513.09	
12. Manipur	113.60	130.97	166.32	158.91	156.95	212.94	
13. Meghalaya	112.16	118.13	137.56	138.49	172.89	148.98	
14. Nagaland	144.98	149.59	189.90	189.90	245.59	252.31	
15. Orissa	607.17	669.83	667.48	629.72	838.96	747.18	
16. Punjab	281.51	483.56	350.83	839.67	592.37	913.09	
17. Rajasthan	561.10	677.31	639.15	686.37	840.97	814.73	
18. Sikkim	47.56	52.11	55.84	62.72	83.46	70.05	
19. Tamil Nadu	694.73	902.83	826.41	909.46	935.12	1028.33	
20. Tripura	122.89	134.25	171.61	186.24	237.02	215.24	
21. Uttar Pradesh	1752.84	1843.62	2086.77	2334.02	2636.04	2876.27	
22. West Bengal	963.30	1055.83	1207.20	981.24	1447.79	1582.73	
TOTAL :	12604.24	13973.26	14897.98	16451.72	18308.76	19769.80	

*Excludes funds released under Centrally Sponsored and Central Sector Schemes.

[English]

**Protest Against Report of Fourth
Pay Commission**

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

(a) whether it is a fact that the Central Government employees protested against the Fourth Pay Commission Report at the Boat Club Lawns on September 29, 1986 ;

(b) if so, their main demands ; and

(c) decisions taken to sort out the disputes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Government have no specific information in this regard.

(b) and (c) Does not arise.

Water Sports at Kovalam

639. SHRI G.M. BANATWALLA :
SHRI VAKKOM PURUSHOTHAMAN :
SHRI MULLAPALLY RAMACHANDRAN :
PROF. K.V. THOMAS ;

Will the Minister of TOURISM be pleased to state :

(a) whether Government of Kerala has submitted any proposal for introduction of various types of water sports at Kovalam ;

(b) if so, when was the proposal submitted ;

(c) details of the proposal and the financial outlays involved ;

(d) whether the proposal has been examined ; and

(e) if so, Government decision thereon and if not ; the steps being taken for expeditious clearance of the proposal ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The State Government had submitted a proposal for provision of water sports equipment at Kerala in October '85. This was considered incomplete and hence further details were asked for. These details were submitted in April '86.

(c) The boats and other equipment required, are likely to involve an expenditure of about Rs. 28.00 lakhs.

(d) and (e) The proposal is being examined and the State Government have been asked to submit additional information in respect of certain points.

Levy of Consignment Tax

640. SHRI SOMNATH CHATTERJEE :
SHRI RANJIT SINGH
GAEKWAD :

Will the Minister of FINANCE be pleased to state :

(a) whether any decision has been taken to initiate suitable legislation regarding levy of Consignment Tax for which necessary Constitutional provision has been made,

(b) if so, when such legislation is expected to be enacted ; and

(c) whether any meeting of the Chief Ministers is proposed to be held in this connection and if so, when ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A conference of Chief Ministers held on 28th May, 1984 recommended, by consensus, different aspects of framing legislation for taxing inter-State consignments of goods consequent upon the Constitution (46th Amendment) Act, 1982. As some of the issues involved are required to be sorted out, it has not yet been possible to take any decision.

Demand for Cotton During 1986-87

641. PROF. RAMKRISHNA MORE :
SHRI PRAKASH V. PATIL :
SHRI SRIKANTA DATTA
NARASIMHARAJA WADI-
YAR :

Will the Minister of TEXTILES be pleased to state :

(a) Whether it is a fact that because of virtually stagnant conditions in the cotton textile industry in the country the domestic demand for cotton is not anticipated to rise during 1986-87 and that with the higher production of cotton in 1986-87 season than anticipated, glut of cotton is anticipated ;

(b) if so, what is the anticipated domestic demand for cotton during 1986-87 as compared to the year 1985-86 and to what extent the cotton stock with the Cotton Corporation of India is likely to rise due to the luggish domestic demand ;

(c) estimates of unsold stock of cotton in Maharashtra on account of lack of demand ; and

(d) whether Government propose to evolve a long term export policy for the export of cotton to meet the situation, if so, the steps taken by Government in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The domestic consumption of cotton is expected to increase by 2.4 lakh bales over the last year's consumption, while the production during 1986-87 is expected to be 102 lakh bales as against last year's production of 107 lakh bales. The Cotton Corporation of India purchases kapas at minimum support prices, whenever the prices tend to fall below the support prices. It is therefore, not possible to anticipate the extent of rise in the stocks of cotton with the Cotton Corporation of India.

(c) At present, approximately 16.57 lakh bales of cotton are available in Maharashtra,

(d) Government announced its cotton export policy on a long term basis on 24th October, 1986. According to the policy, export of following quantities of cotton would be permitted per year for a period of three years beginning with the current cotton season 1986-87 :

Long and extra long staple cotton	5 lakh)	
Digvijay Variety of cotton	50,000)	Bales
Bengal Deshi	50,000)	

US Economic Sanction Against South Africa

642. SHRI E. AYYAPU REDDY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that the American Congress has decided to impose stringent economic sanctions against South Africa ; and

(b) if so, Government reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) Government are aware that the US Administration has promulgated a law imposing some sanctions against South Africa consequent upon the decision of the US Congress to override the Presidential Veto.

(b) Government have noted this forward movement on the part of the US Administration even though the measures announced fall short of what in Government's view is necessary to bring adequate pressure to bear upon the racist regime of South Africa to dismantle apartheid.

Export Policy for Synthetic Vis-a-Vis Jute Goods

643. DR. CHINTA MOHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have formulated any comprehensive scheme to ensure that synthetics do not displace traditional jute goods, particularly the jute packaging materials ; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) In order to protect Jute Industry from the adverse competition faced in the hands of synthetics, Government have favoured mandatory usage of jute packaging materials by different sectors of the industry. An Empowered Committee of Secretaries has been set up to work out the modalities.

Expulsion of Extremists From U.K.

644. SHRI KAMAL NATH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that U.K. Government has recently passed orders expelling five Arab and a Swede extremists from Britain ; and

(b) if so, whether Government propose to take up the matter with regard to the Indian extremists living in Great Britain and seek for their expulsion ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) Government have been repeatedly taking up with the UK authorities the question of taking action against anti-Indian extremists in UK including their deportation to India, but to no avail so far.

Survey of Goods Manufactured by Handloom Industry

645. SHRI SALAHUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have drawn up a subsidy scheme to bring about technological upgradation through modernisation of the Handloom Sector ;

(b) the amount sanctioned for the Janata Cloth Scheme particularly for Bihar and U.P. ; and

(c) whether Government have carried out a survey about the goods being produced by the Handloom Industry ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) In order to increase the productivity of looms and quality of fabrics and with a view to ultimately increase the earnings of the weavers, Central Government has been implementing a scheme since 1980-81 for purchase/modernisation/renovation of looms and accessories for handlooms in the co-operative fold on 50 : 50 matching basis between the Centre and the States in the form of 2/3 loan and 1/3 grant. The quantum of assistance has been increased to Rs. 2000/- per loom for ordinary loom and Rs. 4000/- per loom for semi-automatic loom/jacquard loom from Rs. 1000/- and Rs. 2500/- respectively. The scheme has also been extended to looms outside the cooperative fold.

(b) The amount of subsidy sanctioned for the entire country during 1985-86 was Rs. 71.34 crores, of which for U.P. and Bihar, it was Rs. 19.59 crores and Rs. 8.08 crores respectively.

(c) No, Sir.

Benefit of Exports Earnings From Textiles Workers

646. DR. VIJAY RAMA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether it is correct that record earnings have been made from textile exports, including garments (Economic Times, 9th October, 1986) ; and

(b) whether Government propose to take steps to ensure that the profits are also duly reflected in the earnings of low paid employees ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Yes, Sir.

(b) The Government has been safeguarding Workers' interests through a number of legislative enactments on Minimum Wages, Working Conditions, Provident Fund Benefits and Employees Insurance Scheme, etc.

[*Translation*]

Promotional Activities of Cardamom Board

647. SHRIMATI MADHUREE SINGH: Will the Minister of COMMERCE be pleased to state :

(a) the steps taken by Cardamom Board for increasing the production of Cardamom, improving its quality, procurement and export thereof ;

(b) the quantity of cardamom exported during the last two years together with the names of the countries and the rate at which exported ;

(c) the quantity of Cardamom sold in India ;

(d) the step taken to make available quality of cardamom at reasonable rates in the domestic markets ; and

(e) the policy of the Cardamom Board to appoint dealers at district level in the country,

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Board is implementing various production oriented developmental schemes for increasing production of cardamom and improving its quantity like Extension Advice, Departmental Nurseries Subsidised supply of Copper Sulphate, Soil Conservation, Replantation of cardamom, Certified Nurseries, Subsidised supply of irrigation equipments etc. For market promotion, various programmes are undertaken such as CCs at the rate of 10% publicity and propaganda campaign in Middle East by Director (TP) Bahain, participation in fairs abroad, sending salescum-study delegation to Middle East etc.

(b) A statement is given below.

(c) The quantity of cardamom sold in India is as under :

Year	Qty. in tonnes
1984-85	1517
1985-86	1428

(d) The Board has implemented a scheme for domestic market development by opening sales promotion centres in major cities, like Delhi, Bombay, Bangalore, Madras and Cochin.

(e) The Cardamom Board has not appointed any dealer at district level.

Country	1984 85		1985-86	
	Quantity (Tonnes)	Value (Rs. lakhs)	Quantity (Tonnes)	Value (Rs. lakhs)
Kuwait	568	1403	1237	1880
Saudi Arabia	752	2154	1164	2123
U.S.S.R.	404	1258	318	490
Japan	108	213	134	155
Singapore	17	183	35	33

1	2	3	4	5
U.K.	7	13	7	12
U.A.E.	72	187	67	126
Qatar	156	409	77	150
Jordan	56	153	20	29
Iraq	41	99	50	90
S. of Oman	16	35	56	86
Bahrain	31	81	49	87
Malaysia	5	9	—	—
Iran	88	295	—	—
S. Yemen P R.	16	39	—	—
Others	46	101	51	79
Total :	2383	6481	3272	5346

The average unit value realisation (per kg.) during 1984-85, 1985-86 was Rs. 271.92 and Rs. 163.54 respectively.

[English]

**Bank Loans in Backward Region
of Eastern U.P.**

648. SHRI RAM DHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that amount of bank loans in the backward region of Eastern Uttar Pradesh viz. the district of Gorakhpur and Varanasi division is much less than the amounts collected through various savings deposit schemes ;

(b) the actual amount collected through savings deposits etc. and disbursed as loans during last three years ; and

(c) the action proposed to be taken to remove the imbalance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The aggregate deposits and gross bank credit of Public Sector Banks in the District of Gorakhpur and Varanasi for the years 1983, 1984 and 1985 are furnished below :—

(Amount in Rs. crores)

	Deposits		Advance	
	Gorakhpur	Varanasi	Gorakhpur	Varanasi
1983	177	342	69	133
1984	216	405	78	175
1985	259	467	82	197

(c) Deployment of locally mobilised deposits activity in turn is influenced by several factors such as availability of infrastructural facilities like transport and power, proximity to sources of raw material access to market, local entrepreneurship etc. co-operation from local Government machinery and reasonable recovery expectations. Besides, Banks also invest their resources in the securities floated by State Governments, so that their credit-deposit ratio is not a full indicator of deploying local resources within a State.

**Seizure of Gold Foreign Currency etc.
by Customs Authorities**

649. SHRI YOGESHWAR PRASAD YOGESH : Will the Minister of FINANCE be pleased to state :

(a) details of seizures of gold, foreign currency etc. effected by customs authorities from border check posts, airports and other places during the last four months ; and

(b) the steps being taken to curb the activities of smugglers in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJAKY) : (a) The total value of contraband goods seized, indicating the value of gold and foreign currency seized during the months of June to September, 1986 is furnished below.

	(Value Rs. in crores)
Gold	15.40
Foreign currency	1.72
Total value of contraband goods seized	73.98

(Figures are provisional)

(b) The anti-smuggling drive in general has been intensified throughout the country with particular emphasis in the highly vulnerable areas of our sea-coast/land border regions. The trends in smuggling and seizures made are kept under constant review for taking appropriate remedial

measures in close coordination with the concerned Central and State Government authorities. Stringent action is taken against the persons found involved in smuggling activities both departmentally as well as through prosecution in courts. Apart from confiscation of goods involved and imposition of penalties in appropriate cases, preventive detention under the COFEPOSA is also resorted to. Cases of seizures of narcotic drugs are thoroughly investigated and action is taken under the Narcotics Drugs and Psychotropic Substances, Act, 1985.

Growing Indiscipline in Banks

650. SHRI NITYANANDA MISRA :
SHRI SOMNATH RATH :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India Officers Association in a recent meeting held in Delhi has expressed their concern at the growing indiscipline in banks including Reserve Bank of India as reported in the Hindustan-Times of 27 September, 1986 ; and

(b) if so, the reaction of Government thereto and action taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJAKY) : (a) It is a fact that a report to this effect has appeared in the Hindustan Times of September, 27, 1986.

(b) While the Reserve Bank of India and the nationalised bank have not indicated any growth in indiscipline, Government have always insisted on firm action against indisciplined behaviour whenever it comes to notice. Purchase of short-term peace at the risk of long-term indiscipline and low morale is strongly discouraged.

**Exemption of Dearness Allowance
from Income Tax**

651. SHRI PRAKASH V. PATIL :
Will the Minister of FINANCE be pleased to State :

(a) whether it is a fact that Government are considering to exempt the dearness pay and allowance from income tax ;

(b) whether the Pay Commissions in the past had merged these two components with salary and thus not much benefit will accrue to the employees unless this is done before the merger takes place ; and

(c) whether Government would keep the above in view before implementing the scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Pay Commission had recommended merger of dearness pay and dearness allowance with the existing emoluments. The question of exempting from income-tax dearness allowance receivable by Government employees on the basis of the Government's decision on the recommendations of the Fourth Central Pay Commission is under consideration of the Government and no decision has been taken in the matter so far.

Opening of Branch of RBI in Sikkim

652. SHRI SIMON TIGGA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are contemplating to open a branch of Reserve Bank of India in Sikkim ;

(b) if so, by what time ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Reserve Bank of India (RBI) has no proposal to open a branch in Sikkim.

Reserve Bank of India has reported that the currency and coin needs of Sikkim are at present being met by a

currency chest and a small coin depot functioning in the State Bank of India at Gangtok. Permission has also been granted to Central Bank of India to establish a currency chest and a coin depot at its branch at Gangtok. These measures are expected to meet the resources needs of the region at present.

Persons on Daily Wages in Regional Rural Banks

653. KUMARI MAMATA BENERJEE : Will the Minister of FINANCE be pleased to state :

(a) the total number of persons of various categories working on daily wages in the Regional Rural Banks ;

(b) the period for which they are working ; and

(c) the reasons for not regularising their services ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As at the end of March, 1986, there were 11057 daily-wage messengers in 179 out of 193 Regional Rural Banks for which the data are available.

(b) The existing reporting system does not yield information on the period of service rendered by various employees in Regional Rural Banks.

(c) The Scheme of establishing Regional Rural Banks in the country was launched in October, 1975 with the objective of meeting the credit needs of poor people. These banks are expected to keep their cost of operations to the barest minimum. However, recognising the need for some assistance at the Head Offices and branches of such banks for carrying out miscellaneous messengers on daily wages keeping in view the local conditions and requirements for such persons.

These banks were permitted to create regular posts of messengers in pay-scale of

Group D employees in the State Government. It was also decided to regularise in-service candidates subject to their fulfilling necessary qualifications.

Purchase of Computers by Banks

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

(a) the number of computers (ALPM) purchased by nationalised banks during the period 1st January, 1985 to 30th September, 1986 and the amount invested by banks in these purchases ;

(b) the names of companies which have supplied the machines ;

(c) whether the technology used in these computers has been developed in the country ; and

(d) whether computerisation in banks has been accepted by the trade unions, specially by the trade unions in West Bengal.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India has reported that during the period from 1.1.1985 to 30.9.1986, 2998 Advanced Ledger Posting machines with electronic memory have been installed by the various public sector banks. The total investment in these machines is estimated at Rs. 15 crores to Rs. 20 crores approx. The exact amount of investment is not readily available.

(b) The names of the companies which have supplied these machines are given in statement below.

(c) Advanced ledger posting machines installed at various branches of the public sector banks are dedicated stand-alone machines manufactured in India. Certain components of these machines are imported. However, the software used in the machines are indigenous and developed by the respective manufacturers as per the requirements of the concerned banks.

(d) The Indian Banks' Association has signed a settlement with the major bank employees unions in September 1983 for introduction of Machines and Computers in the Banking Industry. There has been, however, some opposition to mechanisation and computerisation in banks by the "Bank Employees Federation of India" a union which is not a signatory to the above settlement and which has its major membership in West Bengal.

Statement

- A. Name of companies which have supplied the advanced ledger posting machines to Public Sector Banks.
1. Blue Star Ltd.,
Bombay
 2. DCM Data Products,
New Delhi
 3. Eiko Computers Pvt. Ltd.,
Bangalore
 4. Electronic Systems Punjab Ltd.,
Mohali
 5. Hinditron Equipments Mfg.
Co. P. Ltd.,
Bombay
 6. Hindustan Computers Ltd.
New Delhi
 7. International Computer Indian
Manufacture Ltd.,
Bombay
 8. International Data Management
P. Ltd.,
Bombay
 9. Micronics Corporation,
Hooghly
 10. Microsense Computers Ltd.,
Secunderabad
 11. Miniocmp P. Ltd.,
Bombay
 12. National Radio & Electronics
Co. Ltd.,
Bombay
 13. ORG Systems;
Bombay

14. PSI Data Systems P. Ltd.,
Bangalore
15. UPTRON India Ltd.,
Lucknow
16. Usha Microprocess Controls Ltd.,
New Delhi
17. WIPRO
Bangalore
18. Zenith Computers Ltd.,
Bombay
19. OMC Computers Ltd.;
Hyderabad
20. Tamilnadu Electronic Components
P. Ltd.,
Madras
21. Digital Innovations Pvt. Ltd.,
Baroda
22. Electronic Corporation of
India Ltd.,
Hyderabad
23. Jupiter Systems P. Ltd.,
Bombay
24. Jay Electronics
Bombay.

Indo-Australian Trade

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

(a) the quantum of trade between India and Australia in terms of rupee in the year 1985 ; and

(b) the items of import and export between the two countries ?

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

DAS MUNSI) : (a) As per the provisional figures available the quantum of bilateral trade between India and Australia during 1985 was about Rs. 498.26.

(b) Some of the main items of export from India were tea ; spices ; cashewnuts ; leather footwear ; textile yarn, fibres, made-up articles ; clothing precious and semi-precious stones ; sport goods ; and engineering goods.

The items imported from Australia were greasy wool ; cooking coal ; petroleum products ; lead and lead alloys ; zinc and zinc alloys ; machinery and equipment.

Performance of Regional rural Banks in Orissa

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

(a) whether Government have reviewed the performance of Regional Rural Banks in the country ; and

(b) if so, the details of the performance of Regional Rural Banks in Orissa during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The performance of Regional Rural Banks (RRBs) is kept under constant review by their sponsoring banks and also by the National Bank for Agricultural and Rural Development (NABARD).

The details of performance of all the nine Regional Rural Banks located in Orissa are set out in the following tables :—

TABLE—I

(Rs. in lakhs)

As at the end of June	No. of RRBs	No. of branches	Deposits	Outstanding advances
1984	9	649	3950.41	8782.53
1985	9	750	4766.26	10583.43
1986	9	771	6195.78	12205.39

TABLE—II

As at the end of June	Recovery as percentage to demand during the year ending June	(Rs. in lakhs) Profit/Loss during the year					
		Years		Profit		Loss	
		No. of RRBs	Amount	No. of RRBs	Amount		
1983	44.0	1983	3	25.51	6	68.80	
1984	39.20	1984	2	21.44	7	141.63	
1985	37.10	1985	1	15.30	8	219.82	

Development of Tourist Centres at Calicut

657. DR. K.G. ADIYODI : Will the Minister of TOURISM be pleased to state :

(a) whether Government are considering any proposal for including the tourist centres like Puruvauomozhi, Kottakkal and Keppad of Calicut districts and Pookkott lake of Wyned district under the Tourist Development programme ; and

(b) if so, the details thereof and time scheduled for implementing the same ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The Central Department of Tourism has received a proposal for development of a beach resort a Kappad near Kozhikode (Calicut) and the same is under consideration. Proposals for other tourist centres have not been received.

Increase in Financial powers of Union Territories

658. SHRI SHANTARAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently increase the financial powers of the Union Territories ;

(b) the extent and nature of these powers ; and

(c) the details thereof ?

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

(b) and (c) In so far as Schemes/ Projects are concerned the Powers of the following Union Territories have been increased during 1986 as shown below :—

Name of Union Territories	Increased	
	From	To
Delhi	Rs. 50 lakhs	Rs. 3 crores.
Goa, Daman & Diu	Rs. 50 lakhs	Rs. 3 crores.
Arunachal Pradesh	Rs. 50 lakhs	Rs. 3 crores.
Pondicherry	Rs. 50 lakhs	Rs. 2 crores.
Mizoram	Rs. 50 lakhs	Rs. 2 crores.
A & N Islands	Rs. 50 lakhs	Rs. 2 crores.

In respect of Delhi the powers in this regard are being further increased to Rs. 5 crores,

These powers have been delegated to the Administrators of the Union Territories who will exercise them on the advice of a Standing Committee set up for the purpose.

Development fund for Frontline African States

659. SHRI HUSSAIN DALWAI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that a special Development fund has been organised to help the frontline States of Africa with a view to combat the after-effects of economic blockade of racist Government of South Africa ;

(b) which of the NAM countries are contributing to this fund ; and

(c) in what form the financial aid is proposed to be given to these frontline Africa States ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) The Eighth Conference of Heads of States of Government of Non-aligned countries, held in Harare recently, resolved to establish the AFRICA (Action for Resisting Invasion, Colonialism and Apartheid) Fund, with the objective to strengthen the economic and financial capability of the Frontline States, to support the Liberation Movements, in South Africa and Namibia, to assist the Frontline States to enforce sanctions against South Africa and to cope with any retaliatory economic action by South African regime.

(b) The AFRICA Fund Committee is to draw up an action Plan for establishment of the Fund and for mobilisation of resources. Contributions to the Fund will be sought only after the organisational arrangements and modalities for operation of the Fund have been decided upon by the Fund Committee Members who are expected to meet shortly for this purpose.

(c) In terms of the resolution adopted by the eighth NAM Summit, the Fund is required to establish a strategic relief reserve to relieve shortages of essential commodities, to strengthen transport and communication systems in the Frontline States, to ensure the safety of infrastructural installations and networks, to neutralize negative trade effects to develop trained manpower resources and to intensify mobilization of international public opinion against Apartheid.

Check on Deficit Financing

660. SHRI RANJIT SINGH GAEKWAD : Will the Minister of FINANCE be pleased to State :

(a) whether the deficit financing during 1985-86 will be more than the revised estimate of Rs. 4,490 crores ;

(b) whether this will have impact on the inflationary trend in the economy ; and

(c) if so, steps taken or proposed to be taken to maintain a check on the hike of deficit financing ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The figures of budgetary deficit of the Central Government for 1985-86 will be known only after the accounts for the years are finally closed by the Controller General of Accounts.

(b) and (c) Do not arise.

Blacklisting of Companies Having Excise and Customs duties Arrears

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

(a) the number of companies which have been blacklisted for having Excise and Customs duties arrears of Rs. 1 crore and above ;

(b) the details thereof ; and

(c) whether similar action is proposed against those against whom income tax arrears of Rs. 50 lakhs and above are outstanding ?

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

Steps to promote Tourism in Tamil Nadu

662. SHRI R. ANNANAMBI : Will the Minister of TOURISM be pleased to state :

(a) the steps taken by Union Government to promote tourism in Tamil Nadu so far ;

(b) number of yatrikas, yatri niwas, ITDC Hotels proposed to be set up in the States ; and

(c) the steps taken by Government for the development of Tourist spots in Tamil Nadu ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The Union

Government have taken inter alia the following steps to promote tourism in Tamil Nadu :

Overseas publicity and promotion, printing of literature, improvement of infra-structural facilities at centres of tourist importance, opening Madras airport to tourist charters, setting up a new domestic terminal at Madras airport, extending Indian Airlines and Vayudoot services, providing 30% concessional fare for foreigners on Indian Airlines tickets, commencing the journey from Madras for South Indian destinations and encouraging the construction of private sector hotels.

(b) One Yatriniwas is proposed to be constructed under Seventh Plan. The State Government have submitted five proposals for Yatrikas at pilgrimage centres which are under consideration. There is no proposal for any new ITDC hotels.

(c) So far the Ministry of Tourism has taken up the following schemes in the State of Tamil Nadu :

(Rs. in lakhs)

Sr. No.	Name of the Scheme	Year of sanction	Amount sanctioned	Amount released
1.	Development of water sports at Muttukadu	1984-85	6.39	5.75
2.	Landscaping at Mamallapuram	1984-85	15.32	10.00
3.	Construction of 8 beach cottages at Kanyakumari	1985-86	13.36	10.00
4.	Way-side amenities at Thirukalukundram	1985-86	3.92	1.92
5.	Way-side amenities at Thiruthani	1985-86	3.92	1.96
6.	Tourist Reception Centre with accommodation at Rameshwaram	1985-86	18.45	7.00
7.	Tourist Amenities at Chidambaram	1985-86	7.86	00

1	2	3	4
8. Provision of 26 boats for Ooty lake, Udagamandalam	1985-86	4.14	3.60
9. Provision of boating facilities at Pulicat Lake	1985-86	2.85	2.50
10. Pallavapura Tourist Complex at Kanchipuram	1985-86	20.00	5.00
11. Restaurant Block at Courtallam	1985-86	5.44	2.00
12. Restaurant Complex at Pichavaram	1985-86	5.91	2.00
13. Toilets and drinking water facilities at Mamallapuram	1985-86	1.50	1.00
14. Floodlighting of Rock Fort, Trichy	1985-86	5.25	4.72
15. Transport for Madumalai Wildlife Sanctuary	1985-86	2.52	1.26
16. Provision of trekking equipment and trekkers huts.	1985-86	4.66	4.19

Target fixed for Tourists in Seventh Plan

663. SHRIMATI USHA CHOU-DHARI : Will the Minister of TOURISM be pleased to State :

(a) whether India with its immense scenic beauty and cultural edifices has not been successful in attracting tourists in large numbers ;

(b) the target fixed in the Seventh Plan for the tourists to visit India and the actual achievements so far ; and

(c) the measures Government propose to take to make India an attractive tourist destination ?

THE MINISTER OF TOURISM
(M. FTI MOHD. SYED) : (a) The number

of foreign tourists who visited India during 1985 was 1,259,384 including the nationals of Pakistan and Bangladesh. Though it is a fairly large number compared to the arrivals in some of the neighbouring countries, India can afford to attract more tourists.

(b) A target of 2.5 million tourist arrivals has been fixed for the year 1990. The arrivals upto September 1986 were 676,431.

(c) The measures taken by the Government to increase foreign tourist traffic to the country include re-orientation of publicity campaigns giving emphasis on consumer advertising, stepping up of public relations with overseas media agencies, tour operators and travel agencies, participation in international fairs and exhibitions, development of infrastructural facilities and improvement

of transport system including air-lines capacity and permitting tourist charters.

Promotion of Tourism

664. SHRIMATI USHA CHAUDHARY : Will the Minister of TOURISM be pleased to state :

(a) the amount spent by the Union and the State Governments on promotion of tourism separately during the last two years ; and

(b) the amount proposed to be spent in the current year ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The amount spent by the Union Government on the promotion of tourism during the last two years is as given below :—

(Rs. in lakhs)	
Year	Amount
1984-85	186.00
1985-86	515.23

The Union Government does not compile head-wise expenditure of the State Governments.

(b) The amount proposed to be spent by the Union Government in the current year is Rs. 570.00 lakhs.

Survey about Conditions of Handloom weavers

665. SHRI ANANDA PATHAK : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have made any survey about the condition of handloom weavers, their wages, production etc. in various parts of the country ;

(b) if so, the details thereof ; and

(c) the number of handlooms in the country and the number of weavers working there, State-wise ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) No, Sir. No such survey has been conducted by the Central Government.

(c) A statement showing the number of handlooms (State-wise) in the country is given below. However, the data regarding employment in handloom sector is indirectly estimated on the basis of certain employment co-efficients based on total production of handloom cloth in the country which itself is derived from the total civil deliveries of hank yarn. During 1985-86, the employment in the handloom sector is estimated to be about 78.77 lakhs.

Statement

Statewise No. of Looms	
State/U.T.	No. of Looms (in 1'00)
1. Andhra Pradesh	529
2. Assam	200
3. Bihar	100
4. Gujarat	20
5. Haryana	41
6. Himachal Pradesh	1
7. Jammu & Kashmir	37
8. Karnataka	103
9. Kerala	95
10. Madhya Pradesh	33
11. Maaharashtra	80
12. Manipur	100
13. Meghalaya	5
14. Nagaland	20
15. Orissa	103
16. Punjab	21

17. Rajasthan	144
18. Sikkim	NA
19. Tamil Nadu	556
20. Tripura	100
21. Uttar Pradesh	509
22. West Bengal	256

Union Territory

1. Andaman & Nicobar Island	NA
2. Arunachal Pradesh	NA
3. Chandigarh	NA
4. Dadra & Nagar Haveli	NA
5. Delhi	—
6. Goa, Daman & Diu	NA
7. Mizoram	NA
8. Lakshdweep	NA
9. Pondicherry	—

Total : 3065

Credit Camps

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

(a) whether attention of Government has been drawn to the news-item captioned 'loan melas flaws identified' appearing in the Times of India (Delhi) dated 14 October, 1986 ;

(b) if so, the reaction of Government to the defects pointed out in the report on the study conducted in this regard ; and

(c) the steps taken by the banks and Government to improve the disbursement of loans so as to enable eligible persons to avail themselves of this facility ?

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

(b) and (c) The study report on Credit Camps, to which the news-item refers, is under examination by the Government.

Construction of Yatri Niwas and Yatrikas

667. PROF. NARAIN CHAND PARASHAR : Will the Minister of TOURISM be pleased to state :

(a) the names of the places, State-wise where (i) Yatri Niwas (ii) Yatrikas have been sanctioned for construction during the Seventh Five Year Plan Year-wise separately ;

(b) the precise difference between the two units in terms of traffic, cost of construction, capacity for loading etc., and

(c) the likely period of construction of the units in each case ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) So far we have sanctioned construction of Yatri Niwas at Port Blair (Andaman & Nicobar Islands), Panaji (Goa), Kurukshetra (Haryana), Kancheepuram (Tamil Nadu), Satpada (Orissa), Palam (Delhi), Dakor (Gujarat), Darjeeling (West Bengal), Jalandhar (Punjab), Pondicherry (Pondicherry).

Approval has been accorded to Bhartiya Yatri Avas Vikas Samiti for construction of a Yatrika at Vrindaban, Kampil, Joshimath (U.P.), Naina Devi (Himachal Pradesh), Sri Sailam (Andhra Pradesh), Karaikal (Pondicherry), Puri (Orissa), Rameshwaram (Tamil Nadu) and Gangasagar (West Bengal).

(b) Yatri Niwas are constructed in collaboration with the respective State Governments. Yatrikas which are Dharamshala type of accommodation are constructed by a registered Society—Bhartiya Yatri Avas Vikas Samiti, at places of religious importance. A grant-in-aid is given by the Central Government and the land is provided by the State Government. The traffic in Yatrika is much lower than Yatri Niwas.

(c) In the normal circumstances, it takes about two years for construction of these projects.

Shortage of Coins and one Rupee Notes

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

(a) whether there is still an acute shortage of coins of smaller denominations in the country as also of one-rupee currency notes ;

(b) if so, whether Government propose to undertake any positive steps like increase in the number of coins being minted at present and also for setting up another mint for this purpose ;

(c) if so, the details thereof ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) with the increase in production in the Mints, supplemented by other steps like imports of coins, improvement in the distribution system etc. the coin availability position has improved considerably. Availability of one Rupee notes has also improved substantially with the increase in production as detailed below :—

Year	Production in million pieces
1983-84	225
1984-85	485
1985-86	775
1986-87	
(i) (first seven months)	583
(ii) Target for the year	1000

(b) to (d) The production of coins has been increased four fold over the last five years as detailed below :—

Year	Production in million pieces
1981-82	525
1982-83	660
1983-84	1064
1984-85	1355
1985-86	2223

The target for 1986-87 is 2850 million pieces.

A new Mint with an annual capacity of 2000 million pieces is being set up at NOIDA, in UP, and is expected to be commissioned in 1988-89.

Proposed Merger of Various Banks In U.K. with SBI and Bank of Baroda

670. SHRI YASHWANTRAO GAD-AKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is proposed to merge the operations of the Punjab National Bank, Central Bank of India and Union Bank of India in U.K. with the State Bank of India and Bank of Baroda ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India has reported that as part of a proposal for restructuring, Consolidating rationalising and strengthening the operations of overseas branches of Indian public sector banks, it proposes to transfer the operations of some of the branches of banks in United Kingdom (U.K.) to some other banks. The proposals also include transfer of the business of the branches of Punjab National Bank in U.K. to State Bank of India, the business of the branches of Central Bank of India in U.K. to Bank of India and the business of the branches of Union Bank of India in U.K. to Bank of Baroda.

Production and Sale of Blended Cloth

671. SHRI YASHWANTRAO GAD-AKH PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have formulated any guidelines for the production and sale of blended cloth in handloom sector ;

(b) if so, the details thereof ; and

(c) the arrangements and concessions proposed to be made for supply of polyester yarn to the handloom sector and its effect on exports ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Yes, Sir.

(b) The "Susman Cloth Scheme" envisages production of low-priced polyester blended cloth made from duty-free polyester fibre. The guidelines issued by Government provide that the Scheme will be implemented through the State Handloom Apex Societies and State Handloom Development Corporations. The range of products will include bleached and dyed polyester blended shirtings and suitings, which will be sold at prices not exceeding Rs. 25/- per square metre in the case of shirting and Rs. 40/- per square metre in the case of suiting. These varieties will be sold only through retail outlets operated directly by the approved implementing agencies.

(c) It is proposed to arrange for supply of yarn produced with duty free fibre to the implementing agencies through National Textile Corporations mills. Polyester blended yarn of certain types of blends purchased by handloom apex societies and State handloom development corporations are also exempted from excise duty. The cloth produced under the scheme is meant for consumption within the country and not for exports.

Computerisation in office of CCI&E

672. SHRI YASHWANTRAO GAD-AKH PATIL : Will the Minister of COMMERCE be pleased to state ;

(a) whether computerisation of the various records of the Chief Controller of Imports and Exports has been recommended by expert bodies ;

(b) if so, the details thereof and action proposed to be taken ; and

(c) the repercussions on the staff being rendered surplus as a result thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c) A Micro-processor has already been installed in January, 1985 and is in operation. In order to explore further possibility of computerisation of Import and Export Trade Control (I&ETC) organisation a preliminary study was commissioned to a Consultant and the report identified certain areas which were suitable for computerisation/automation. As a sequel to the preliminary report a detailed system study has been carried out by another consultant and the final report of the detailed study is awaited.

National Tax Court

673. SHRI LAKSHMAN MALLICK :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have taken a decision to establish National Tax Court in 1987 ;

(b) if so, whether Government have received some suggestion in this regard ; and

(c) if so, the details regarding the Constitution and functions of such Courts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) No, Sir. Government have not yet taken a decision to establish National Tax Court. However, in the Discussion Paper on Simplification and Rationalisation of Direct Tax Laws laid on the table of both the Houses of Parliament on 14th August,

1986, there is a proposal to set up a National Court of Direct Taxes. Some suggestions in this regard have been received by the Government. They are being considered.

Bonus By LIC to Policy-holders

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

(a) whether Government's attention has been invited to the news-item captioned 'LIC misleading policy-holders' appearing in the 'Hindustan Times' of 7th September, 1986 wherein it has been stated that the recent announcement of 'additional bonus' by the Life Insurance Corporation of India to its policy holders on its 30th anniversary, has prompted many actuaries to allege that this was misleading the policy-holders ;

(b) if so, the details of the criticism made ; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Government have seen the article captioned "LIC misleading policy-holders", that had appeared in the "Hindustan Times" on September 7, 1986.

The article referred, inter alia, to the following :—

(i) As per the convention of conducting biennial actuarial valuation of LIC's Life Fund, the Next valuation was due only as on 31st March, 1987. The additional bonus declared consequent to the special valuation made by LIC as on March 31, 1986 is in effect a partial bonus paid in advance.

(ii) Inadequate reduction in premium rates under non-profit policies.

(iii) A premium rate of Rs. 9.75 per thousand for newly introduced policy of Railway Porters is on a higher side when compared to the Group Insurance Scheme for Government employees.

(iv) Inadequate yield under LIC policies.

The position in regard to the above is indicated below, ad seriatim :

(i) In view of its 30th Anniversary falling during the year 1986 and also observing the year 1986-87 as the "Year of Policyholder", the LIC decided to conduct a special valuation as on 31st March 1986. As a result of this special valuation, the bonus rates have climbed higher to Rs. 65 per thousand sum assured per annum for whole life policies and Rs. 52 per thousand sum assured per annum for endowment assurance policies as against the corresponding rates of Rs. 55 and Rs. 44 respectively, declared at the previous valuation as on March 31, 1985. Moreover, this higher bonus will be admissible to all the policies resulting in claims by death or maturity during the period from 1st April, 1986 to 31st December, 1987. But for this special valuation, these policies would have received only "interim" bonus at the lower rates declared at the valuation held on 31st March, 1985. On balance, the bonus rates, declared as a result of the special valuation, are considered to be fair and equitable to all the participating policies.

(ii) Taking into account all the relevant factors which go into the calculation of premium rates, viz. mortality, interest and expenses, the LIC has been reducing the premium rates under non-profit policies from time to time in the past. The recent reduction in

such premium rates ranges between 1% to 38% depending upon the plan and term and is considered to be reasonable.

- (iii) The premium rates being charged under Group Scheme for Railway Porters are not comparable with the premium rates underlying Central Government Employees Scheme, for the mortality experience of the lives covered under the latter scheme is different. Besides, the former scheme also covers death due to accident apart from natural causes and thus results into higher cost for risk cover.
- (iv) The yield under insurance policies cannot be compared with the yield obtainable from other savings instruments as the latter do not cover life-risk. The net yield on Life Fund of LIC has, however, shown a steady increase over the years.

Export of Betel Leaves

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

(a) whether Government have made any on-the-spot study on the growers of betel leaves in various pockets of West Bengal and Maharashtra with a view to boosting export of betel leaves ;

(b) if so, the details thereof ; and

(c) the action taken on the basis of these studies ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c) Information is being collected and will be laid on the Table of the House.

Nationalisation of Jute and Textile Mills

676. SHRIMATI BIBHA GHOSH GOSWAMI : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal to nationalise any textile and jute mills of the country ;

(b) if so, when and the details thereof ; and

(c) names of those units, State-wise?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) and (c) Do not arise.

[Translation]

Extension of Railway Line to Make Tourist Centres in Bihar Accessible to Tourists

677. SHRI VIJAY KUMAR YADAV : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that in order to make the important tourist centres of Bihar State such as Nalanda, Pawapuri, Bihar Sharieff and Rajgir easily accessible to tourists, the extension of Bakhtiarpur-Rajgir railway line upto Gaya is considered essential ;

(b) if so, whether the Tourism Department in this regard; and

(c) if so, the details thereof ?

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

(b) and (c) The Ministry of Tourism has already taken up the matter with the Railway Board who have regretted their inability to undertake any new project due to resource constraints and heavy commitments.

[English]

Pak Visa office at Hyderabad

678. SHRI MANIK REDDY : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether there is any proposal to open start Pakistan's visa office at Hyderabad ; and

(b) if so, the details of the proposal, the amount sanctioned and the probable date by which the office will start functioning ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) Government have agreed as a special case to the opening of a temporary Pakistan visa office in Hyderabad for two days each month. The Pakistan Embassy which will finance the office has yet to open it.

Waiving of Time Limit for Insurance claims in Dog-Bite cases

679. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 1003 dated 22nd November, 1985, regarding proposal to change rules in respect of LIC claims and state :

(a) whether Consumer Education and Research Centre, Ahmedabad had pleaded for waiving of 90 days limit for insurance claim of a dog-bite victim ;

(b) if so, the action taken thereon ; and

(c) whether Life Insurance Corporation have revised their rules and guidelines accordingly ?

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

A representation was received from Consumer Education and Research Centre, Ahmedabad, regarding the death claim of the widow of one Shri A.P. Patel, who had died of a dog bite. LIC had paid the claimant the basic sum of Rs. 35,000/- but repudiated the claim of double accident benefit for a similar amount as the death occurred after the stipulated period of 90 days from the date of the incident of dog

bite. The matter was later reviewed by Government and it was decided, after taking into account the facts and circumstances of the case, that LIC should also pay the accident claim amount of Rs. 35000/- on an ex-gratia basis. As the matter was sub judice, LIC deposited a sum of Rs. 35,000/- in the court on 17.9.1986. on the claimant agreeing to accept the amount in full and final settlement of the claim.

Loans to Weaker Sections in Orissa

680. SHRI ANANTA PRASAD SETHI: Will the Minister of FINANCE be pleased to state the number of persons belonging to Scheduled Castes, Scheduled Tribes and other weaker sections of the society in Orissa who have been granted loans upto Rs. 5000/- by the nationalised banks under the priority sector during the last three years, year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The present data reporting system of banks does not generate separate information in the manner asked for. However, the total number of borrowers belonging to weaker sections including SC/ST assisted by Public Sector Banks in the State of Orissa stood at 773, 1218 and 857 thousands as the end of December 1983, December 1984 and June 1985.

Tribunals for Speedy Recovery of Dues

681. SHRI NARSING SURYA-WANSHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Indian Banks' Association had recommended to the Union Government to establish tribunals for speedy disposal of cases pertaining to loan recovery ; and

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

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

Proposal to establish tribunals for recovery of dues of banks and financial institutions is under consideration of Government.

Likely Closure of Central Cotton Mills, Howrah

682. SHRI HANNAN MOLLAH : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the Central Cotton Mills, Howrah, West Bengal will be closed soon, as per decision of the Government ;

(b) if so, the reasons thereof ;

(c) number of workers to be unemployed due to closure of the said mill ;

(d) whether there is any plan to save these workers from unemployment ;

(e) if so, details thereof ; and

(f) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No final decision has been taken to close down any NTC mills so far.

(b) to (f) Do not arise.

Nationalisation of Mohini Mills at Belgharia in West Bengal

683. SHRI HANNAN MOLLAH : Will the Minister of TEXTILES be pleased to state :

(a) whether Government will nationalise the sick Mohini Mills at Belgharia in West Bengal, the management of which is vested in NTC :

(b) if so, details thereof ; and

(c) if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (c) The

management of Mohini Mills, Belgharia, West Bengal was taken over under the provision of the Industries (Development and Regulation) Act, 1951 with effect from 24th October, 1981. The circumstances of the case require that several aspects are require to be gone into and hence it has not been possible to take a decision in this regard.

Reduction in Profits of Nationalised Banks

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

(a) whether it is a fact that most of the nationalised banks are losing substantial profits owing to loss of interest on cash reserves and penalty having to be paid to the Reserve Bank of India for failure to maintain the right levels of cash reserves statutory liquidity ratios ; and

(b) if so, the details thereof ?

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

Joint Ventures with Bulgaria

685. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR :

Will the Minister of COMMERCE be pleased to state :

(a) whether Government have taken steps to increase joint-ventures with Bulgaria ; and

(b) if so, the areas indentified to promote joint ventures between India and Bulgaria ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b) Both the

Governments share the view that setting up joint ventures specifically for exports would be a desirable step towards promotion of trade and accordingly are endeavouring through Joint Commission meetings, exchange of trade delegations, etc., to promote establishment of such joint ventures. While no Indo-Bulgarian Joint venture has so far been set up in Bulgaria or in third countries, such units for exports have been set up in India i.e. in the fields of textiles and fashion leather gloves. In the recent Indo-Bulgarian Joint Commission Meeting held in Sofia last month, the two Sides indentified food processing, chemicals, electronics and leather goods industries as suitable areas for further study in this regard. It will, however, be for the entrepreneurs in both countries to take commercial decisions in the matter of setting up of joint ventures.

**Branches of Nationalised Banks
Opened in West Bengal, Bihar
and Orissa**

686. SHRI SYED MASUDAL HOSSAIN : Will the Minister of FINANCE be pleased to state the number of bank branches opened during the last three years in West Bengal, Bihar and Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): Reserve Bank of India (RBI) has reported that the number of bank branches opened by the 28 Public Sector Banks during the last three years in West Bengal, Bihar and Orissa are as follows :—

Name of State	No. of branches opened by 28 Public Sector Banks during :		
	1983	1984	1985
West Bengal	46	123	315
Bihar	42	137	429
Orissa	17	70	63

Export of Readymade Garments

687. SHRI MOHANBHAI PATEL
Will the Minister of TEXTILES be pleased to state :

(a) the target fixed for the export of readymade garments during the year 1986-87 ;

(b) the achievement made during the first six months ;

(c) the steps being taken to boost the export of readymade garments during the remaining period ;

(d) whether Government are considering to establish an institute of fashion technology ; and

(e) if so, the details thereof and by when it is likely to be established and start functioning ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHA KUMAR) : (a) The target for the export of readymade garments during 1986-87 has been fixed at Rs. 1,200 crores.

(b) The achievements during the first six months (April-Sept.) of the current financial year are provisionally placed at Rs. 614 crores.

(c) A statement listing the various steps taken by the Govt., to boost the export of readymade garments is given below.

(d) and (e) National Institute of Fashion Technology set up by the Govt., of India has been registered as a Society under the Societies Registration Act, 1860 on 22.1.1986. The Institute has been established to cater to the education, research service and training needs of the fashion industry. To begin with the programme of Institute is conduct a workshop on Fashion Design from January to May, 1987.

Statements

The following measures have been taken to boost exports of readymade garments :

- (i) Sophisticated garments manufacturing machines not manufactured indigenously are allowed to be imported on O.G.L. 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 rationalized with effect from 1.7.86. These rates have been extended upto 31.12.1988 for cotton garments and upto 31.3.1989 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.
- (iii) Cotton garments have been brought under the Scheme of Contract Registration with a view to providing an element of certainty to exporters in the matter of CCS.
- (iv) The duty drawback rates for cotton garments have been increased.
- (v) 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.
- (vi) The number of days of pre-shipment credit has been increased from 90 days to 180 days. The rate of interest has also been reduced by 2.5%.
- (vii) Import entitlements and the REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-88.

(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% 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.

Export of Gold Jewellery

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

(a) the value of gold jewellery exported during the year 1985-86 ;

(b) the target fixed for export of gold jewellery for the year 1986-87 and the achievement made during the first six months of the year ;

(c) whether it is a fact that Government have decided to allow import of gold on advance licence to facilitate large-scale production of gold jewellery for helping the Indian exporters to boost this industry ;

(d) if so, the details thereof ;

(e) the quantity of gold imported by the jewellery manufacturers since the introduction of the scheme ; and

(f) whether it has made any effect on the price of gold in the country if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Rs. 86 Crores.

(b) Rs. 100 crores.

Exports during April-Sep. 1986—
Rs. 46.48 Crores.

(c) Yes, Sir. Import of gold mountings, findings, sockets, frames, etc. and gold of 18 carats and below will be allowed on advance licence.

(d) A copy of the relevant Public Notice laid on the table of the House. [Placed in Library. See No. LT/3180/86].

(e) No imports have taken place so far under this scheme.

(f) The Government is not aware of any adverse effect on the price of gold.

Imbalance in Production and Consumption of Medium Shape and Long Shape Cotton

689. SHRIMATI JAYANTI PATNAIK ; Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that there is wide gap between the production and consumption of medium table and long staple cotton whereas the production of superior long shape cotton is far in excess of the requirements ; and

(b) if so, details of the steps taken to correct imbalance ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The production of long staple cotton and to a small extent medium staple cotton is in excess of domestic consumption. To correct the imbalance, Government have taken the following steps :—

(i) During the cotton year 1985-86, an export quota of 10.50 lakh bales of long staple cotton was released ;

(ii) Government have allowed liberal exports of yarn besides increasing cash compensatory support from 5% to 8% on all types of yarn exports, with a view to increasing the consumption of cotton ;

(iii) Government have recently announced export of 5 lakh bales of long and extra long staple cotton per year for a period of three years, beginning with the current year.

Trade with Algeria

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

(a) whether Government have taken steps to increase trade with Algeria;

(b) if so, the areas identified therefore; and

(c) the target set for the Indo-Algerian trade in the Seventh Five Year Plan period ?

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

(b) Both sides agreed that there was scope for development of two-way trade. The main items identified for exports from India are drugs, and pharmaceuticals, textile yarn, jute and jute products, agricultural commodities and engineering products. The main items offered by Algeria for export to India are Mercury, Lead, Zinc, Urea and some petrochemicals.

(c) No targets have been set for Indo-Algerian trade for the Seventh Plan period. Both sides have agreed to strive for higher levels of two-way trade.

Silk Development Project in Orissa

691. **SHRIMATI JAYANTI PATNAIK** : Will the Minister of **TEXTILES** be pleased to state :

(a) whether Government have a proposal to start a silk development project in Orissa;

(b) whether funds have been earmarked for that purpose;

(c) if so, the areas identified in Orissa for growing silk; and

(d) the specific programmes drawn up for the growth of silk cultivation in Orissa during the Seventh Plan ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (c) Government have approved the implementation of a Bivoltine Sericulture Project which envisages raising of mulberry plantations in 1000 acres in Ganjam district of Orissa with an outlay of Rs. 4.27 crores spread over a period of 4 years starting from 1986-87.

(d) In addition to the ongoing schemes being implemented by the Central Silk Board for the growth of silk cultivation in Orissa such as seed production, extension work, research & development support etc., a project for tasar development in Orissa has been drawn-up during the seventh plan. This project is to be implemented with assistance from Swiss Development Corporation.

Setting up of Central Training Institution for Development Bankers by IDBI

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

(a) whether it is a fact that the Industrial Development Bank of India has decided to set up a Central Training Institution for Development Bankers; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Industrial Development Bank of India has reported that it has decided to set up an apex level Training Institute at Hyderabad to conduct programmes for providing training facilities to personnel of development financing institutions (at the all-India as well as State level). Senior level executives of similar institutions abroad could also be considered for participation in the training programmes.

Reduction in subsidy given to Handloom Items

693. **SHRI M. RAGHUMA REDDY** :
SHRI DHARAM PAL SINGH MALIK :
SHRI SUBHASH YADAV :

Will the Minister of **TEXTILES** be pleased to state :

(a) whether it is a fact that power-looms are manufacturing the items reserved for the Handloom Industry;

(b) whether the stock of handloom goods has reached high proportion;

(c) whether the subsidy given to handloom items had been reduced; and

(d) if so, the steps Government propose to take to protect Handloom Industry ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) In order to enforce the reservation for handlooms more vigorously, Government of India have already set up three Regional Offices at Delhi, Pune and Coimbatore, which have been staffed with suitable technical staff and have started functioning. The State Governments have also been asked to set up separate machinery for implementing the handloom reservation orders. However,

the revised notification issued on 4th August, 1986 and the Handloom (Reservation of Articles for Production) Act 1985 allows a period of three months from the date of issue for stoppage of production of reserved items by powerlooms.

(b) No reports have been received by Government regarding accumulation of stocks of handloom goods having reached high proportion.

(c) No, Sir. However, the duration of rebate days has been limited to 30 days plus national handloom expos.

(d) Does not arise.

Stocks of products of N.T.C.

694. SHRI N, DENNIS : Will the Minister of TEXTILES be pleased to state :

(a) whether huge stocks of the National Textile Corporation's products are lying with the N.T.C. shops all over India;

(b) the total quantity of the stocks and its value;

(c) whether any investigation into such large unsold stock piling up with the showrooms has been undertaken; and

(d) the steps taken to clear the stocks ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The total quantity of cloth different sorts/varieties lying in the NTC shops and divisional offices of NTC subsidiaries at the end of August, 1986 was approximately 14 million metres valued at about Rs. 19 crores.

(c) This stock was considered not too excessive for the festival season.

(d) Monitoring of the inventory and review of working of the showrooms is undertaken by the subsidiaries on quarterly

basis. In addition, the following steps are taken to clear the stocks;—

(i) To promote sales, incentive schemes for sales staff are reviewed/revised from time to time.

(ii) In order to reduce accumulation of stocks, discounts are offered to consumers from time to time.

(iii) Training programmes are organised especially designed for the showroom employees through the NTC Staff College from time to time.

(iv) Wider publicity of NTC products.

(v) House Keeping/display of NTC products is being improved on a continuing basis.

Bank Robberies

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

(a) whether it is a fact that the bank robberies are increasing day by day;

(b) if so, the number of bank robberies committed during the first nine months of 1986, State-wise/Union Territory-wise;

(c) total amount looted during these robberies;

(d) whether any robbery case has been solved;

(e) if so, the details thereof stating the number of persons arrested; and

(f) the measures taken so far for the protection of banks throughout the country and particularly in small towns and rural areas ?

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

According to reports received from Public Sector Banks, during the first nine months of 1986, there were 83 cases of robberies/dacoities in their branches in different parts of the country. State-wise break-up of the cases is given in the statement below. The figures show a rise in the incidence of Bank robberies/dacoities in some States.

(d) and (e) According to information received from the Public Sector Banks, in 11 of the above mentioned cases, 30 persons have been arrested by the Police.

(f) Although Bank's security is dependent to a considerable extent on the general security environment, the Banks have, with a view to improving their security arrangements and preventing dacoities/robberies, taken steps for appointment of armed security guards, installation of appropriate alarm systems, etc., in branches depending on the risk factor involved. Provision of wire-meshed cabins for Cashiers, installation of collapsible steel gates in branches etc., are some of the other measures which are being implemented for improving the security of branches in a phased manner.

Statement

Information of bank robberies/dacoities State-wise/Union Territory wise and the amount involved therein as reported by Public Sector Banks for the period 1.1.86 to 30.9.86.

State/Union Territory	No. of cases	Amount involved (Rs. in lakhs)
Andhra Pradesh	1	0.19
Assam	3	41.85
Bihar	7	23.87
Chandigarh	1	1.34
Delhi	2	9.64
Gujarat	10	13.34
Haryana	1	7.96
Jammu & Kashmir	1	Nil
Madhya Pradesh	2	5.78
Maharashtra	9	20.93
Meghalaya	2	2.81
Nagaland	2	13.51
Punjab	32	31.19
Uttar Pradesh	7	5.33
West Bengal	3	1.55
	83	179.29

(Data Provisional)

Development of Tourism in Kerala

696. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of TOURISM be pleased to state :

(a) the total amount allotted to Kerala for the development of tourism during the current financial year;

(b) the total amount spent so far and the results achieved; and

(c) the details of the schemes under consideration/implementation ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The Ministry of Tourism do not make any

allocation of funds State-wise out of the Central budget. Schemes received from different States are examined on merits and according to inter-se priorities fixed by the Planning Commission. However, during 1986-87, the Ministry of Tourism has sanctioned Rs. 3.24 lakhs for purchase of trekking equipments in Kerala. Out of this Rs. 2.91 lakhs have already been released. The State Government has placed orders with various firms for supply of trekking equipments of which woollen blankets, ruck sacks dhurries and first aid kits worth Rs. 1.34 lakhs have been received.

(c) The details of the schemes which have already been taken up and those under consideration are given below :—

Sanctioned Schemes under Implementation :

(Rs. in lakhs)

Name of the Scheme	Year of sanction	Amount sanctioned	Amount released
1. Way-side amenities with accommodation at Alleppey	1985-86	10.28	4.00
2. Way-side amenities with accommodation at Kottarakkara	1985-86	10.28	4.00
3. Way-side amenities with accommodation at Cannanore	1985-86	10.28	4.00
4. Way-side amenities with accommodation at Palghat	1985-86	10.28	4.00
5. Way-side amenities with accommodation at Wynad	1985-86	10.28	4.00
6. Provision of boats for Cochin, Kumarakom, Quilon and Thekkady	1985-86	50.78	25.00

Scheme under consideration

Name of the Scheme	Estimated cost
1. Watersports at Kovalam	28.00
2. Watersports at Malampuzha	7.10
3. Beach Resort, Kappad	55.00
4. Forest Lodge, Parambikulam	17.19
5. Yatri Niwas, Quilon	38.26
6. Yatri Niwas, Trivandrum	32.77
7. Purchase of Mini Buses for Parambikulam and Nayar Wild Life Sanctuaries	14.30

**Proposal to build a Tourist Complex
Linking Important Tourist Centres in
Palghat**

697. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of TOURISM be pleased to state :

(a) whether there is a proposal to build a vast tourist complex linking important tourist centres in Palghat district of Kerala such as Malampuzha, Nilljampati, Parambikkulam, Silent Valley, etc. ;

(b) if so, whether Government have made any study about it;

(c) if so, the details thereof; and

(d) the steps being taken to implement this proposal ?

THE MINISTER OF TOURISM (MUFTI MOHD SYED) : (a) Proposals for provision of watersports at Malampuzha Dam, construction of a Forest Lodge and provision of mini-buses at the Parambikkulam Wild Life Sanctuary have been received from the Government of Kerala.

(b) to (d) The proposals were actively under consideration and will be finalized soon after the additional information required from the State is made available.

**Loans Disbursed to weaker sections
of Andhra Pradesh**

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

(a) the details of amount of loan given to educated unemployed, farmers, Scheduled Castes/Scheduled Tribes, backward classes and adivasis in Andhra Pradesh during the first two years of the Seventh Five Year Plan;

(b) the amount expected to be given to them for their development during the remaining period of Seventh Five Year Plan; and

(c) the extent to which the conditions of unemployed, Scheduled Castes/Scheduled Tribes, farmers, adivasis etc. have been improved as a result thereof and the extent to which further improvement expected ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The present data reporting system of banks does not generate separate information in the manner asked for. However, advances to weaker sections by the public sector banks in the State of Andhra Pradesh which include small and marginal farmers, landless, labourers, rural artisans, IRDP beneficiaries, SC/ST beneficiaries etc. have increased from Rs 362 crores as at the end of December, 1983 to Rs. 589 crores as at the end of June, 1985.

(b) and (c) Since the bank advances mainly depend upon the rate of growth of the deposits over the years, it is not possible to quantify the targets for bank lending. The targets are sometimes laid down for certain specific schemes. However the share of weaker sections in total credit is not to be less than the ten percent. As such it is not possible to furnish the information in the manner asked for.

Reserve Bank of India issued instructions in February, 1983 to all the commercial banks advising them to raise the production of advances to priority sector to 40% of the total advances by the end of March, 1985. The banks were given a sub-target within the priority sector of lending to weaker sections and were advised that the outstanding advances in favour of weaker sections should be atleast 10% of total advances by the end of March, 1985. The public sector banks have already achieved this target.

**World Organisation of Non-Resident
Indians**

699. SHRI D.N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a world organisation of non-resident Indians (NRI), has been formed in New York ; and

(b) how far is the cooperation between that body and Government attracting foreign capital in the private sector in India ;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) It has been brought to the notice of the Government that an organisation called world organisation of non-resident Indians has been formed in New York.

(b) There is no formal relationship or cooperation between this body and the Government—as such the question does not arise.

[*Translation*]

Schemes for Development of Tourist Centres in Bihar

700. SHRI VIJOY KUMAR YADAV : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that he visited Biharsharif, Nalanda, Rajgiri and other places in Bihar in October, 1986 ;

(b) whether it is also a fact that the announced introduction of various schemes for the development of these important tourist centres ; and

(c) if so, the details of the schemes and the time by which these will be implemented ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) I had visited Patna, Nalanda, Rajgir and Bodhi Gaya from 8th to 10th October, 1986.

(b) and (c) Various on-going projects for development of important tourist centres and several proposals suggested by Chief Minister of Bihar were discussed.

[*English*]

Circulation of Wrong Map of India at Seoul

701. SHRI G.S. BASAVARAJU :
SHRI H.N. NANJE GOWDA :
SHRI HANNAN MOLLAH :
SHRI SAIFUDDIN CHOWDHARY :
SHRI BIBHA GHOSH GOSWAMI :
SHRI MUKUL WASNIK :
SHRI BANWARI LAL PUROHIT :
SHRI HARISH RAWAT :
SHRI MULLAPPALLY RAMACHANDARAN :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether in the official map circulated by the South Korean authorities for the Asian Games held in Seoul in September, 1986 ; Jammu and Kashmir was shown as a disputed area ;

(b) whether Indian team had objected to this wrong map ;

(c) whether or not this question was taken up by our Embassy in South Korea ;

(d) whether necessary corrective measures were taken by South Korean authorities and if so, the details thereof ;

(e) whether any other countries have also shown Jammu and Kashmir as a disputed area in their maps, if so, the details thereof and whether Government of India took up the matter with them and those countries have since made the necessary corrections in their maps ; and

(f) whether any directives have been issued to all the Indian Embassies in this regard and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) to (d) The map of India published and projected

by the Seoul Asian Games Organising Committee (SAGOC) did not correctly depict the international boundary of India since it had excluded the State of Jammu and Kashmir. Smt. Margaret Alva, Minister of State for Youth Affairs and Sports, and leader of Indian official delegation and the Indian Ambassador in Seoul firmly protested to the South Korean authorities against the incorrect depiction of the map of India. SAGOC regretted the error, which was, according to them, of a technical nature and took some measures to rectify it. The remedial action eventually taken by the SAGOC included :

- (i) The publication of an issue of "Seoul Asiad News" with a corrected map of India ;
- (ii) The withdrawal from circulation of the publication showing incorrect boundary ; and
- (iii) Not projecting the map of any country in the pictorial display on the electronic screen at the closing ceremony of the games.

(e) Inaccurate depiction of India's international boundary in Jammu and Kashmir sector in the maps published in Pakistan, China, and in some other countries has come to our notice. The matter was taken up with the concerned authorities in those countries. As a result necessary corrections in the maps were carried out by some of the organisations/authorities which had published such incorrect maps and some others undertook to do so in future editions of such maps. In other cases the matter is being pursued.

(f) Instructions have been issued to Indian Missions abroad in the matter requiring them to take note of any incorrect delineation of India's international boundaries in the maps published in the countries of their jurisdiction and to take appropriate measures with the authorities concerned to have the errors rectified.

Sino-Pak agreement for Nuclear Programme

702. SHRI G.S. BASAVARAJU :
SHRI VIJAY KUMAR
MISHRA :
SHRI SOMNATH RATH :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Prime Minister has expressed concern over the agreement reached between China and Pakistan for nuclear programme ;

(b) whether this agreement poses a great threat to peace in the sub-continent ; and

(c) if so, the steps proposed to be taken by the Union Government to deal with the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) Yes, Sir.

(c) Government continues to maintain a constant vigil over all developments having a bearing on the country's security.

Prime Minister's Discussion with President of Pakistan at Harare

703. SHRI G.S. BASAVARAJU :
SHRI H.N. NANJE GOWDA :
SHRI BANWARI LAL PUROHIT :
SHRI MULLAPPALLY RAMACHANDRAN :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Prime Minister of India and the President of Pakistan had a number of discussions at Harare during the non-aligned summit meet ;

(b) if so, whether measures for further normalisation of relations between the two countries were also discussed ;

(c) whether the two leaders have agreed to remove the obstacles coming in the process of normalisation ;

(d) whether the relations between the two countries have shown any improvement since then ; and

(e) if so, to what extent ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir. Prime Minister Shri Rajiv Gandhi and President Zia-ul-Haq met at Harare during the NAM Summit.

(b) to (e) : PM conveyed his serious concern at the hijacking of the Pan Am aircraft at Karachi. Bilateral relations between the two countries were touched upon. PM expressed the hope that the process of normalisation would not be further impeded.

Indo-Pak Relations

704. SHRI G.S. BASAVARJU :
SHRI H.N. NANJE GOWDA :
SHRI H.B. PATIL :
SHRI MUKUL WASNIK :
SHRI R.S. MANE :
DR. G.S. RAJHANS :
SHRI MOOL CHAND DAGA :
SHRI MAHENDRA SINGH :
SHRI BHATTAM SRIRAMA MURTY :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the relations between India and Pakistan have deteriorated during the last three four months :

(b) if so, whether the main reason is Pakistan's attitude in helping the extremists and also infiltrating Pakistanis into Jammu and Kashmir, Punjab and Gujarat ;

(c) whether it is a fact that Pakistan raised the Kashmir question on all the foreign forums against the Shimla agreement spirit ;

(d) whether India has lodged any protest to Pakistan on these issues ; and

(e) if so, the reaction of Pakistan Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) These factors alongwith some other negative actions on the part of Pakistan have contributed to the deterioration in Indo-Pak relations.

(c) Pakistan has recently raised the Kashmir issue both at the NAM Summit at Harare and at the U.N. in contravention of the Simla Agreement.

(d) and (e) Government's concerns about these matters have been conveyed to the Government of Pakistan whose response has unfortunately not been satisfactory.

Capital Gains Tax Exemption to Sick Units

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

(a) whether any exemption from the payment of capital gains tax has been given to those sick units as have been sold by the nationalised banks for recovery of their dues , and

(b) if so, whether Government propose to extend the same facility of exemption from capital gains tax to those sick units which voluntarily dispose of their units to clear the bank dues ?

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

(b) Not applicable in view of reply to Part (a) above.

Passport and Visa for Indian Tourists Visiting Maldives

706. SHRI V.S. KRISHNA IYER :
Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the number of Indians who have visited Maldives as tourists during 1985 ;

(b) whether a tourist has to take passport and visa for a visit to Maldives and

(c) if so, whether there is any proposal under consideration of Government to dispense with the passport and visa requirements for a visit to Maldives ?

**THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) :** (a) 4653.

(b) Indian tourists should possess a valid passport for visiting Maldives. They are given visas valid for a stay of 90 days on arrival in that country.

(c) No, Sir.

**Enhancement of Minimum Release
Price of Coffee**

707. **SHRI V.S. KRISHNA IYER :**

**SHRI MULLAPPALLY RAMA-
CHANDRAN :**

**SHRI V.S. VIJAYARAGHA-
VAN :**

Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal before Government for enhancement of the minimum release price (MRP) of Coffee ;

(b) whether any representation in this regard has been received from Members of Parliament, coffee growers and others ; and

(c) if so, the decision thereon ?

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

(b) Yes, Sir.

(c) The minimum release price of coffee has been increased from Rs. 6.54 per point to Rs. 7.42 per point with effect from 16.10.1986.

Passports Issued from RPO, Bangalore

708. **SHRI V.S. KRISHNA IYER :**
Will the Minister of EXTERNAL AFFAIRS be pleased to state ;

(a) the number of persons who have taken passport from Regional Passport Office at Bangalore since January, 1986 ;

(b) the number of persons out of them who visited foreign countries ;

(c) Whether in the present procedure there is any means to ascertain if the person obtaining passport genuinely intends to travel abroad and if not, the reasons therefor ;

(d) Whether Government are aware that some agents are misusing these passports by availing FTS facilities or for some other illegitimate purpose ; and

(e) if so, the action taken/proposed against them ?

**THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) :** (a) 57,828 passports were issued by the Passport Office, Bangalore during the period January, 1986 to September, 1986.

(b) Not known to the Government.

(c) No, Sir. Applicants are issued passports for their travel abroad as stated in their application forms. However, their intention to travel abroad is liable to change on personal requirement basis. The Government have no reason to doubt it or to see that they do not change their intention to travel abroad.

(d) and (e) The Government are aware of some cases where individuals working at touts/unauthorised travel agents have misused FTS facilities. Such cases are investigated by Government's various investigating agencies for follow up action.

**Pruning Expenditure in Non-
Priority Areas**

709. **SHRI SHARAD DIGHE :**
SHRI INDRAJIT GUPTA :
DR. B.L. SHAILESH :

Will the Minister of FINANCE be pleased to state ;

(a) whether it is a fact that in order to control inflation during the remaining years of the Seventh Five Year Plan Government are proposing to take a decision to prune expenditure in non-priority areas and also to control expenditure on the non-plan side ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b) It has always been the endeavour of Government to keep non-plan and non essential items of expenditure to the minimum.

Pak President's Statement Over Siachen Glacier

710. SHRI SHARAD DIGHE :
SHRI H.B. PATIL :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether attention of Government has been drawn to the report in the Pakistan newspaper "Jung" quoting the Pakistan President having stated in Quetta that Siachen glacier was earlier 'no man's land, and it was not a part of Pakistan ; and

(b) if so, whether Government have confirmed this admission through diplomatic channel ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) Siachen is a part of Jammu and Kashmir which is an integral part of India. This position does not require to be reiterated through diplomatic channels.

Steps to Upgrade Performance of Textile Sector

711. SHRI SHARAD DIGHE : Will the Minister of TEXTILES be pleased to state ;

(a) whether Government propose to take steps to upgrade the performance of the textile sector ; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The Textile Policy announced by Government in June, 1985 has envisaged several guidelines for growth and development of the textile industry. In pursuance of this policy, Government have taken several measures to upgrade the performance of the textile industry. Some of the important steps taken by Government are :—

- (i) lifting the ban on the expansion of weaving capacity in the organised sector ;
- (ii) allowing full fibre flexibility ;
- (iii) rationalisation of fiscal levies on certain man-made fibres/yarn ;
- (iv) compulsory registration of power-looms ;
- (v) decision to set up more Powerloom Service Centres with active help of the Textile Research Associations for imparting training to powerloom weavers to increase their productivity and improve the quality of the cloth ;
- (vi) several measures for development of handlooms ;
- (vii) setting up of a national level Advisory Committee for modernisation of the textile industry ;
- (viii) setting up of a Nodal Agency to evolve and manage rehabilitation packages in respect of potentially viable sick mills ;
- (ix) creation of a Modernisation Fund ;
- (x) setting up of a Rehabilitation Fund for workers who might be displaced by permanent closure of non-viable textile mills and formation of a single Textile (Control) Q.dct.

The Government is reviewing the performance of the textile industry from time to time. Further measures as and when called for will be taken by Government to boost the textile industry.

Savings from Import of Edible Oil

712. SHRI SHARAD DIGHE : Will the Minister of Commerce be pleased to state :

(a) the amount India is likely to save on edible oil import this year ;

(b) how much of this saving is due to a shortfall in international prices of oils and how much is due to reduction in the quantity of import ; and

(c) the effect of reduction in the quantity of import on groundnut production in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) to (c) As the year 1986-87 is not yet over, it is not possible to indicate how much amount will be spent on imports of edible oils. Moreover, since India is a major importer of edible oils, it will not be in commercial interest to disclose the import plans.

Introduction of Computer System in Passport Offices

713. SHRI MANIK REDDY :
SHRI SUBHASH YADAV :
SHRI M. RAGHUMA REDDY :
SHRI DHARAM PAL SINGH
MALIK :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the Passport Offices where computer system facility has been introduced ;

(b) since when the facility has started functioning ; and

(c) what is the assessment of its impact on the efficiency ;

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Computers have been installed in the Passport Offices at Delhi and Madras. Computers are in the process of being installed in the Passport Offices at Bombay and Cochin.

(b) The Computers in the Passport Offices at Delhi and Madras became operational from September, 1986.

(c) To begin with the computers are being used for checks on information maintained so far manually in Index cards. They will be utilised for other aspects of passport work in a graduated manner after test checks are over by end November, 1986. It is hoped that computerisation will ultimately lead to quick issue of passports and efficient maintenance of records.

Introduction of Three Rupee Denomination Note

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

(a) whether there is a proposal under consideration of Government to introduce a three rupee denomination note in the country to meet the growing shortage of small coins and small denomination note ;

(b) if so, the time by which such a note is proposed to be brought into circulation in the country ; 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) Rs. 3/- is not considered to be a convenient denomination.

Loans to Educated Unemployed Youths in Andhra Pradesh

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

(a) the amount of loans given to the educated unemployed in Andhra Pradesh for self-employment particularly in small scale/ancillary industries during the last three years ;

(b) the extent to which these educated unemployed have been benefited ; and

(c) the amount of such loans to be given during the remaining period of Seventh Five Year Plan to improve the lot of unemployed persons ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Presumably, the Hon'ble Member is referring to the Scheme for providing Self Employment to the Educated Unemployed Youths introduced in the year 1983-84. The present data reporting system from the banks does not generate information in the manner asked for. However, as per the information received from the Office of the Development Commissioner (Small Scale Industries) in the Ministry of Industry, the number of cases sanctioned by the banks in Andhra Pradesh are 14,781, 13,084 and 16,518 involving the amounts of Rs. 29.36 crores, Rs. 27.34 crores and Rs. 34.74 crores for the years 1983-84, 1984-85 and 1985-86 respectively.

(c) The State-wise targets under the Scheme have been announced by the Government so far on year to year basis. In the current financial year total number of beneficiaries to be assisted in Andhra Pradesh is 17,300.

Export of Textiles from Andhra Pradesh

716. SHRI V. TULSIRAM : Will the Minister of TEXTILES be pleased to state :

(a) the amount earned from textiles exports during April-July 1986 ;

(b) the names of the countries where maximum textiles were exported ;

(c) the States from where these textiles were exported and the share of Andhra Pradesh in these exports ; and

(d) the steps taken to boost up export quota of textiles from Andhra Pradesh during the next four months of the current year ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The exports of cotton textile (mill-made/Powerloom and Handloom) and garments during April-July, 1986 amounted to Rs. 208 crores and Rs. 392 crores respectively.

(b) The countries where maximum textiles and clothing were exported are USSR, EEC, USA, Australia, Japan, Canada, Switzerland etc.

(c) The statistics of State-wise exports are not maintained.

(d) The export incentives are not provided State-wise. A statement of export incentives offered is given below.

Statement

Exports of Textiles and Clothing are at present offered the following incentives by the Government :—

- (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) For the purpose of removing obsolescence and for modernising the textile industry, the Government policy of indigenous production of textile machinery has been liberalised and in selected areas high technology machinery is allowed to be imported with export obligation.
- (3) A textile modernisation fund of Rs. 750 crores has been created for facilitation of modernisation of Textile Industry.

- (4) Revised rates of CCS have been announced effective from 1st July, 1986. These rates have been announced for a period of 3 years and are generally higher than before. Slow moving items of garments on which CCS was not admissible when exported to quota countries have been made eligible for CCS. CCS on export of yarn of all counts has been allowed @ 8%.
- (5) Cotton garments and textiles have been brought under the Scheme of Contract Registration with a view to providing an element of certainty to exporters in the matter of CCS.
- (6) 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.
- (7) The duty drawback rates for cotton garments have been increased to 10%.
- (8) The number of days of pre-shipment credit has been increased from 90 days to 180 days. The rate of interest has also been reduced by 2.5%.
- (9) Many items of raw material/fabrics are permitted to be imported under the Advance Licencing Scheme, Duty Free REP Scheme and the Import-Export Pass Book Scheme introduced recently.
- (10) Under 100% Export Oriented Units and Free Trade Zones Scheme, facilities for liberal import of capital goods and raw materials along with many other concessions are given.
- (11) 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.

Decline in Prices of Cardamom

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

(a) whether cardamom industry is facing a serious crisis due to steep decline in the prices ;

(b) whether Government have asked NAFED and State Trading Corporation to export cardamom ;

(c) if so, the quantity exported by each of these agencies so far ; and

(d) the measures being taken to ensure a reasonable price for cardamom ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d) Prices of cardamom which had risen sharply in the past on account of short supply as a result of drought have now returned to levels comparable to those prevalent with normal levels of production. The NAFED and STC have been requested by the Board to procure and export cardamom during the current year. The Cardamom Trading Corporation is also planning to enter into the international markets. Moreover, the Board is implementing various schemes to increase productivity and has also streamlined the auction system to stabilise the prices and ensure fair return to growers.

Rate of Inflation

718. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to State :

(a) whether there has been a fall in the rate of inflation ;

(b) if so, how much ; and

(c) specific measures taken or proposed to further bring down the rate of inflation ?

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

The annual rate of inflation, in terms of Wholesale Price Index (1970-71=100), on a point to point basis, has shown a decline in recent weeks as indicated below :

As on	Annual Rate of Inflation
27.9.1986	7.0
4.10.1986	6.9
11.10.1986	6.6
18.10.1986	6.3
25.10.1986	6.3

(c) Government keeps a close watch over the price situation and takes such measure as are necessary to keep the prices under reasonable control. The thrust of Government's anti-inflationary policy continues to be an effective demand and supply management including strengthening of public distribution system, regulated releases of sugar and edible oils, enforcement of fiscal discipline and mopping up of excess liquidity in the system. The Central Government has advised the State Governments to take strict action against traders indulging in profiteering, hoarding and black-marketing.

Development of Andaman and Nicobar Islands as Tourist Resort

719. SHRI VIJAY N. PATIL : Will the Minister of TOURISM be pleased to state :

(a) whether Government have any proposal to develop Andaman and Nicobar Islands as a tourist resort ;

(b) if so, the likely impact of massive project to develop these islands on environment and on the uprooting of tribals ; and

(c) the steps Government propose to take to safeguard environment and to rehabilitate tribals displaced as a result of development activity ?

THE MINISTER OF TOURISM (MUFTI MOHD, SYED) : (a) to (c) There is a proposal to develop Port Blair and some islands around it for tourists. In formulating these proposals care will be taken to ensure that there is no negative impact of tourism development on the environment and that there will be no uprooting of the local tribal population.

Summit meet on Disarmament

720. SHRI RAMASHRAY PRASAD SINGH :

SHRIMATI GEETA MUKHERJEE :

SHRI S.G. GHOLAP :

SHRI G. AYYAPU REDDY :

SHRI BALWANT SINGH RAMOOWALIA :

Will the Minister of EXTERNAL AFFAIRS be pleased to state the reaction of Government of India on the outcome of the recent meeting between Soviet Leader Mikhail Gorbachev and President Regan in Iceland ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : Government are disappointed in the outcome of the recent meeting between Soviet General Secretary Gorbachev and US President Reagan in Iceland. Government of India welcome the fact that the proposals made there have not been withdrawn and hope that it would be possible for the two countries to reach an agreement soon.

Black Money in Circulation

721. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the estimated amount of black money in circulation in the country till October, 1986 ; and

(b) the measures Government propose to take to eradicate black money and by what time the circulation of black money is likely to be stopped ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There is no official estimate of the amount of black money in circulation in the country. The National Institute of Public Finance and Policy in their report on "Aspects of Black Economy in India" have estimated the black income for 1983-84 between Rs. 31584 to Rs. 36786 crores. The authors have, however, admitted that their estimate is based on numerous assumptions and approximations, each of which can be challenged.

(b) Combating tax evasion is a continuous process and Government is fully committed to it. All possible measures to curb generation of black money, legislative, administrative and institutional are being taken from time to time. As a result of liberal fiscal policies, revenue collections have gone up in the last financial year. The liberalisation of Summary Assessment Scheme and reduction in the tax rates of direct taxes 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 can not get away with anything they declare in their returns of income. Enforcement machinery is being strengthened and the number of searches have substantially increased.

India's proposal for Mandatory Embargo on Import of Arms from South Africa

722. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) Whether India has proposed in the recent commonwealth conference a mandatory embargo on the import of arms from South Africa and revocation of all agreements or licences with it in the military related sphere as part of an 8-Point Plan for security for Southern Africa ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

(SHRI EDUARDO FALEIRO) : (a) and (b) At the Commonwealth heads of Government Meeting in October 1985 at Nassau, Bahamas, leaders of the Commonwealth countries had agreed, inter alia, to "a strict and rigorously controlled embargo on imports of arms, ammunition, military vehicles and para-military equipment from South Africa".

As is well known, India has followed a consistent policy of boycotting any trade and contact with the racist regime, in South Africa and this includes trade in arms with that country.

Six Non-Nuclear Powers call on US and USSR to agree to a Moratorium ON Nuclear Testing

723. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether on 3 October, 1986 the group of six non-nuclear powers including India called on the United States and the Soviet Union to agree to a moratorium on nuclear testing ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) The leaders of the Six-Nation Initiative jointly issued a press release on October 3, 1986 in which they expressed the hope that USSR and USA would soon agree on mutual suspension of nuclear testing.

Visit of king of Jordan

724. SHRI SUBHASH YADAV :
SHRI M. RAGHUMA REDDY :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the King of Jordan visited India during the month of October, 1986 ;

(b) if so, the outcome of the discussion held between the Jordanian King and the Indian leaders ;

(c) Whether any agreement for socio-economic ties has been made ; and

(d) if so, the details of the agreement ?

THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) : (a) Yes,
Sir.

(b) The King of Jordan's discussions with Indian leaders covered a general review of bilateral and international issues of common concern and ways and means of enhancing and diversifying bilateral cooperation between India and Jordan in the economic, commercial and technological fields.

(c) and (d) No agreements were signed between the two countries during the visit.

Reduction in the prices of cotton

725. SHRI SUBHASH YADAV :
SHRI M. RAGHUMA REDDY :
SHRI DHARAM PAL SINGH
MALIK :

Will the Minister of TEXTILES be pleased to state :

(a) Whether it is a fact that Union Government have recently reduced the prices of cotton particularly in Maharashtra and Madhya Pradesh ;

(b) if so, the extent thereof ;

(c) whether the cotton growers have been agitating over this matter ; and

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

THE DEPUTY MINISTER IN THE
MINISTRY OF TEXTILES (SHRI S.
KRISHNA KUMAR) : (a) No, Sir,

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

Bilateral Textile Agreement with E.E.C.

726. SHRI H.N. NANJE GOWDA :
SHRI S.M. GURADDI :

Will the Minister of TEXTILES be pleased to state :

(a) Whether India is the only Multi-Fibre Agreement country which has not renewed its bilateral textile agreement with European Economic Community (EEC) ;

(b) Whether EEC has stated that unless India scales down demand for better access, they cannot be met within the terms of their negotiations mandate ;

(c) whether EEC has also pointed out that India's request for redistribution of the quota for cotton fabrics among the member States is unacceptable to the EEC ; and

(d) if so, India's reaction thereto and the steps being taken to renew its bilateral textile agreement with the EEC ?

THE DEPUTY MINISTER IN THE
MINISTRY OF TEXTILES (SHRI S.
KRISHNA KUMAR) : (a) to (d) The textile Agreement between India and the European Economic Community was initiated on 31st October, 1986 for a period of five years effective from 1.1.1987 following two rounds of intense negotiations between the Indian and the Community delegations. The economic content of the negotiated agreement in terms of product coverage, increased market access including handloom garments, comparatively better redistribution of Community quotas and inter-regional transfers is substantially better than the one in the current bilateral Agreement and the earlier offers of the Community.

Hashish Haul in Mehrauli

727. SHRI C. JANGA REDDY :
DR. A.K. PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Hashish worth about three million dollars was hauled in July last from a Mehrauli farm house ;

(b) whether his attention has been drawn to the report appearing in "The Indian Express" of 24 July, 1986 that the wanted person in the case had VIP connections and has evaded his arrest so far ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) On 12.7.1986, the officers of the Preventive Collectorate, West Bengal intercepted a lorry carrying machinery items from Delhi to Calcutta meant for export to U.K. and Saudi Arabia. Examination of the consignment resulted in the seizure of 767 Kgs. of hashish concealed in various machinery items. The interrogation of the driver and subsequent search of a farm house at Gadaipur Village, Delhi by officers of the Directorate of Revenue Intelligence led to the seizure of a further quantity of 1341 Kgs. of hashish. No precise value of the drug seized can be furnished as the illicit market price varies from place to place and time to time depending upon the purity of the drug, local demand and supply position, place of origin etc. The investigating agency has no evidence to indicate the V.I.P. connections of the accused.

**Speedy Settlement of Insurance
Claims of Orphans and Widows**

728. SHRI C. JANGA REDDY :
DR. A.K. PATEL :

Will the Minister of FINANCE be pleased to state :

(a) total number of claims pending with Life Insurance Corporation and General Insurance Corporation as at present ; and

(b) whether on humanitarian grounds, instructions are proposed to be issued to expedite (within a month or so) those cases where claimants are orphans or widows with little support ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As on 31/3/86, 77929 maturity claims and 23884 death claims were pending with LIC. As on 31/12/85 there were 476129 claims pending with GIC and its subsidiaries.

(b) Both LIC and GIC have taken a series of measures for expeditious settlement of all claims. The matter is under continual review by the Government. The progress of settlement of outstanding claims by LIC and GIC is closely monitored and reviewed at periodic intervals. Appropriate advice and directions are issued by Government to LIC and GIC from time to time for speedy settlement of all categories of claims. Government have, however, no proposal at present to issue separate instructions in respect of the claims of orphans and widows only.

**British Government's Decision to
Introduce Visa Requirements for
AFRO-Asian Nationals**

729. SHRI INDRAJIT GUPTA :
SHRI SYED SHAHABUDDIN :
SHRI C. MADHAV REDDY :
PROF. RAMAKRISHNA
MORE :
SHRIMATI GEETA MUKHER-
JEE :
SHRI N. DENNIS :
SHRI H.B. PATIL :
SHRI AMARSINH RATHAWA :

Will the Minister of EXTERNAL
AFFAIRS be pleased to state :

(a) Whether it is a fact that the British Government has decided to introduce visa requirements for nationals from five Afro-Asian countries including India ;

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

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) With effect from 15.10.1986 all Indian citizens wishing to enter the United Kingdom must be in possession of a visa obtained before arrival in the U.K., failing which they will be refused entry. A visa fee, ranging from Rs. 240 to Rs. 500 will be charged.

(c) The Government of India deeply deplores the U.K. action as it would cause avoidable and unnecessary hardship and harassment to bona fide Indian visitors to U.K. The restrictions placed on India and four other Asian and African countries are discriminatory and racial in character.

Fund for Modernisation of Jute Industry

730. SHRI INDRAJIT GUPTA :

SHRIMATI GEETA MUKHERJEE :

SHRIMATI JAYANTI PATNAIK :

Will the Minister of TEXTILES be pleased to state :

(a) Whether it is a fact that Government have set up a Rs. 150 crore jute modernisation fund ; and

(b) if so, the details thereof and how this fund is planned to be utilised ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Yes, Sir:

(b) The Government of India have announced the setting up of Rs. 150 crore Jute Modernisation Fund Scheme which will be implemented by IFCI as the lead All India Financial Institution for Jute Industry. The Scheme has become operative with effect from 1st November, 1986 for a period of two years to be reviewed thereafter.

The assistance under the Jute modernisation Fund would be available to all existing jute mills including weak but potentially viable jute units.

The most important feature of the scheme is that upto 80% of the stipulated promoters' contribution, special loan at concessional rate of interest of 6% will be available to weak but potentially viable units.

A Monitoring Committee under the Chairmanship of Secretary (Textiles) has been set up to review the progress of implementation of the Scheme.

Demand for Ban on Import of Synthetic Fibres and Granules

731. SHRI INDRAJIT GUPTA :

SHRIMATI GEETA MUKHERJEE :

Will the Minister of TEXTILES be pleased to state :

(a) whether a demand has been made by the representatives of Indian Jute Mills Association, Central Trade Unions and West Bengal Government to ban the imports of synthetic fibres and granules ; and

(c) if so, the details thereof and Union Government's reaction thereto ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b). Since synthetic substitutes for jute bags

are being produced in our country by importing cheaper priced granules from abroad, representations have been received from time to time from various quarters for banning import of granules. In order to protect Jute Industry from the adverse competition faced in the hands of synthetic substitutes, Government have favoured mandatory usage of jute packaging materials by different sectors of the industry. An Empowered Committee of Secretaries has been set up to work out the modalities.

Policy to reduce price of Synthetic Fabrics

732. SHRI GANGA RAM : Will the Minister of TEXTILES be pleased to state :

(a) Whether it is the policy of Government to reduce the prices of synthetic fabrics ; and

(b) if so, the steps to be taken towards this end ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The new Textile Policy of June, 1985 envisages full fibre flexibility between cotton and man-made fibres/yarn, adequate availability of man-made fibres/yarn at reasonable prices by increased domestic production supplemented as necessary by imports creation of capacity by new units and expansion of capacity by the existing units for production of synthetic fibres/yarn and progressive reduction in fiscal levies on man-made fibres/yarn, and on the intermediates used as inputs for production of such fibres/yarn to facilitate absorption of increased domestic production, so that the benefit flows to the consumer in the form of lower prices of synthetic and blended fabrics. The following steps have been taken in this direction :—

(i) Full fibre flexibility as between cotton and man-made fibre has been provided.

(ii) In the synthetic sector, new capacity has been licensed.

(iii) Government have extended concessions in fiscal levies on certain man-made fibres/yarn.

(iv) Amendments have been made to produce cheap blended fabrics by the NTC by providing duty free polyveseer fibre. The same facility has also been extended to handloom sector.

Review of Garment Knitwear and Fabrics Policy

733. SHRI D.N. REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether the policy for export of garments, knitwear and fabrics etc. has been reviewed to promote export of these items ; and

(b) if so, the encouragements and the incentives offered to the exporters for the purpose ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SARI S. KRISHNA KUMAR) : (a) The policy for export of garments, knitwear and fabrics is continuously reviewed from time to time.

(b) A statement of export incentives at present offered to the exporters of textiles is given below.

Statement

Exporters of Textiles are at present offered the following incentives by the Government.—

(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) For the purpose of removing obsolescence and for modernising the textile industry, the Government policy of indigenous production of textile machinery has been liberalised and in selected areas high technology machinery is allowed to be imported with export obligation.
- (3) A textile modernisation fund of Rs. 750 crores has been created for facilitation of modernisation of Textile Industry.
- (4) Revised rates of CCS have been announced effective from 1st July, 1986. These rates have been announced for a period of 3 years and are generally higher than before. Slow moving items of garments on which CCS was not admissible when exported to quota countries have been made eligible for CCS. CCS on export of yarn of all counts has been allowed @ 8%.
- (5) Cotton garments and textiles 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.
- (6) 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.
- (7) The duty drawback rates for cotton garments have been increased to 10%.
- (8) The number of days of pre-shipment credit has been increased from 90 days to 180 days. The rate of interest has also been reduced by 2.5%.
- (9) Many items of raw material/fabrics are permitted to be imported under the Advance licencing Scheme, Duty Free REP Scheme

and the Import-Export Pass Book Scheme introduced recently.

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

Earnings of Tourism Department

734. SHRI D.N. REDDY : Will the Minister of Tourism be pleased to state :

- (a) the earnings of the Tourism Department in the last Five Year Plan ; and
- (b) the target for the Seventh Five Year Plan ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The Department of Tourism is not a revenue earning department except for the dividend it receives from India Tourism Development Corporation (ITDC). The dividend received from ITDC during last Five Year Plan period were as follows :

Financial Year	Dividend Received (Rs lakhs)
1981-82	36.36
1982-83	45.28
1983-84	57.24
1984-85	—
1985-86	66.22

(b) No target for the dividend to be paid by ITDC has been fixed for the Seventh Five Year Plan.

Attraction for Tourist Centres

735. SHRI D.N. RĤDDY : Will the Minister of TOURISM be pleased to state :

(a) whether Government have taken any steps for development of various tourist centres in the country ;

(b) whether Government have opened any new centres of tourist attractions in 1985-86 ; and

(c) if so, the details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) The development of infrastructure at places of tourist importance is a continuous process. The general criteria followed for selecting a centre are the historical, cultural, religious and scenic importance and potential of the place from sports and adventure tourism point of view. The Department of Tourism in consultation with the State Governments/Union territories have identified tourist centres for integrated development in a phased manner with the combined resources of Centre, State and Private sectors. During the Seventh Five Year Plan, 80-100 centres are proposed to be developed in a phased manner.

Outgo of Foreign Exchange due to Import of Vegetable Oils and Sugar

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

(a) whether it is a fact that there is increasing outgo of foreign exchange on account of imports of vegetable oils, sugar etc. ; and

(b) if so, the details of expenditure incurred and quantities of various agricultural products imported during last three years ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) While there has been increase in imports of sugar during 1985-86 as compared to the previous two years, the imports of edible oils has actually declined during 1985-86 as compared to the previous two years. Quantity and value of imports of edible oils and sugar is given in the Statement-I below.

(b) Commodity-wise data on imports are available upto March, 1984 only. A statement showing the imports of major agricultural commodities during 1981-82 to 1983-84 is given in the Statement-II below.

Statement-I

Advance data on Imports of Sugar and Edible Oils during the years 1983-84 to 1985-86

Sl. No.	Description of items	1983-84		1984-85		1985-86	
		Qty.	Value	Qty.	Value	Qty.	Value
1.	Sugar	—	—	4.96*	113.62*	20.33**	449.29
2.	Edible Oils	14.09	846.00	15.85	1309.00	10.80	769.00

Source : STATE TRADING CORPORATION OF INDIA LIMITED

* This includes one cargo load (about 13000 mt) of sugar sunk on high seas for which full value (Rs. 2.63 crores) realised from the Insurers.

** This includes one cargo load (about 13000 mt) of sugar sunk high seas (Rs. 2.45 crores) realised from Insurers. This also includes goods in transit as on 31.3.1986.

@ The contracts concluded by STC for edible oils during April and May, 1983 were on C & F basis and for other periods on CIF basis.

Statement II*Imports of major Agricultural Commodities during the years 1981-82 to 1983-84*

Value :—Rs. Lakhs

Sl. No.	Description of items	1981-82	1982-83	1983-84
1	2	3	4	5
1.	Wheat	29975.41	35174.34	64337.64
2.	Rice	1468.90	386.51	10034.79
3.	Barley, unmilled	0.32	—	3.08
4.	Maize (corn, unmilled)	527.93	105.42	67.30
5.	Cashew nuts, raw	1836.49	140.90	211.78
6.	Centrifugal sugar	—	—	—
7.	Cane Jaggery	4696.28	—	—
8.	Molasses	0.08	0.02	0.42
9.	Natural Honey	0.15	—	0.13
10.	Others Sugars	1128.89	208.41	314.11
11.	Coffee, tea, cocoa, spices and manufactures thereof	1989.84	2841.19	4122.12
12.	Feeding stuffs for animals (not including unmilled cereals)	234.22	256.29	403.05
13.	Miscellaneous edible products and preparations	158.22	786.50	540.08
14.	Tobacco not stripped	12.02	0.02	7.62
15.	Tobacco wholly or partly stripped	—	3.04	—
16.	Tobacco refuse	—	—	—
17.	Oil seeds and Oleaginous fruit	449.67	140.95	428.67
18.	Natural rubber latex, natural rubber and similar natural gums	3647.48	2587.28	4267.38
19.	Cork and wood	1406.32	392.34	389.45

1	2	3	4	5
20.	Raw silk (not thrown)	1217.61	2021.11	3045.70
21.	Cotton	1182.75	6.63	—
22.	Jute and other textile bast fibre, n.e.s. raw or processed but not spun tow and waste thereof (including pulled or garnetted rags or ropes)	243.03	851.94	648.56
23.	Vegetable textile fibres (other than cotton and jute) and waste of such fibres	209.76	215.64	335.80
24.	Crude vegetable materials, n.e.s.	856.52	1444.10	1772.62
25.	Fixed vegetable oils and fats	62527.60	39674.13	73485.16

Source :—Monthly Statistics of Foreign Trade of India Vol-II Imports published by the Directorate General of Commercial Intelligence and Statistics, Calcutta.

Ministerial Conference on General Agreement on Tariffs and Trade

737. SHRI BRAJAMOHAN MOHANTY : Will the Minister of COMMERCE be pleased to state :

(a) whether at the Ministerial Conference of General Agreement on Tariffs and Trade (GATT) held recently at Punta Del Este (Uruguay) the United States demanded that negotiations on trade in services be included in GATT;

(b) if so, the reaction of Government of India and other developing countries to such a proposal; and

(c) the outcome of the Conference on the demand of United States of America ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSI) : (a) to (c) A new round of multilateral trade negotiations was launched at the Punta del Este Ministerial Meeting.

At the meeting the USA and a number of developed countries had sought to launch negotiations in the area of trade in services as a part of multilateral trade negotiations under the framework of GATT. The stand of India and many other developing countries was that GATT did not have jurisdiction in the area of services and issues in the area of services could not be negotiated within the framework of GATT. The GATT approaches would not be appropriate for the services sector on account of their varied character and socio-economic ramifications. Further these countries perceived the danger of the possible use of the leverage of trade in goods to secure concessions in the area of services. Consensus was finally reached by adopting the Declaration launching a new round of multilateral trade negotiations in two parts—Part I relating to negotiations on trade in goods and Part II relating to trade in services. Whereas the first part was adopted by the Ministers meeting as CONTRACTING PARTIES to GATT, the second part was adopted by Ministers meeting as representatives of Governments. The negotiations on services would be held on a separate track outside

the framework of GATT and two different Groups have been set up, one for negotiations in the area of trade in goods and the other for trade in services. Both these Groups shall report to the Trade Negotiations Committee which has also been established by the Declaration.

**Discontinuance of SDR by
International Monetary Fund**

738. SHRI BRAJAMOHAN MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that International Monetary Fund has taken a decision against continuance of system of Special Drawing Rights;

(b) whether it is a fact that USA having 20 per cent share holding and having right of veto is opposed to the system of S.D.R.; and

(c) the likely impact of withdrawal of S.D.R. on developing States ?

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

(b) and (c) Do not arise.

**Stand of India at General Agreement
on Tariffs and Trade**

739. SHRI BRAJAMOHAN MOHANTY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that at the Ministerial Conference of General Agreement on Tariffs and Trade held recently at Punta De Este (Uruguay) the theories of protectionism followed by the developed countries came to the fore;

(b) if so, whether the views of the Government of India in the matter were voiced at the Conference; and

(c) if so, the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c) The main issue before the Punta del Este Ministerial Meeting was the launching of a new round of multilateral trade negotiations. In this context, India as well as many other developing countries referred in their statements to protectionist measures confronting their exports and stressed on the need to preserving and strengthening the multilateral trading system. The Indian statement inter-alia pointed out that there has been an upsurge in the number of bilateral and sectoral agreements and a substantial volume of world trade was now covered by arrangements which circumvent GATT. The Declaration adopted at the meeting inter-alia provides for commitments regarding "standstill" and "roll-back". Extracts from the Declaration in this regard are given below.

Statement

Standstill and Rollback

Commencing immediately and continuing until the formal completion of the negotiations, each participant agrees to apply the following commitments :

Standstill

- (i) not to take any trade restrictive or distorting measure inconsistent with the provisions of the General Agreement or the Instruments negotiated within the framework of GATT or under its auspices;
- (ii) not to take any trade restrictive or distorting measures in the legitimate exercise of its GATT rights, that would go beyond that which is necessary to remedy specific situations, as provided for in the General Agreement and the Instruments referred to in (i) above;
- (iii) not to take any trade measures in such a manner as to improve its negotiating positions;

Rollback

- (i) that all trade restrictive or distorting measures inconsistent with the provisions of the General Agreement or Instruments negotiated within the framework of GATT or under its auspices, shall be phased out or brought into conformity within an agreed timeframe not later than by the date of the formal completion of the negotiations, taking into account multilateral agreements, undertakings and understandings, including strengthened rules and disciplines, reached in pursuance of the Objectives of the Negotiations;
- (ii) there shall be progressive implementation of this commitment on an equitable basis in consultations among participants concerned, including all affected participants. This commitment shall take account of the concerns expressed by any participant about measures directly affecting its trade interests;
- (iii) there shall be no GATT concessions requested for the elimination of these measures.

[Translation]**Availability of Bank Lockers**

740. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn towards the increasing complaints that the customers requesting for lockers are asked by the banks to make fixed deposits and no lockers are allotted to those who do not comply with the condition;

(b) whether the guidelines issued by the Reserve Bank of India to the banks in this regard are being followed; and

(c) if not, what effective measures are taken/proposed to check this practice ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Making of fixed deposits is not a prerequisite for allotment of lockers and Reserve Bank of India have advised the banks to allot at least 80% of the lockers on first-come-first-served basis and not more than 20% on business considerations.

Specific complaints of non-observance of the guidelines brought to the notice of the Government/Reserve Bank of India are promptly looked into for remedial action.

Non-Acceptance of notes of Smaller Denominations by Banks

741. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the fact that officials of banks in the country do not accept the deposits by traders and clients in the denomination of Rs. 2, 5, 10 and 20; and

(b) if so, the action taken or proposed by Government to remove this complaint of traders and clients ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Banks have been advised by the Reserve Bank of India to ensure that branches accept deposits comprising notes of all denominations. The problem, however, arises when a large quantity of small denomination notes are tendered at the closing stages of banking hours. Banks are endeavouring to ensure that even in such situations the deposits are accepted. Complaints received from customers in this regard are looked into by the banks and RBI for remedial action.

[English]**Payment of DA Instalments to Central Government Employees**

742. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) the number of instalments of D.A. due for payment to Central Government employees as on 1.10.86;

(b) the rates of payments of these instalments in various Grades/Scales with details thereof, and

(c) when these instalments will be paid by Government to the employees?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) to (c) The formula suggested by the Fourth Pay Commission is that compensation for price rise may be paid twice a year on the basis of percentage increase in whole numbers in the twelve monthly average of the All India Consumer Price Index Numbers for Industrial Workers (General) (Base 1960=100) for the periods ending June and December each year over the index average of 608 with the salary for September and March respectively. The recommendations of the Commission have been accepted by the Government for Groups 'B', 'C' and 'D' employees subject to the modification that compensation for price rise would be paid from 1st July with salary for September and from 1st January with salary for March.

Such percentage increase in whole numbers for the month ending June, 1986 works out to 4 per cent for employees of Groups B, C & D. Government orders in this regard will be issued in due course.

The decision of the Government on the recommendations of the Commission in so far as Group 'A' employees are concerned is yet to be taken.

Nationalisation of Cigarette Manufacturing units

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

(a) whether any memorandum has been received for nationalising cigarette manu-

facturing units in order to save the tobacco industry which is facing crisis; and

(b) the long term measures proposed to be taken by Government to save the tobacco industry?

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

(b) The Tobacco Board, already set up under the Tobacco Board Act, 1975, assists the growers to improve the quality of virginia tobacco and to increase per acre yield with a view to securing a better deal for the growers. Research work is going on for evolving suitable varieties for export production.

Operations outside India by Tata Group

744 **SHRI KAMLA PRASAD RAWAT :** Will the Minister of COMMERCE be pleased to state :

(a) the number of companies in Tata group that have been given permission under the FERA for operations outside India;

(b) the names and addresses of foreign companies of the above group;

(c) whether it has come to the notice of Government that there are a number of companies associated with the above group with operations outside India without necessary approvals required under the FERA; and

(d) if so, the action being taken against them?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) to (d) Information is being collected.

Tax on Profits of Stock Exchanges

745. **SHRI K. RAMACHANDRA REDDY :** Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to refrain from taking the profits of stock exchanges;

(b) whether the President of Bombay Stock Exchange has requested Government not to tax these profits; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Government has no proposal under its consideration to amend the Income-tax Act, 1961 with a view to exempting the income of stock exchanges from income-tax. However, a request was made by the Stock Exchange, Bombay for exemption of income by way of notification under section 10 (23C) (iv) of the Income-tax Act 1961 which was allowed for the period covered by the assessment years 1977-78 to 1981-82. The request for further extension has been made, which is under consideration of the Government.

Non-Drawal of world Bank Funds by India

746. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have failed to draw from the committed funds of about 6 to 8 billion dollars from the World Bank;

(b) if so, the reason therefor;

(c) whether it is also a fact that with regard to the funds not drawn Government have to pay an interest at the rate of 0.75 per cent; and

(d) if so, the amount of interest paid/ to be paid over these undrawn funds from World Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) World Bank Group assisted projects are implemented over periods normally extending between five to seven years. The assistance committed is utilised over the entire span of the project. Since drawal of funds has to be in accordance with specific project disbursement scheduled, balance amounts would remain rights upto the terminal date of disbursement. As on 31.8.1986 the available undrawn committed funds with the World Bank group were \$ 8.7 billion (\$ 4.6 billion IBRD loans and \$ 4.1 billion IDA credits).

While no interest charge is payable on amounts not drawn, commitment charges are payable at 0.75 per cent and 0.50 per cent against IBRD loans and IDA credits respectively. These charges are payable on the entire balance amount and not only on the shortfalls against disbursement schedules. As such payment of commitment charges by Government of India would not by itself indicate a delay or failure in drawal of committed funds.

(d) The commitment charges paid on committed funds during the years 1984-85, 1985-86 and 1986-87 are as under :—

	(Rupees in crores)		
	IBRD	IDA	TOTAL
1984-85	22.47	6.85	29.32
1885 86	32.14	7.31	39.45
1986-87	24.53	10.85	35.38
(Upto 30.9.86)			

The amount of commitment charges to be paid in subsequent years would depend on the quantum of draws and quantum of new loans/credits negotiated with and approved by the Bank.

Review of 100 per cent Export-Oriented-Units

747. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether the working of 100 per cent export-oriented-units (EOUs) has been reviewed at a meeting held with the representatives of these units in September, 1986;

(b) if so, the problems discussed and the outcome of the discussions;

(c) whether it is proposed to revamp the scheme; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d) A meeting was held by the Minister for Commerce with representatives of 100% Export Oriented Units with a view to identifying operational problems and to improve the working of the scheme. Various suggestions were put forward in this regard relating to input support, Customs procedures, fiscal reliefs, diversification, sale in the Domestic Tariff Area, disposal of waste and rejects etc. These suggestions have been noted.

Suggestions of FICCI

748. SHRI BHARAT KUMAR ODEDRA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Federation of Indian Chambers of Commerce and Industry (FICCI) has suggested changes to the Foreign Exchange Regulation Act (FERA), 1973 to make India's joint ventures abroad more flexible leading to higher growth; and

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

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

(b) Suggestions for amendment in the Foreign Exchange Regulation Act, 1973 are under examination of the Government.

Export of Coir and Coir Products

749. SHRI T. BASHEER : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the export of coir and coir products has declined in the last three years in a big way alongwith the figures of export during the last three years;

(b) if so, the reasons for this sudden decline; and

(c) the steps taken by Government to improve its export ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The exports of Coir and Coir Products during the last three years have been as follows :—

Year	Quantity (Tonnes)	Value (Rs. in crores)
1983-84	27,949	24.34
1984-85	25,788	26.41
1985-86	24,672	32.85

(Source : COIR BOARD)

There has been an increase in the value of exports. The quantitative exports have, however shown a slight declining trend due mainly to shortage of raw material, shifts in demand patterns and competition from cheaper substitutes.

(c) The Government have been taking a number of steps for increasing coir exports which *inter-alia* include sending trade delegations, conducting market studies and market research, releasing advertisements in foreign trade magazines, distribution of publicity material, participation in fairs in major markets, quality improvement and grant of cash compensatory support.

Indo-Nepal Joint Committee

750. SHRI T. BASHEER : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether a proposal to institute a joint committee for bilateral co-operation came up in the recently concluded Indo-Nepal dialogue ; and

(b) if so, what are the modalities in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir. India and Nepal have been discussing the establishment of a Joint Commission which would monitor and coordinate all aspects of Indo-Nepal economic cooperation. The specific terms of reference of the Joint Commission are under discussion.

(b) It is proposed to set up sub-commissions in specific areas of cooperation ; the number of such sub-commissions and the areas of cooperation which they would cover are still under discussion with the Government of Nepal.

Raids on Private Nursing Homes in Delhi

751. SHRI R.S. MANE :
SHRI KAMLA PRASAD SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether tax enforcement authorities raided major private nursing homes in the capital (Delhi) and found 30 lakh

rupees in cash and bank documents and lot of jewellery in about 60 bank lockers as reported in 'Hindustan Times' of 20 September, 1986 ? and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) and (b) Yes, Sir. The Income Tax Department has recently carried out searches covering medical profession in Delhi in which prima-facie unaccounted assets including cash, jewellery and others worth approximately Rs. 77.03 lakhs and lot of incriminating material have been seized. On the date of search 66 lockers were sealed, out of which 54 have since been opened upto 31.10.1986.

Urge to Embark on Nuclear Disarmament

752. SHRI G.G. SWELL :
SHRI MAHENDRA SINGH :

Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) Whether in his speech to the UN Assembly in September, 1986 he urged on Britain, France and China to embark on unilateral nuclear disarmament regardless of what the USA and the USSR might do ;

(b) if so, what was the response of the different nuclear weapon States at the United Nations to his call in the Assembly and thereafter ;

(c) Whether this accords with the country's pronounced on the Nuclear Non-proliferation Treaty ; and

(d) Whether it accords with the initiative of the six intercontinental powers to which India is a party ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) After reminding the two Superpowers of

their major responsibilities for nuclear disarmament, External Affairs Minister went on to say that "other nuclear weapon States also must not shirk their responsibility. A decision on their part for nuclear disarmament would only have a positive effect. They should no longer take shelter behind positions that they would disarm only if the two Superpowers did"

(c) and (d) Yes, Sir.

Economic Declaration at NAM Harare Meet

753. SHRI ANAND SINGH: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) Whether the Eighth Non-Aligned Summit Meet held at Harare in September this year had adopted an Economic Declaration;

(b) if so, the main features of the Economic Declaration;

(c) the strategy contemplated thereunder to achieve mutual self-reliance amongst the developing NAM countries, by way of pooling their resources and ensuring mutual co-operation, help and assistance amongst themselves; and

(d) steps being taken by Government in the light thereof?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH): (a) Yes Sir, the Eighth Summit Conference of the Non-Aligned Movement held at Harare from 1-7 September, 1986 adopted an Economic Declaration.

(b) The Economic Declaration puts forward the assessment of the Movement of the current world economic situation and sets out a strategy for international economic negotiations. It identifies elements of reforms of the international monetary, financial and trading system and calls on the developed countries to show the necessary will to undertake early step

to implement the reforms *inter alia* through convening an International Conference on Money and Finance for Development. The Harare Summit also agreed to establish a Ministerial Standing Committee for Economic Cooperation in order to strengthen and enrich the negotiating platform of the non-aligned countries.

(c) The Declaration reviews the progress of the Action Programme for Economic Cooperation of the Movement. This Action Programme is intended to strengthen the Collective Self-Reliance of non-aligned and other developing countries by pooling their resources. The Harare Summit has streamlined the Action Programme to give it new direction and urgency. Further scope has been given to two initiatives taken by India in this context namely, the Centre for Science and Technology and the Research and Information System of the non-aligned and other developing countries.

(d) India is remaining in close touch with other non-aligned countries in order to implement these decisions in particular the decision on the establishment of a Standing Committee and on the Action Programme for Economic Cooperation.

Adoption of Economic Measures Against South Africa at Harare Meet

754. SHRI ANAND SINGH :
SHRI UTTAM RATHOD :

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) Whether the Eighth Summit of NAM countries adopted a package of stiff 'economic measures' to be applied by international community against the Pretoria Regime of South Africa with a view to out pressure on the said regime to give up its apartheid policy of discrimination against the majority blacks;

(b) if so, the details of the package of sanctions;

(c) the response of the various big powers there to ; and

(d) the steps being taken by Government in the light thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) to (d) The Harare Summit re-affirmed the need for comprehensive mandatory sanctions against South Africa under Chapter VII of the UN Charter and called for the early convening of the UN Security Council for the purpose. Further, as an interim measure, the Summit identified and endorsed the following specific measures for adoption and implementation by the international community :

- (a) Prohibition of transfer of technology to South Africa ;
- (b) Cessation of export, sale or transport of oil and oil products to South Africa, and of any cooperation with South Africa's oil industry ;
- (c) Cessation of further investments in and financial loans to South Africa or Namibia and of any governmental insurance guarantee of credits to the racist regime ;
- (d) An end to all promotion of or support for trade with South Africa, including governmental assistance to trade missions ;
- (e) Prohibition of the sale of krugers and any other coins minted in South Africa ;
- (f) Prohibition of imports from South Africa of agricultural products, coal, uranium, iron and steel etc ;
- (g) Enactment of legislation or adoption of other measures to comply with United Nations Decree No. 1 for the Protection of the Natural Resources of Namibia enacted by the United Nations Council for Namibia in 1974 ;

(h) Termination of any visa-free entry privileges and the promotion of tourism to South Africa ;

(i) Termination of air and shipping links with South Africa ;

(j) Cessation of all academic, cultural, scientific and sports relations with South Africa, and of relations with individuals, institutions and other bodies endorsing or based on *apartheid* ;

(k) Suspension or abrogation of agreements with South Africa, such as agreements on cultural and scientific cooperation ;

(l) The Termination of Double Taxation Agreements with South Africa ;

(m) A ban on government contracts with majority-owned South African Companies.

2. The Harare Summit also established a Committee of Ministers on Imposition of Sanctions to canvass support for the objective of comprehensive mandatory sanctions against South Africa. As a member of the committee, the External Affairs Minister participated in the recent visits of the Committee to USA, UK, Italy, FRG, France and the EEC.

Registered Share Brokers in Delhi Stock Exchange

755. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) Whether it is a fact that Delhi Stock Exchange business has been monopolised by just of few share brokers registered with the exchange, whereas the total share capital of the companies registered with the exchange has now multiplied manifold over the past three decades ;

(b) if so, the comparative figures showing the number of registered share

brokers and the total amount of capital of the firms registered with the stock exchanges at Delhi, Bombay, Calcutta, Madras and other trading centres ; and

(c) steps taken/proposed to be taken to break this monopoly by registering new genuine entrepreneurs in the field in Delhi in particular and other trading centres in general ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The number of members of the Delhi Stock Exchange has increased from 107 in the year 1962 to 117 in the year 1986. According to available information, the capital of the companies listed with the Delhi Stock Exchange has increased from Rs. 260.21 crores in 1971 to Rs. 5125.16 crores in 1986.

(b) Information is being collected from the other stock exchanges and will be laid on the Table of the House.

(c) Delhi Stock Exchange has submitted a proposal to the Government for increasing membership of the Exchange. This is being examined. By and large the other Stock Exchanges have been increasing their membership from time to time.

Implementation of Recommendations of Fourth Pay Commission

756. SHRI ANAND SINGH :
SHRI THAMPAN THOMAS :
SHRI UTTAM RATHOD :
SHRI PRAKASH V. PATIL :
SHRI HARI KRISHNA SHASTRI :

Will the Minister of FINANCE be pleased to state :

(a) what decisions have since been taken with regard to implementation of the Fourth Pay Commission's recommendations with respect to various categories of employees ;

(b) whether part or whole of the arrears due to employees are to be deposited in respective provident fund account and if so, the details thereof ;

(c) whether in case of those to whom contributory provident fund scheme applies only employees share will be credited to the accounts and not the employers' share, if so, the reason therefor ;

(d) the additional burden that will fall on the exchequer annually in implementing the decisions; and

(e) what steps have been taken or are proposed to curb the price rise of various commodities and services in the wake of the new pay scales ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) The Government have accepted broadly, subject to certain improvements, the recommendations of the Fourth Central Pay Commission in the matter of pay scales and allowances etc. in respect of Central Government employees belonging to Group 'B', 'C' & 'D' categories and Armed Forces personnel below officers rank. Copies of the Resolution and the Notifications issued in this regard have been placed on the Table of the House separately.

(b) and (c) As per the extant orders, arrears of pay for the period January to March 1986 will be deposited in the provident fund accounts of the employees. In the case of employees covered by the Contributory Provident Fund scheme no corresponding contribution will be made from the Government side. This is because what is being deposited is not the usual monthly subscription to the provident fund accounts of the employees but only arrears of pay.

(d) The Pay Commission estimated an additional annual expenditure of Rs. 1282 crores exclusive of the Rs. 645 crores per annum already sanctioned by the Government on account of two instalments of

interim relief in 1983 and 1985. The improvements made by the Government on the recommendations of the Pay Commission by advancing the date of effect in respect of revision of pay scales, revision of rates of increments on pay scales of Group 'D' employees, increase in the minimum benefit on fixation of pay in the revised scales etc. are estimated to cost an additional expenditure of Rs. 165 crores non-recurring and Rs. 139 crores recurring per annum.

(e) The thrust of Government's anti-inflationary policy continues to be on effective demand and supply management including strengthening of public distribution system, regulated release of sugar and edible oils, enforcement of fiscal discipline and mopping up of excess liquidity in the system.

[*Translation*]

Expansion of Tourist Facilities in Uttar Pradesh

757. SHRI HARISH RAWAT : Will the Minister of TOURISM be pleased to state :

(a) the number of domestic and foreign tourists, other than the pilgrims, who visited Uttar Pradesh from tourism point of view during the last three years year-wise ;

(b) whether it is a fact that during these years increase in the number of tourists in this State has been less as compared to that of other States on an average ;

(c) if so, the reasons therefor ; and

(d) whether his Ministry, in cooperation with the Government of Uttar Pradesh is preparing a time-bound scheme for the expansion of tourist facilities in this State ?

THE MINISTER OF TOURISM MUFTI (MOHD. SYED) : (a) to (c) Statistics of foreign tourist arrivals are compiled from disembarkation cards on an all-India basis and as such State-wise figures are not available.

However, as per the Foreign Tourist Survey 1982-83, about 23.72% of the foreign tourists visiting India spent at least a night in Uttar Pradesh.

As regards domestic tourism, no reliable statistics are available from the State Government.

(d) Planning and development of tourism facilities is a continuous process and is mostly done jointly with the respective State Governments.

Tobacco Export

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

(a) whether India has been gradually losing the export market for her tobacco due to lack of improvement in its quality ;

(b) if not, whether India's tobacco export during the last three years has been commensurate with the targets laid down ;

(c) the amount being spent on research for improving the quality of tobacco at present and whether it is proposed to increase this amount ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b) Decline in the export of tobacco is due to growing anti-smoking campaigns slow growth in consumption of tobacco in developed countries, payment problem in African countries and increase in production of tobacco in certain importing countries.

(c) and (d) With a view to improving quality and productivity, the Tobacco Board organises programmes on demonstration trials in the farmers fields every year. The amount spent in organising these programmes during 1985-86 was Rs. 2.88 lakhs. The Tobacco Board proposes to organise these programmes in a larger area during 1986-87, consequently increasing the amount.

The Government of India has been sanctioning grant-in-aid for (i) the production and distribution of pure seed and seedlings to the Gujarat Agriculture University, Anand, Andhra Pradesh State Seeds Development Corporation and the Haryana Agriculture University, Hissar; and (ii) for organising training programmes by CTRI Research Station, Dinhat under Director, CTRI, Rajamundry and the Gujarat Agriculture University.

Under this programme, Government of India meets the deficit expenditure. The following grants-in-aid have been released during the last 5 years :—

Year	Grants-in-aid released (in ruppe)
1981-82	2,33,900
1982-83	1,88,300
1983-84	1,41,600
1984-85	2,49,410
1985-86	2,77,000

[English]

Voluntary Disclosure Scheme

759. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) the outcome of his Ministry's announcement regarding voluntary Disclosure Scheme for the last two years; and

(b) how much total unaccounted amount has been disclosed, State-wise, during the last two years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The scheme of Amnesty under the Income-tax and Wealth-tax Acts which has been effective from November 1985 has been encouraging.

(b) Statistics are not being maintained by the Government in this regard.

Repayment of Loans by Companies

760. DR G.S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that several industries, companies and other institutions have borrowed loans from the nationalised banks but are not repaying the loan;

(b) whether Government have asked the banks to consider bringing about a change in the management of those companies which have been found to be continuously defaulting in repayment of working capital loan while siphoning off of the concerns funds; and

(c) the manner in which the action is likely to be taken against the borrowers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Borrowers consisting of industrial units as well as others some times fail to repay their dues to nationalised banks due to various reasons. Quite often defaults in the case of industrial units arise out of sickness either in the particular unit itself or wide-spread sickness effecting a large number of units in a particular industry. In such cases, the units either remain closed or operate below break-even level resulting in cash losses and consequential inability to repay the loans taken from banks. At times, non repayment of loans may be wilful caused by diversion of funds, mismanagement, etc. RBI have issued instructions to the banks that working capital assistance may be withheld in those cases where banks have reason to believe that the management of the units are indulging in malpractices such as siphoning off of the funds leading to persistent defaults in repayment of loans of the banks. Banks have also been advised that they may consider whether a change in management would be necessary in such cases. Banks safeguard their interests by persuasion, enforcing securities, invoking guarantees and taking recourse to legal remedy.

Import of Food-Stuff from USSR

761. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) which food-stuffs are imported from the USSR ;

(b) whether any of these foodstuffs, particularly dairy products, have been imported recently ; and

(c) whether Government have taken any steps to ensure that no food-stuffs, particularly dairy products with likely contamination by radioactive fall out from the Chernobyl nuclear power plant disaster; are imported ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAJ MUNSI) : (a) and (b) No foodstuffs are imported from the USSR recently.

(c) As a precautionary measure sample of all foodstuffs coming from areas likely to be affected by the Chernobyl accident are being tested at Bhabha Atomic Research Centre.

**Appointment of Non-Official Directors
on Boards of Directors of
Nationalised Banks**

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

(a) whether it is a fact that a large number of nationalised banks are without the non official members on their Boards of Directors ;

(b) if so, the names of the banks which have vacancies of non-official members ;

(c) since when these vacancies have not been filled ; and

(d) the time by which these vacancies are expected to be filled up ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) and (b)

Vacancies of part-time non-official directors on the Boards of Directors exist in respect of all the 20 nationalised banks.

(c) Most of these vacancies have arisen since January, 1985.

(d) Action to identify suitable persons for nomination as part-time non-official directors on the Boards of nationalised banks is in hand and the endeavour is to complete the process soon.

**Reports of Economic Administration
Reforms Commission**

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

(a) whether it is a fact that Economic Administration Reforms Commission submitted 30 reports on various topics under its terms of reference ;

(b) if so, whether Government have published the same and placed on the Table of the House ; and

(c) if not, the reasons therefor ?

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

Indian Nationals Residing in U.K.

764. SHRI SYED SHAHABUDDIN : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the estimated number of Indian nationals residing in U.K. and British nationals and subjects residing in India ; and

(b) the average number of British visitors to India every year and of Indian visitors to U.K. ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) 4,03,500 Indian nationals are estimated to be residing in U.K. As regards British nationals and subjects residing in India, the information is being collected.

(b) Information is being ascertained.

Plan to Develop Kapilvastu

765. SHRI SYED SHAHABUDDIN : Will the Minister of TOURISM be pleased to state :

(a) whether Government have finalised any plan for further development of Kapilvastu and its environs ;

(b) if so, the salient features of the plan;

(c) the area of agricultural land proposed to be acquired for the implementation of the plan ; and

(d) whether the land owners concerned have objected to the proposed acquisition ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (d) A master plan for development of various centres of Buddhist pilgrimage is under preparation in consultation with the Archaeological Survey of India and the Governments of U.P. and Bihar. But nothing has been finalised yet.

Steps to Improve Condition of Indian Economic Service

766. SHRI SYED SHAHBUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the action taken by Government of the Memorandum submitted by the officers of the Indian Economic Service for the improvement of their terms and conditions of service and for improving placement and promotion avenues ;

(b) whether Government are aware of the reported hunger strike undertaken by them to press their demands ; and

(c) whether Government propose to abolish the service ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A Section of IES officers have been resorting to hunger strike demanding improvement in their career prospects. These demands have been under examination by the Government for some time.

Several decisions have been taken in the last few months to improve the promotion of IES officers generally.

(i) Direct recruitment to Grade I & II has been abolished ;

(ii) They are now being treated at par with all other Class I officers for Secretariat appointments ;

(iii) 44 posts in Grade III have been upgraded to Grade II.

A view on the recommendation of the 4th Pay Commission relating to their service will be taken along with all other Class I Services.

(c) No such proposal is under consideration of Government at present.

Recommendations of the N.C.A.E.R. on Controlled Cloth

767. SHRI MOOL CHAND DAGA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that his Ministry has not a report on controlled cloth from the National Council of Applied Economic Research (N.C.A.E.R.) ;

(b) if so, when was the report received ;

(c) what necessitated the report ;

(d) the amount paid to N.C.A.E.R. for the report ;

(c) the details of the report and how many recommendations of N.C.A.E.R. have been implemented so far ; and

(f) the steps taken by Government to stop mal-distribution of controlled cloth and the results thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) ; (a) Yes, Sir.

(b) The complete report was received on 1.2.1985.

(c) The study was commissioned with a view to identifying the gaps between the objectives and achievements of the Controlled Cloth Scheme.

(d) A sum of Rs. 8.86 lakhs was paid to N.C.A.E.R. for the report.

(e) The main findings of the report were that :

(i) The major beneficiary of the Controlled Cloth Scheme was the urban population purchasing nearly 71% of controlled cloth at the all India level and the rural population though forming approximately 76% of the total population accounted for only 29% of the controlled cloth purchases.

(ii) Of the controlled cloth sold in rural areas, the economically weaker sections purchased 67% of it. In the urban areas, their share was lower at 54%. The State Governments/Union Territories' Administrations which are primarily responsible for the distribution of controlled cloth have been requested to streamline and strengthen the distributional arrangements for such cloth so that a larger coverage is given to the rural areas.

(f) Cases of mal-distribution of controlled cloth which have come to the notice of the Government have been referred to appropriate authorities for investigation.

Trade Deficit

768. SHRI MOOL CHAND DAGA :
SHRI KALI PRASAD
PANDEY :

Will the Minister of COMMERCE be pleased to state :

(a) the trade deficit since 1980-81 till 1985-86 and the deficit during 1986-87 indicating the figures of imports and exports year-wise ;

(b) the impact of import liberalisation on the balance of payment ;

(c) the items export of which has remained stagnant or declined during past three years ; and

(d) the steps taken for export promotion and import substitution ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The position of India's export, import and balance of trade since 1980-81 is as under :—

India's Foreign Trade

(Value: Rs. crores)

Year	Exports	Imports	Balance of Trade
1980-81	6710.71	12549.15	—5838.44
1981-82	7805.91	13607.55	—5801.64
1982-83	8803.37	14292.74	—5489.31
1983-84	9770.71	15831.46	—6060.75
1984-85	11855.15	17173.25	—5318.10
1985-86*	11005.91	19622.27	—8616.36
*(April-June, 1986)	2790.30	4414.16	—1623.86

*Provisional and subject to revision.

*As per June 1986 Press Note

Source :—DGCI& S, Calcutta.

(b) The balance of payments situation depends upon several factors including the performance of imports and exports. Recent import policy measures have been effected with a view to increasing our domestic production as well as competitiveness of our products in the international market through import of essential raw materials, machinery etc. Though some of these recent policy measures will take time to have an impact, it is expected that they would result in higher export earnings and reduced trade deficit and thereby strengthen our Balance of Payments position.

(c) The principal commodities of India's exports which have witnessed decline during 1984-85 over 1983-84 as well as during 1985-86 over 1984-85 include Tobacco unmanufactured and tobacco refuse, Sugar & Sugar preparations, oil cakes, Fabrica of man-made fibres and metal manufactures (excluding iron & steel).

(d) With a view to reducing trade deficit vigorous promotional measures have been taken during the recent past. These include increasing our exports, easier access to machinery and raw materials to major export sectors, upgradation of technology, modification and periodic revision of our industrial policies etc. Efforts are also being made to step up our indigenous production of imporables during the Soventh Five Year Plan period, particularly in the sphere of bulk imports.

**Adverse Effect of Reservation
Orders of August 1986 on
Handloom Industry**

769. PROF. K.V. THOMAS : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware of the fact that handloom reservation orders issued on 5th August 1986, have adversely affected the Handloom Industry ; and

(b) If so, the remedial action to be taken in the matter ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) Considering the representations received from

the powerloom and mill interests and the recommendations made by the re-constituted Advisory Committee set up under the Handlooms (Reservation of Articles for Production) Act 1985, Government have issued a revised notification reserving 22 items for exclusive production in the handloom sector in August, 1986. The changes effected in the new reservation notification of August, 1986 mainly related to such of those silk items and 100% polyester/ Blended fabrics, which are not produced in the Handloom sector in significant quantities.

**Reduction in Import Duty on
Nutmeg and Nutmace**

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

(a) whether it is proposed to reduce the import duty on NUTMEG and NUTMACE; and

(b) if so, whether it will adversely affect the farmers of Kerala ?

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

(b) Does not arise.

Abolition of sales tax

771. SHRI DINESH SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's dialogue with State Governments regarding the abolition/simplification of sales tax has made any progress ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Efforts made have not so far resulted in reaching a consensus amongst the States.

(b) Does not arise.

Import of Cheap Silk

772. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have increased the import of cheap silk ;

(b) if so, since when and from which countries ;

(c) whether the import of cheap silk has hampered the growth of sericulture industry in the country ;

(d) if so, the steps being taken to reduce the import of cheap silk in order to remove the crists from silk industry ; and

(e) the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) No, Sir. However, import of silk yarn by exporters allowed under the Advance Licensing Scheme and Replenishment Scheme of the Import Export Policy and in order to boost the exports of silk goods, the replenishment percentage has been increased from 20% to 30% in respect of 100% natural silk goods under the Replenishment Scheme of the current Import-Export Policy (April, 1985 March, 1988). Under this scheme, exporters are permitted to import silk from any country.

(c) No, Sir.

(d) and (e) Do not arise.

Consumption and Import of Rubber

773. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) the total production, consumption and import of rubber in the country in 1984-85 and 1985-86 ; and

(b) the figures of production and consumption of rubber as projected for 1986-87 by Indian Rubber Growers Association and other Agencies involved in it ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Production, consumption and import of natural rubber during 1984-85 ; and 1985-86 are as under :

	Qty. in Tonnes	
	1984-85	1985-86
Production	186,450	200,465
Consumption	217,510	235,440
Import	32,408	38,538

(b) The figures of production, consumption as projected by the Indian Rubber Growers Association, is :

Production	230,000 M. Tonnes
Consumption	245,000 M. Tonnes

The latest projection, of production and consumption, of the Rubber Board, is :

Production	220,000 M. Tonnes
Consumption	254,000 M. Tonnes

Self Employment Programme for Urban Poor

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

(a) whether some State Governments have represented in regard to the new scheme of Self-Employment Programme for Urban Poor ;

(b) if so, the reasons therefor ; and

(c) the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c) Presumably, the Hon'ble Member is referring to a reference from the State Government of West Bengal regarding the implementation of the Self-Employment Programme for the Urban Poor (SEPUP), which came into effect from 1st September, 1986. The main suggestion contained in this reference is that the bank should not refuse loan application to an individual for

assistance under SEPUP irrespective of Zone-wise/branch-wise targets. No ceiling as such on the distribution of loan application forms have been laid down, Reserve Bank of India had, however, issued instruction to public sector bank, stipulating that the distribution of application forms for assistance during the current financial year should be completed by 30th September, 1986.

Smuggling of Gold by Diplomates

775. SHRI MOHD. MAHFOOZ ALI KHAN: Will the Minister of FINANCE be pleased to state :

(a) number of cases detected during 1986 so far in which gold was being smuggled into the country through diplomatic bags alongwith the value of gold involved in each case ;

(b) the names of the foreign missions whose diplomats were involved in the smuggling of gold into the country ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During 1986 no case of smuggling of gold through diplomatic bags was detected.

(b) During 1986 (upto September); two diplomats of two different countries were found involved in the smuggling of gold worth Rs. 130.86 lakhs, in two cases. In Public interest, it will not be expedient to disclose the names of the country to which they belong.

(c) The Government has conveyed its serious concern to the countries concerned and these diplomats have already left the country.

Public Response to new Investment Deposit Scheme

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

(a) the terms and conditions of the new investment deposit account scheme, 1986 recently started by Government at a simple interest of 10 per cent per annum ;

(b) the response of the investing public to this scheme so far ; and

(c) the estimated deposits which the Government hope to collect under this scheme every year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably the Hon'ble Member is referring to the announcement of a scheme for the issue of tax-free bonds by selected public enterprises. The public sector bonds will carry interest upto 10% Per annum and a maturity period of 10 years. The income by way of interest from bonds with interest rate upto 10% will be entitled to exemption from income-tax and wealth-tax;

(b) and (c) No issue of such bonds has been completed so far and it is not possible to examine the likely collection under this particular scheme every year.

News-Item Captioned "Report Lacks Reference to Libya"

777. SHRI C. MADHAV REDDI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the attention of Government has been drawn to the news report appearing in the Indian Express, dated the 3rd September, 1986, under the heading "Report Lacks Reference to Libya" wherein it is stated that the address by the Prime Minister as outgoing Chairman of the Conference did not make a mention about recent happening in Libya ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes Sir,

(b) Prime Minister's speech at the 8th Nonaligned Summit in Harare did not contain any reference to Libya.

Export of High Technology by STC

778. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation of India has formulated any scheme to enter into high technology export areas to boost the public sector products and increase exports ;

(b) if so, whether the STC has signed memoranda of understanding with any public sector undertakings and, if so, the particulars thereof ; and

(c) the details of the scheme formulated by the STC ?

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

(b) and (c) STC has signed memoranda of understanding with some public sector units. It is not in the commercial interest of the Corporation to divulge the details of such memoranda.

Reduction in Country Liquor Sale

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

(a) whether it is a fact that the sale of country liquor in the capital has registered a marked decrease as more and more people are opting for the Ayurvedic Tonic (Mrit Sanjivani Sura) which has a high alcoholic content ;

(b) if so, whether it has resulted in revenue losses to the excise and prohibition department ; and

(c) if so, to what extent ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) The subject-matter pertains to the State List of the VIIth Schedule of the Constitution of India. The Commissioner of Excise, Delhi has reported that the sale of country liquor has marginally decreased and consumption of Ayurvedic tonic i.e., Mrit Sanjivani Sura could be one of the various factors responsible.

(b) and (c) Commissioner of Excise, Delhi, has reported that there has been some drop in revenue but the loss cannot be quantified as there are several factors responsible for the decrease in consumption of country liquor.

Production of Stick Lac

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

(a) whether the growers of stick lac are being paid the remunerative prices ;

(b) whether this is a fact that in last three decades the country's production of stick lac has declined from over 40,000 tonnes to about 13,000 tonnes ; and

(c) if so, the steps proposed to be taken to increase the production of stick lac ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir. The price being received by the lac growers is considered to be remunerative.

(b) Yes, Sir. However, the production of stick lac is now increasing. The production for 1985-86 was 18,175 tonnes (estimates), and crop for 1986-87 is estimated to be of 20,000 tonnes.

(c) A number of steps are being taken to increase production of stick lac and these include the implementation of the Central scheme of "Extension Work and Package Programme for Lac Cultivation in various States" to educate the growers of lac in improved methods of lac cultivation

and to motivate them to increase the production of stick lac by giving them suitable demonstrations and also incentives in the form of broodlac, pruning implements, insecticides, etc. This scheme is being implemented in the States of Bihar, West Bengal, Orissa, U.P. and Gujarat. The Shellac Export Promotion Council, Calcutta is carrying intensive publicity campaigns to educate the lac growers and is also distributing broodlac free of charge to the needy lac growers.

Closure of NTC Mills

781. SHRI BASUDEB ACHARIA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have decided to close down some NTC mills;

(b) if so, details thereof; and

(c) what would be the fate of the workers of those mills and the Government's plan to save them from unemployment ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (c) No final decision has been taken to close down any NTC mills so far.

Cheating of Scheduled Banks in Delhi

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

(a) whether it is a fact that some scheduled banks in Delhi have been cheated of huge amounts running into several crores of rupees;

(b) whether CBI has been entrusted with the investigation of the cases; and

(c) if so, the details of the frauds and the progress made by CBI in those cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) to (c) Information is being collected and, to the extent available and admissible under the statutes governing the public sector banks, will be laid on the Table of the House.

Anti India Broadcast from Toronto

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

(a) Whether Government have called for a report from Embassy in Ottawa (Canada) regarding anti-India broadcast from Toronto and other stations in that country;

(b) if so, the main features of the report; and

(c) whether it has been revealed as to which organisation supported and funded the subversive radio programmes ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) and (c) According to available information, there is one radio programme in the Toronto area that is funded by the World Sikh Organisation, and two radio and one TV Programme in the Vancouver area run by people close to the World Sikh Organisation which have an anti-Indian slant. There are other broadcasting stations run by moderate Sikh groups. Whenever appropriate, the Indian High Commission has approached the concerned Canadian authorities and radio station owners about the biased or inaccurate broadcasts.

Outstanding Loans

784. SHRI MURLI DEORA : Will the Minister of FINANCE be pleased to state :

(a) the total loan outstandings recoverable by all nationalised banks; and

(b) the steps being taken to plug irregularities and loopholes in rules governing bank loans which have been impeding recovery ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per latest data available total advance of Rs. 49,902 crores were outstanding in respect of Public Sector Banks (Indian operations) as at the end of December, 1985.

(b) The performance of Public Sector Banks in the field of recovery is being regularly monitored. The banks have been advised to improve the method of appraisal and supervision of credit so as to minimise the incidence of overdues. The State Governments have also been requested to extent necessary assistance to the banks in affecting recovery of their dues. The Reserve Bank of India has further advised banks to monitor the recovery performance branch-wise and to pay special attention to the areas where the recovery is less than 50 per cent of demand.

Stock of Edible Oil with STC

785. SHRI MURLI DEORA : Will the Minister of COMMERCE be pleased to state :

(a) the stock of edible oils with the STC as on October 1, 1986;

(b) whether Government are aware that the price of edible oils is going up; and

(c) if so, the steps Government propose to take to meet the huge requirements of the festive season ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The stocks of imported edible oils with STC (both in storage and in transit) as on 1.10.1986 amounted to approximately 3,38,780 metric tonnes.

(b) and (c) Overall prices of edible oils in the domestic market showed a general increase till September, 1986. Recently, however, there has generally been a downward trend in the prices of edible oils. Imports of edible oils are arranged by the Government, keeping in view the requirements, indigenous production, availability of foreign exchange and other relevant factors.

Effect of imports on Capital Goods Industry

786. SHRI MAHENDRA SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the capital goods industry is being badly affected by imports;

(b) if so, whether Government have reviewed the import policy relating to capital goods; and

(c) the decisions taken in this regard ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) to (c) Import of capital goods, which are not under Open General Licence, is allowed only after careful consideration from indigenous angle. Certain capital goods are allowed for import under Open General Licence. These items are either not produced in the country or in their case necessary protection has been given by way of tariff.

However, the import policy is kept under constant review so that corrective measures could be taken in the interest of domestic industry.

Indo-US Talk

787. SHRI SOMNATH RATH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that Indo-US talks were held in New York in the last week of September, 1986;

(b) if so, the nature of talks held; and

(c) the outcome thereof ?

**THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) :** (a) Yes,
Sir.

(b) The talks covered various bilateral and international issues.

(c) The talks provided an opportunity to discuss the possibilities of strengthening cooperation and enhanced understanding on some issues of mutual interest.

**India's demand at Vienna Conference
for Inclusion of Military nuclear
Installation Accidents in International
Notification**

788. **SHRI KRISHNA SINGH :** Will the Minister of EXTERNAL AFFAIRS be pleased to state ;

(a) Whether India had demanded at the Conference of International Atomic Agency held at Vienna on September 29, 1986 that accidents at Military nuclear installations be also included for international notification; and

(b) if so, in what context the demand was made and what was the response of the Committee on nuclear power thereto ?

**THE MINISTER OF STATE IN THE
MINISTRY OF EXTERNAL AFFAIRS
(SHRI K. NATWAR SINGH) :** (a) Yes,
Sir.

(b) The demand was made in the context of the refusal of the nuclear weapon States to agree to inclusion of nuclear weapons and other non-peaceful nuclear installations within the scope of the Convention on Early Notification of Nuclear Accidents. As a result, the nuclear weapon powers made public statements confirming that they would notify all

accidents, including accidents involving nuclear weapons or tests, even though the latter were not specifically included in the Convention.

Position of balance of payment

789. **SHRI KRISHNA SINGH :**
SHRI NITYANANDA MISRA :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that while the Reserve Bank of India in its Annual Report 1985-86 foresees a growth of at least 5 per cent it calls for a fresh look at the balance of payments position for the Seventh Five Year Plan, in the context of a large trade deficit of Rs. 7,951 crores in 1985-86;

(b) if so, the actual balance of payment for the preceding three years; and

(c) decisions taken in the light of RBI's proposal for review of the balance of payment and the trade deficit for Seventh Five Year Plan ?

**THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) :** (a) Yes,
Sir. That the balance of payments situation will be difficult during the period of the Seventh Plan had also been pointed out in the Economic Surveys of the Government in the last three years.

(b) The balance of payments for the latest three years are given in the statement below.

(c) In the course of its review of sectoral developments over the year the Planning Commission had also considered the balance of payments situation in 1985-86. Taking account of developments in foreign trade it had emphasised the need for sustained and vigorous efforts to contain the trade deficit through more rapid growth of exports in line with the Seventh Plan target. The trade deficit projected in the Seventh Plan amounted to Rs. 34,700 crores in 1984-85 prices.

Statement
India's overall balance of Payments
(Rs. crores)

Items	1982-83			1983-84			1984-85		
	Credits	Debits	Net	Credits	Debits	Net	Credits	Debits	Net
I. CURRENT ACCOUNT									
1. Merchandise	9137.1	14913.2	-5776.1	10168.5	16039.3	-5870.8	11959.2	18680.3	-6721.1
2. Invisibles	6102.1	2622.4	3479.7	6892.7	3284.3	3608.4	8263.1	4394.4	3868.7
3. Total Current Account	15293.2	17535.6	-2296.4	17061.2	19323.6	-2262.4	20222.3	23074.7	-2852.4
II. CAPITAL ACCOUNT									
1. Private	454.4	237.0	217.4	963.2	266.3	696.9	1467.0	375.2	1091.8
2. Banking	418.2	349.8	68.4	396.0	214.4	181.6	366.6	560.0	-193.4
3. Official	2834.8	2295.7	539.1	3598.7	2290.4	1308.3	4065.9	1574.0	2491.9
4. Total Capital Account	3707.4	2882.5	824.9	4957.9	2771.1	2186.8	5899.5	2509.2	3390.3
III. IMF	1892.9	0.0	1892.9	1410.5	72.0	1338.5	216.8	152.4	64.4
IV. SDR ALLOCATION	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
V. ERRORS AND OMISSIONS			203.1			-490.0			323.6
VI. RESERVES AND MONETARY GOLD	479.7	1104.2	-624.5	805.4	1578.3	-772.9	1453.5	2379.4	-925.9

**Excise Duty Exemption on Excess
Sugar Produced**

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

(a) whether Government has totally exempted the basic excise duty on excess sugar produced during the first two months of 1986-87 season, to provide an incentive to start early cane crushing and to boost up sugar production this year; and

(b) if so, how far it is likely to boost up sugar production during the first two months of this year's crushing season as compared to that in the corresponding period in last two years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir, Exemption from basic excise duty has been granted on excess sugar produced in a factory during the period 1st October to 30th November, 1986, as compared to the corresponding periods of the previous two sugar years.

(b) The extent to which the sugar production is increased would depend on several variable factors including availability of sugar cane and percentage of recovery. It is not possible to give a reliable estimate regarding the additional production of sugar likely to be achieved during the early crushing season attributable solely to incentive provided by way of the excise duty concession. However, it is found that during the periods when excise duty rebate was given in the past, higher than normal production was generally achieved.

Concessions to Tea Industry

791. SHRI KRISHNA SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have lately announced a package of concessions to tea industry to boost export ;

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

(c) how far tea export is likely to go up as a result of these concessions ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c) Measures taken in the recent past to increase exports of tea include, higher cash compensatory support on value-added teas, excise rebate of 50 paise per kilogram on export of bulk tea, full rebate of excise duty on exports of packet teas, exemption of excise duty on tea bags, exemption of customs duty on filter paper used in manufacture of tea bags etc. Those concessions will give a boost to tea exports.

Proposal to Purchase Mini coaches

792. SHRI G.M. BANATWALLA :
PROF. K.V. THOMAS :

Will the Minister of TOURISM be pleased to state :

(a) whether the Government of Kerala has sent any proposal for purchase of mini coaches for use at Parambikulam and Neyyar Wild Life Sanctuaries ;

(b) if so, the financial outlays involved ; and

(c) whether clearance has been granted ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) Yes, Sir, State Government of Kerala has approached the Department for financial assistance amounting to Rs. 14.60 lakhs for the purchase of 4 Mini Buses i.e. two each for use in Parambikulam and Neyyar Wild Life Sanctuaries.

(c) The proposal of the State Government is under consideration.

Proposal for Forest Lodges in Kerala

793. SHRI G.M. BANATWALLA : Will the Minister of TOURISM be pleased to state :

(a) whether the Government of Kerala submitted any proposal for forest lodges ;

(b) if so, details thereof ; and

(c) whether clearance has been given for the proposal ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) The State Government's proposal for the construction of a Forest Lodge at Parambikulam Wildlife sanctuary at an estimated cost of Rs. 17,19,250 has been received in the Department and is being favourably considered.

Project Reports for Development of Beaches in Kerala

794. SHRI G.M. BANATWALLA : Will the Minister of TOURISM be pleased to state :

(a) whether Government of Kerala has submitted any project reports for developing certain beaches ;

(b) if so, the names of beaches that have been identified by the State Government and details of the projects for developing them into beach resorts ; and

(c) whether the projects have been cleared and if not, steps taken to expedite clearance ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The

State Government has plans to develop Kappad Beach near Kozhikode, Calicut ; Varkala Beach in Trivandrum District ; Thirumullavaram in Quilon District and Muzhappilangad beach in Cannanore District. However, so far only one scheme for development of Kappad Beach has been submitted to the Central Department of Tourism at an estimated cost of Rs. 55.00 lakhs.

(c) The proposal is being examined and the State Government has been asked to furnish additional information in respect of certain items.

Branches of Nationalised Banks

795. SHRI SOMNATH CHATTERJEE :

SHRI SYED MASUDAL HOSSAIN :

SHRI KATURI NARAYANA SWAMY :

Will the Minister of FINANCE be pleased to state :

(a) the total number of branches of different nationalised banks at present, State-wise ;

(b) the total amount of deposits in nationalised banks during the last three years, State-wise/year-wise ; and

(c) the investment by nationalised banks in the different States during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) State-wise details of total number of branches of 28 Public Sector Banks as on 31.3.1986 and details of deposits and outstanding advances as on the last Friday of December for the last three years are set out in the Statement given below.

Statement

State-wise details of total number or branches of 28 Public Sector Banks as on 31-3-1986 and detail of deposits and outstanding advances of 28 Public Sector Banks as on the last Friday of December for the last three years :

State/ Union Territory as on	No. of branches 31-3-86	1983		1984		1985	
		Deposits	Advances	Deposits	Advances	Deposits	Advances
Andhra Pradesh	2926	3232	2293	3937	3053	4516	3449
Assam	595	638	269	752	381	890	464
Bihar	2381	2592	1033	3112	1199	3599	1343
Gujarat	2752	4122	2117	4650	2552	5280	2867
Haryana	869	1051	777	1267	886	1499	1019
Himachal Pradesh	451	361	155	432	186	519	215
Jammu & Kashmir	232	296	114	346	134	425	149
Karnataka	2519	2789	2239	3285	2776	3767	3275
Kerala	1475	1753	1146	2102	1430	2606	1630
Madhya Pradesh	2277	2044	1175	2404	1405	2931	1723
Maharashtra	3954	9765	8966	11435	10832	14489	12139
Manipur	41	22	12	26	16	31	22
Meghalaya	86	85	19	103	26	119	33
Nagaland	56	42	18	58	22	73	28
Orissa	958	715	525	819	642	969	774
Punjab	1844	3162	1440	3717	1816	4425	2013
Rajasthan	1498	1308	896	1563	1088	1878	1240
Sikkim	19	25	2	37	5	45	10
Tamil Nadu	2695	3371	3023	3930	3785	4578	4316
-----	58	52	31	63	39	78	46

(Rs. in crores)

	1	2	3	4	5	6	7	8
Uttar Pradesh	4263	5957	2618	6761	3033	7831	3523	
West Bengal	2466	5802	3331	6641	3717	7822	3753	
Andaman & Nicobar Islands	14	14	4	17	6	20	8	
Arunachal Pradesh	38	24	5	31	7	163	8	
Chandigarh	103	438	720	517	1011	609	1364	
Dadra & Nagar Haveli	6	4	3	5	3	5	5	
Delhi	956	5309	3629	6280	3669	7669	4183	
Goa, Daman & Diu	250	509	176	600	211	711	227	
Lakshadweep	5	3	—	3	1	4	1	
Mizoram	17	18	4	23	5	29	7	
Pondicherry	52	83	48	93	53	115	63	

US-China Agreement to construct Roads

796. SHRI S.M. GURRADI: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) Whether Government are aware that US and China, two of Pakistan's closest foreign allies, have agreed to help in building major roads ;

(b) if so, whether these roads would endanger the security of India as these roads are touching the borders of India and Pakistan ;

(c) if so, whether, earlier, Chines had also thought of building the road across the border area ; and

(d) if so, the steps Government are considering to take in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) and (b) There is no confirmed information on any US-China agreement to construct roads in Pakistan's border areas.

(c) Earlier, China had assisted Pakistan in building the Karakoram Highway in Pakistan Occupied Kashmir-

(d) The Government of India have repeatedly protested to the Governments of China and Pakistan on the construction of the Karakoram Highway making clear our position that neither China nor Pakistan have any locus standi on the matter and that whatever action taken by the two countries singly or jointly in this regard is illegal and unacceptable.

Nationalisation of 13 Textile Mills

797. SHRI BASUDEB ACHARIA :
SHRI SODE RAMAIAH :
SHRI R.M. BHOYE :

Will the Minister of TEXTILES be pleased to state ;

(a) the reasons for the delay to nationalise 13 Bombay sick textile mills which were taken over in October, 1983 ; and

(b) by what time these mills will be nationalised ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The nationalisation of the 13 Bombay mills could not be undertaken so far because a detailed examination of the various alternative courses of action is necessary.

(b) It is not possible to indicate any definite time.

Misuse of Import Licences

798. SHRI JAGANNATH PATTA-
NAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that large scale imports of hotrolled coils are now being allowed in violation of the Government's import policy ;

(b) whether it is a fact that several units in the steel pipes and tubes industry are applying for supplementary licences for import of HR coils during the current financial year as well as for repeat operation of the supplementary licences issued to them in the previous year

(c) whether it is also a fact that taking undue advantage of this facility several steel pipes and tubes manufacturers which claim export worth Rs. one crore have applied for issue of supplementary licences to them in 1986 ; and

(d) whesher some cases have also been detected and if so, the details thereof ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) and (c) Under the Import Policy 1985-88, eligible exporting industrial units are permitted to have the additional facility

for repeat operation of the supplementary import licence obtained by them in the preceding licensing year. A few units applied for both repeat operation and fresh supplementary licence. Instructions have been issued to take into account the repeat operation facility while considering fresh supplementary licence.

(d) According to available information two units namely M/s Zenith Pipes and M/s Ambica Steel have received this year both Repeat and Supplementary Licences for HR Coils. These will be taken into consideration while fixing their import entitlement in future.

Bonus to Central Government Employees

799. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the reasons for giving only fifteen days emoluments as an ad hoc bonus for year 1985-86 to the Central Government employees as against twentythree to thirty-two days paid last year ;

(b) whether Government have received any representations against the decision for reducing the quantum impounding it in the provident fund account of the employees ; and

(c) if so, action taken by Government in the matter ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE : (SHRI B.K. GADHVI) : (a) to (c) Reviewing their earlier decision the Government have since announced payment in cash of ad hoc bonus, equivalent to 23 days emoluments, for the accounting year 1985-86, to Central Government employees not covered by any of the Productivity Linked Bonus schemes. Likewise, Government have announced payment of Productivity Linked Bonus in cash for the accounting year 1985-86 on the basis of the formulae that were in operation in 1984-85 in respect of the Departments where Productivity Linked Bonus was applicable earlier.

The above decisions are similar to those relating to the previous accounting year.

12.00 hrs.

[English]

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Sir, yesterday, I received a bundle of invitations from the National Cultural Festival through the Chairman, Mr. Agarwal. Sir, it is printed in Hindi, in a language which is not known to us. Sir, after receiving the cards, we have gone through the cards...

(Interruptions)

MR. SPEAKER : Hon. Members, do not stand in the aisle. It does not behove you.

SHRI P. KOLANDAIVELU : Sir, it is completely in Hindi.

MR. SPEAKER : I will do it.

SHRI P. KOLANDAIVELU : Actually, they are imposing Hindi.

DR S. JAGATHRAKSHAKAN (Chengalpattu) : Yesterday, the Prime Minister gave an assurance. Today, they are sending this kind of thing. What is the purpose ?

MR. SPEAKER : It might be a lapse on somebody's part, I will take it up.

SHRI P. KOLANDAIVELU : We are unable to know what is the purpose of it. The purpose is not being served.

(Interruptions)

MR. SPEAKER : Please don't stand in the aisle. It does not behove you.

(Interruptions)

DR. S. JAGATHRAKSHAKAN : It is not a national festival.

MR. SPEAKER : As Members of Parliament, you are not supposed to stand in the aisle. I have assured you that this might be a lapse on somebody's part. We will rectify it. We will do it.

SHRI P. KOLANDAIVELU : I want an assurance from you. You have to get it done, Sir.

MR. SPEAKER : I will get it done. Nothing is going to be imposed on anybody.

DR. S. JAGATHRAKSHAKAN : we do not know Hindi.

(Interruptions)

MR. SPEAKER : I have already requested you not to stand in the aisle.

DR. S. JAGATHRAKSHAKAN : This kind of thing is going on continuously. The name is also written in Hindi only.

SHRI P. KOLANDAIVELU : What is the use of sending the invitation like this ?

MR. SPEAKER : When I have said it, I will do it.

(Interruptions)

DR. S. JAGATHRAKSHAKAN : Is it a North Indian Cultural Programme ?

MR. SPEAKER : I will do it, don't worry.

SHRI P. KOLANDAIVELU : We have to tear it into pieces. What is the use of it ?

MR. SPEAKER : It is somebody's mistake. Don't do it.

SHRI SURESH KURUP (Kottayam) : Why is carnatic music not represented in the National Cultural Festival ?

(Interruptions)

MR. SPEAKER : What is your point of order ?

SHRI THAMPAN THOMAS (Mavellakara) : Sir, this is a very important issue. The Food Corporation of India has stopped the sub-Depots and because of that supply of rations has been completely disturbed...

(Interruptions)

MR. SPEAKER : You give me in writing.

(Interruptions)

MR. SPEAKER : You waste my time unnecessarily without rhyme or reason. You can see me.

SHRI THAMPAN THOMAS : I have given a notice.

MR. SPEAKER : I am not going to get you on record.

*(Interruptions)***

SHRI THAMPAN THOMAS : I have given a notice.

MR. SPEAKER : You can see me.

*(Interruptions)***

MR. SPEAKER : There is no rule under which you discuss it on the floor of the House. This Hon'ble gentleman is not allowed.

KUMARI MAMATA BANERJEE (Jadavpur) : Sir, Netaji Subhash Chandra Bose's role has been shown in Raj Se Swaraj...

(Interruptions)

[Translation]

MR. SPEAKER : We are going to discuss it.

[English]

Madam, we will discuss it.

SHRI S. JAIPAL REDDY (Mabhubnagar) : Sir, my question on the loans to Reliance Industries by Banks has not been reached, Sir.

MR. SPEAKER : Does not matter.

SHRI S. JAIPAL REDDY : I have tabled a notice.

MR. SPEAKER : No problem.

SHRI S. JAIPAL REDDY : It is a very important matter.

**Not recorded.

MR. SPEAKER : It might be.

(Interruptions)

SHRI S. JAIPAL REDDY : The Government admitted that there were gross irregularities...

[English]

PROF. P.J. KURIEN (Idukki) : I have given a Calling Attention...

(Interruptions)**

MR. SPEAKER : Not allowed: No point of order.

SHRI S. JAIPAL REDDY : Why can't it go on record, Sir ?

MR. SPEAKER : There is no point of order.

(Interruptions)**

MR. SPEAKER : Why are you doing it ?

(Interruptions)

SHRI S. JAIPAL REDDY : I have tabled a Calling Attention Notice.

MR. SPEAKER : Does not matter. Heavens won't fall.

I will look into it.

(Interruptions)

SHRI S. JAIPAL REDDY : It is true, Sir. But why should you say that it will not go on record?

MR. SPEAKER : Sir, I say, it is your duty and your right to give a Calling Attention Notice, and it is my right to look into it.

SHRI S. JAIPAL REDDY : But, then it is my right to go on record...

MR. SPEAKER : No, because there is no point of order.

MR. JAIPAL REDDY, if you had had a valid point of order, I would have allowed you; but this is no valid point of order.

[Translation]

Why are you behaving like that ?

MR. SPEAKER : Does not matter. I am not going to give my decision on the Calling Attention notice on the floor of the House. That is my prerogative, and I am going to keep it, and I am going to decide what Calling Attention I will allow. But I will give. . . . (Interruptions)

PROF. P.J. KURIEN : Let me say what I want to say. You are allowing everybody. . . .

MR. SPEAKER : No, I have not allowed him also. Even if you want to say that much as he has done, you will not go on record. So simple it is. He has not gone on record, because he has not got my permission.

SHRI S. JAIPAL REDDY : How is it possible ?

MR. SPEAKER : It is just possible.

SHRI S. JAIPAL REDDY : I am on a point of order.

MR. SPEAKER : No ; no point of order. There is nothing on this question. What is the rule which has been broken, for which you are on a point of order ?

SHRI S. JAIPAL REDDY : You permitted me to speak. . . .

MR. SPEAKER : I asked you to, but I can stop you. Now, Mr. Datta Samant, what is your point of order ?

SHRI S. JAIPAL REDDY : At least upto the point I was permitted, I should go on record.

MR. SPEAKER : Mr. Samant, what is your point of order ?

DR. DATTA SAMANT (Bombay South Central) : I have already given notice that the whole film industry in Maharashtra is closed.

MR. SPEAKER : We are discussing it. I am not going to allow you now. Nothing doing.... No ; out of order.

*(Interruptions)***

SHRI S. JAIPAL REDDY : I am on a point of order, Mr. Speaker ...

MR. SPEAKER : No point of order.

[Translation]

What will you gain from that ?

[English]

SHRI BASUDEB ACHARIA (Bankura) : Please listen to his point of order.

MR. SPEAKER : There is no point of order being discussed here.

SHRI BASUDEB ACHARIA : Please listen to him.

MR. SPEAKER : I have already listened to him.

SHRI S. JAIPAL REDDY : You permitted me to speak. But what I spoke was not allowed to go on record.

MR. SPEAKER : Because you were out of order, I declared you out of order ...because there was no point of order.

SHRI INDRAJIT GUPTA (Basirhat) : His point of order was different.

SHRI BASUDEB ACHARIA : Please listen to him.

SHRI S. JAIPAL REDDY : Allow me to formulate my point of order.

MR. SPEAKER : Mr. Acharia, what he raised was about a point of order concerning a Calling Attention, I told him, it is under my consideration. Nothing more, nothing less. That is all.

SHRI S. JAIPAL REDDY : You said that whatever I said would not go on record.

MR. SPEAKER : If this is what you say, I am not going to say 'No' ; I am not going to say 'Yes'. I simply say it is under my consideration.

SHRI S. JAIPAL REDDY : Sir, I am not asking you to say 'Yes' ; what I am pleading is that my submission should go on record.

MR. SPEAKER : You may like to waste the time of the House.

SHRI S. JAIPAL REDDY : I am drawing your attention to the dangerous practice of getting everything expunged *(Interruptions)*

MR. SPEAKER : You are an hon Member of the House ...

SHRI S. JAIPAL REDDY : You allowed me to speak.

MR. SPEAKER : I am not going to do it ...

SHRI S. JAIPAL REDDY : I wish to draw your attention to this unparliamentary practice of expunging everything from the record.

MR. SPEAKER : I do not expunge... *(Interruptions)*

SHRI S. JAIPAL REDDY : I want to speak to you on this ruling—on what can be expunged, and what cannot be expunged. ...

SHRI BASUDEB ACHARIA : What he spoke should go on record.

*(Interruptions)***

SHRI INDRAJIT GUPTA : Normally those things are expunged which are unparliamentary.

MR. SPEAKER : I do not expunge anything, Sir, you do not realize it. do not expunge.

**Not recorded.

**Not recorded.

SHRI INDRAJIT GUPTA : He is only drawing your attention to the fact that he has given notice . .

MR. SPEAKER : That much portion is right there. When he drew my attention, I over-ruled that objection. It is simple. Nothing more, nothing less. I do not expunge. I will never expunge.

SHRI INDRAJIT GUPTA : You asked the whole thing to be expunged.

MR. SPEAKER : Only unparliamentary word are expunged. That is all.

SHRI INDRAJIT GUPTA : What was the unparliamentary word ?

MR. SPEAKER : When I say : 'You are not allowed', my permission is withdrawn. That is all.

SHRI INDRAJIT GUPTA : It is your right, Sir either to give or not to give permission. We should give notice.

PROF. P.J. KURIEN : I have given a Calling Attention notice about cardomom growers and rubber growers who are on an agitation against too low prices. That is the problem. Two lakh workers are affected.

MR. SPEAKER : That is right, but it is no point of order. No. I can discuss it. I can think over it, but I cannot say 'Yes' or 'No' on the floor of the House.

PROF. P.J. KURIEN : Will you consider it ? The notice is already there.

MR. SPEAKER : It is not proper or right, because it is not the way to discuss a Calling Attention notice—on the floor of the House.

PROF. P.J. KURIEN : You can consider it.

MR. SPEAKER : I always consider ; and you are welcome. I never say 'No'. I never say you are not doing a very good job. You are doing a very good job. You might have given a very good Calling Attention. But according to the time available, I can do it.

[English]

What is your point of order, Mr. Ramswaroop Ram ?

[Translation]

SHRI RAMSWAROOP RAM (Gaya) : Mr. Speaker, Sir, I have given notice of a Calling Attention to you about the propaganda being made by Sri Lanka Radio against India for the last four months. There should be a discussion on it.

[English]

MR. SPEAKER ; We are already doing it. Please sit down.

[Translation]

Had you consulted your friends, you would have come to know that—

[English]

—We have already decided on that. Take your seat.

DR. KRUPASINDHU BHOI (Sambalpur) Junior Resident Doctors in Delhi have gone on strike. . . .

MR. SPEAKER : You can give it to me in writing. This is not the proper way to do it. So simple it is.

(Interruptions)

SHRI SURESH KURUP : How can they organise a national festival without the representation of Karnatak music ?

MR. SPEAKER : There is no point of order.

(Interruptions)

[Translation]

MR. SPEAKER : Madam, what do you want to say ?

SHRIMATI SUNDERWATI NAWAL PRABHAKAR (Karol Bagh) : Mr. Speaker, Sir, with your permission I want

to say that our country is known by the name of 'Bharatvarsha' (Interruptions) and Hindi is our mother tongue. (Interruptions) Hindi is our language and it will remain so. . .

MR. SPEAKER : Then who has stopped you ? . . . (Interruptions)

[English]

MR. SPEAKER : It is all right. Please sit down. I must make my position clear. Please look here.

[Translation]

SHRI RAMSWAROOP RAM : Hindi is our national language.

[English]

MR. SPEAKER : Please listen to me, Mr. Ramswaroopji.

(Interruptions)

[Translation]

SHRI RAMSWAROOP RAM : This is playing with the national language. Every hon. Member starts speaking here against Hindi.

(Interruptions)

MR. SPEAKER : No one is playing with the national language. The only question is how one has to work and if someone has committed a mistake that will be rectified. We are not going to impose Hindi on anyone.

(Interruptions)

MR. SPEAKER : Your obstinacy has done the damage. Please sit down.

[English]

This is the stated policy of the Government.

Nothing doing : I would not allow it.

(Interruptions)

[Translation]

MR. SPEAKER : Profagonists like you create problems. Had the people like you not behaved like this, Hindi would have been in use long ago.

[English]

Take your seat.

(Interruptions)

MR. SPEAKER : Do you not realise what you are doing ? I know my job.

(Interruptions)

MR. SPEAKER : They are equally good, equally nice. There is no problem Hindi stands there ; English stands there Hindi has got the national status. That is right.

Shri Madhavrao Scindia.

12, 14. hrs.

PAPERS LAID ON THE TABLE

[English]

Notifications under Life Insurance Corporation Act, 1956 and General Insurance Business (Nationalisation) Act, 1947 and Report of the Committee on Advances made by Banks against shares/Debentures of Reliance Industries Ltd.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANAR DHANA POOJARY) ; I beg to lay on the Table :—

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 48 of the Life Insurance Corporation Act, 1956 :—

[Shri Janardhana Poojary]

- (i) The Life Insurance Corporation of India Class III and Class IV Employees (Revision of Terms and Conditions of Service) (Second Amendment) Rules, 1986 published in Notification No. G.S.R. 1076 (E) in Gazette of India dated the 11th September, 1986 together with a corrigendum thereto published in Notification No. G.S.R. 1155 (E) in Gazette of India dated the 21st October, 1986.
- (ii) The Life Insurance Corporation of India Development Officers (Revision of Terms and Conditions of Service) Rules, 1986 published in Notification No. G.S.R. 1091 (E) in Gazette of India dated the 17th September, 1986 together with a corrigendum thereto published in Notification No. G.S.R. 1156 (E) in Gazette of India dated the 21st October, 1986. [Placed in Library. See No. LT-3141/86]
- (2) A copy of Notification No. G.S.R. 804 (Hindi and English versions) published in Gazette of India dated the 27th September, 1986 making certain amendment to Notification No. G.S.R. 734 dated the 23rd August, 1958, under sub-section (4) of section 43 of the Life Insurance Corporation Act, 1956. [Placed in Library. See No. LT-3142/86]
- (3) A copy of the General Insurance (Rationalisation and Revision of Pay Scales and other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Amendment Scheme, 1986 (Hindi and English versions) published in Notification No. S.O 729 (E) in Gazette of India dated the 3rd October, 1986 issued under section 17 A of the General Insurance Business (Nationalisation) Act, 1972. [Placed in Library. See No. LT-3143/86]

- (4) A copy of the Report (Hindi and English versions) of the Committee on the Advances made by Banks to certain borrowers against the security of shares/debentures of the Reliance Industries Limited. [Placed in Library. See No. LT-3144/86]

Annual Plan, 1986-87

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM) : I beg to lay on the Table a copy of the 'Annual Plan, 1986-87' (Hindi and English versions). [Placed in Library. See No. LT-3146/86]

Annual Report and Review on the working of Apparel Export Promotion Council, New Delhi, for the year 1985 and Statement for delay in Laying these papers

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : I beg to lay on the Table :—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Apparel Export Promotion Council, New Delhi, for the year 1985 along with Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Apparel Export Promotion Council, New Delhi, for the year 1985.
- (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-3145/86]

12.15 hrs.

**SUPPLEMENTARY DEMANDS
FOR GRANTS (RAILWAYS),
1986-87**

[English]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): I beg to present a statement (Hindi and English Versions) showing the Supplementary Demands for Grants in respect of the Budget (Railways) for 1986-87.

12.16 hrs.

**STATEMENT RE : FINANCIAL
POSITION OF RAILWAYS**

[English]

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): MR. SPEAKER, Sir, the House will recall that while presenting the Budget Estimates for 1986-87, the then Minister of Transport, Shri Bansi Lal, had envisaged an originating loading target of 267 million tonnes of revenue earning goods traffic for the current year. The House will be glad to know that upto the end of September 1986, the Railways have carried about 128.4 million tonnes of revenue earning traffic which exceeds the target for this period by about one million tonnes. This represents an increase of about 8.4 million tonnes of originating traffic compared to the corresponding period of last year. The loading would have been even better had there not been less materialisation of certain programmed bulk commodities. I have every hope that with concerted effort, the Railways will end the financial year clearing at least 270 million tonnes of revenue earning traffic which would be an improvement of as much as 12 million tonnes as compared to the last year and 3 million tonnes over the target set. The

trend under Passenger and Other Coaching is also improving and I anticipate that the net traffic receipts may be about Rs. 106 crores above the Budget Estimates.

There is a continuous thrust to increase the productivity of the system by better utilisation of assets. I am glad to inform the House that to end of August 1986, the leading efficiency indicator, that is, Net Tonne Kilometres Per Wagon Per Day to (Broad Gauge) has risen to 1260 compared to 1189 achieved in the corresponding period of the previous year.

Working Expenses

While the position of traffic lifted as well as the productivity of the system is quite satisfactory, the Working Expenses have come under a very heavy strain because of the post-budget increase in staff costs. The outgo resulting from the implementation of Pay Commission's recommendations alone is estimated at Rs 462 crores. The Dearness Allowance instalment sanctioned by the Government from the 1st of April 1985, implies a liability of Rs. 25 crores. An additional amount of about Rs. 33 crores has been paid to the Railway staff on account of Productivity Linked Bonus. These three factors account for an additional requirement of Rs. 520 crores under Ordinary Working Expenses.

Contribution to the Pension Fund was increased to Rs. 280 crores in the current year's Budget compared to Rs. 260 crores provided in the year 1985-86. However, keeping in view the increase in disbursement arising out of liberalisation of Pension Rules, the Railway Convention Committee have recommended enhancement of this contribution to Rs. 350 crores in the current year itself. Therefore, it is necessary to provide an additional sum of Rs. 70 crores as contribution to Pension Fund.

Thus, even without taking into consideration any further increases in dearness allowances that may be sanctioned during the current year, the staff costs of the Railways are likely to increase by Rs 590 crores over the Budget Estimates.

[Shri Madhavrao Scindia]

Expected Financial Results 1986-87

The House will thus notice that in spite of an additional anticipated earnings of Rs. 106 crores, generated through more traffic effort, there will still remain an adverse impact of about Rs. 484 crores on the financial position of the Railways resulting in a shortfall of Rs. 415 crores compared to a surplus of Rs. 69 crores shown at the time of the Budget. The House will appreciate that this situation, resulting from a steep push up of staff costs mainly arising out of Pay Commission's recommendations, is due to factors beyond the control of the Railways.

Economies

I want to assure the House that we are already engaged in a very intensive drive to scale down the revenue expenditure to the maximum extent possible, taking care, however, that it does not in any way affect the maximising of revenue. In the current year, due to an all out effort for traffic maximisation, the Railways are expected to net Rs. 421 crores from additional traffic over the earnings realised in 1985-86. For a traffic effort of this level, the normal increase in ordinary working expenses would have been about Rs. 300 crores. Nevertheless, we resolved that in the national interest, Railways should make a supreme effort to absorb most of the increased cost by even greater productivity and economies. An honest and sincere effort is being made to achieve this end.

However, with the implementation of the recommendations of the IVth Pay Commission, involving an increase in staff costs of about Rs. 462 crores, the financial picture has changed drastically and the Railways are now likely to end with a net shortfall of Rs. 415 crores, after payment of full dividend to General Revenues.

Need to avoid large deficit

The House is also aware that the Government is keen to keep the quantum of deficit financing to the minimum. Any substantial loss on the railway system would tend to increase the quantum of deficit financing as a whole in the country.

It is against this background that it has become necessary to propose some adjustments in railway tariffs at this time, in order to raise some additional resources and thereby helping to minimise the burden on the General Budget.

As the House is aware, the railway freight tariffs are telescopic in nature that is, keeping in view the reduction in the share of fixed costs, the freight rates are tapered down with the increase in distance. The degree of this taper needs review from time to time in the light of the pattern of traffic, changes in technology, cost of operation etc. I have, therefore, proposed a slight flattening of the taper which would give an additional revenue of Rs. 313 crores in the current year as also serve the purpose of rationalising the freight structure on the Railways. In regard to parcel and luggage traffic, I propose to increase the rates by 15% which will yield an additional revenue of about Rs. 7 crores. These proposals will be effective from 1.12.1986.

The House will recall that in the Budget Estimates for the current year there was no increase in freight tariffs whatsoever. In respect of passenger traffic as much as 90% of the travelling public were not subjected to any increase. There was a marginal increase in respect of Second Class Mail and Express passengers and a larger increase in respect of upper class passengers. However, as about 98% of the passengers who travel by rail are from lower and middle income groups, I have decided that in order to avoid hardship to them, I would not make any increase whatsoever in passenger fares.

With the implementation of these proposals which will yield additional earnings of Rs. 320 crores in the current year, Railways will be left with an uncovered gap of Rs. 95 crores in the current year. A Memorandum is being circulated to the Hon'ble Members, containing details about the proposals. It will be our constant endeavour during the course of the year to bridge this gap to the maximum extent possible through further intensification of the traffic effort.

Memorandum Explaining the
Proposals for Adjustments in
Freight Structure and Parcel and
Luggage Rates (to be effective from
1.12.1986)

Freight Structure

For reasons explained in the speech of the Minister of State for Railways, a new rationalised Goods Freight Structure is proposed to be introduced with effect from 1.12.1986.

The freight structure was last revised from 1.4.1983, in the light of the recommendations of the Rail Tariff Enquiry Committee. Although the Rail Tariff Enquiry Committee had recommended that the tariff rates should be revised once a year so that the rates keep pace with the changes in the prices of major inputs in the production of railway transport, there has been no major change in the freight rates in the last three years except levy of Supplementary Charge of 10 per cent from 154.85 on Goods Traffic, other than Salt, moving beyond 500 kms. However, implementation of the recommendations of the Pay Commission has now imposed a heavy burden on the Railways due to which it has become necessary to bring about changes in the freight structure.

The railway freight tariffs are telescopic in nature, that is, keeping in view the reduction in the share of fixed costs, the freight rates are tapered down with the increase in distance. The degree of this taper needs review from time to time in the light of pattern of traffic; changes in technology, cost of operations, etc. This taper is, at present, very steep. For instance, the rate per tonne per km at 2500 kms. is only 44 per cent of the rate at 100 kms. Though some reduction is justified on traffic going to longer distances, there is a need to flatten the taper.

With this object in view, it is proposed to revise the taper of class rates of all commodities as indicated below :

Revision of Taper of Class Rates

Distance in Kms.	Index of Rate per Quintal per Kilometre	
	Existing taper	Proposed taper
100	100	100
200	77	80
300	68	73
400	64	69
500	61	69
600	64	69
700	62	69
800	60	67
900	59	66
1000	58	66
1100	57	64
1200	55	63
1300	55	63
1400	54	62
1500	53	62
1600	52	61
1700	51	60
1800	50	59
1900	49	58
2000	48	57
2510	44	52

The change in taper is illustrated in the graph given in Annexure which is laid on the Table of the House. [Placed in Library. See No. LT-3159/86]

The rates will continue to be calculated for the following blocks of distances :

Kilometres	
1-100	one block
101-250	5 kms. blocks
251-800	10 kms. blocks
801-2400	25 kms. blocks
Beyond 2400	50 kms blocks

Parcels and Luggage : The rates for Parcels and Luggage are proposed to be increased by 15 per cent with effect from 1.12.1986.

12.20. hrs

CALLING ATTENTION TO MATTER
OF URGENT PUBLIC IMPORTANCE

[English]

Agitation by Junior Engineers
(Telecommunications)

SHRI P.R. KUMARAMANGALAM
(Malem) : I call the attention of the Minister of Communications to the following matter of urgent public importance and request that he may make a statement thereon :

The situation arising out of the continued agitation by the Junior Engineers of the Department of Telecommunications and the action taken by the Government in that regard.

12.21 hrs.

[MR. DEPUTY SPEAKER *In the Chair*]

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV) : Sir, The Junior Engineers Telecommunication Association had given a notice and have been resorting to work-to-rule agitation from 16.10.1986. This has affected the telecommunication services, particularly the long distance services significantly. The restoration of faults has been delayed and the number of circuits faulty at any time has been between 50 to 100% more than normal. This has affected the putting through of trunk calls, STD and telex & teleprinter services.

The Junior Engineers Telecommunications have been demanding a higher scale of pay (Rs. 550 900 pre-4th Pay Commission against Rs. 425-700). They feel that their jobs involve much higher technical competence and responsibility than similar jobs elsewhere. Their entry qualifications are also higher and they undergo intensive training before final appointment.

The Department has been sympathetic to their demands but before these could be conceded, all aspects had to be considered in consultation with the Ministry of Finance. This matter was discussed with the Ministry of Finance and in 1983, on the advice of that Ministry, the case was referred to the 4th Pay Commission.

The 4th Pay Commission took note of the demands of Junior Engineers Telecommunications as well as the recommendations of the Department of Telecommunications. They also recognised that the technology in the field of telecommunication is changing rapidly and it is necessary for the Department to have trained manpower of requisite calibre. They, however, felt that the suggestion for higher pay scale actually relates to job evaluation to determine relative worth of charge of different posts. They felt that it was not possible for them to undertake this work. The Government has taken note of these remarks of the Pay Commission and is taking appropriate steps in this regard.

The Junior Engineers Telecommunications had also launched an agitation in July, 1986 soon after the submission of the Report of the 4th Pay Commission. There had been discussions at various levels and an assurance was given to them that the matter will be represented by the Ministry at various levels. This was done, but the Government did not find it feasible to concede straightaway the demand for raising the pay scale of the entire cadre without suitable further study as suggested by the Pay Commission. To meet the demands part of the way, it was agreed to give a promotional grade for 65% of the posts in the cadre. Simultaneously, it was decided to constitute an inter-Departmental Group to study the matter further.

The inter-Departmental Committee held a number of meetings, but the Chair person came to the conclusion that the Committee, as constituted, could not reserve the matter and that actual job evaluation would be necessary.

While this matter was being further considered, on the release of the Government decision on the recommendations of

the 4th Pay Commission, the Junior Engineers Telecommunication Association gave notice and started fresh agitation. The matter was taken in conciliation. Discussions have been held at various levels including the level of Member (Personnel), Secretary (Telecommunications) and the Ministers, both directly and under the auspices of the Chief Labour Commissioner. The matter was also examined by a Committee of Secretaries. It was decided that the Inter-Departmental Committee be re-constituted with higher powers and with specific power to engage consultants for job evaluation. A specific proposal to decide the method of selection for 65% of posts in the higher grade was also given for consideration of the Association. They were also told about the constitution of the High Level Committee and requested to call off the agitation. During these discussions, the Hon'ble Member, Shri P.R. Kumaramangalam had also met the Minister, secretary (Telecommunications) and the Chief Labour Commissioner and was explained the position at length.

The representatives of the Association, while appreciating the position of the Department, pleaded that they were not in a position to call off the agitation and that in view of the long delays in settling this matter, the rank and file may not respond to such a call. They requested a meeting by the Secretary (Telecommunications) and the Sanchar Mantri with their Executive Committee including their Circle Secretaries. This was agreed. The meeting is scheduled for this afternoon.

The position is that there are nearly 2 lakhs employees in the related scale of Rs. 425-700 and it is not possible to grant a higher scale to one section of them without a proper study and evaluation. A High Level Committee has been appointed on 27.7.86 to undertake this study and evaluation. The Committee has been requested to make available its recommendations as early as possible and in any case not later than three months. The continuing agitation is, causing inconvenience to the public and also resulting in economic losses. I take this opportunity to appeal to the agitating employees

to withdraw their agitation and restore normally in services and cooperate with the High Power Committee to help resolve the issue. In this connection, I may mention that Government has armed itself with powers under Essential Services Maintenance Act to deal with the situation in case it becomes necessary. I am, however, confident that good-sense and goodwill will prevail and it will not be necessary to resort to provision of Essential Services Maintenance Act.

SHRI HARISH RAWAT (Almora) :
It is a hopeless statement, Sir.

SHRI P.R. KUMARAMANGALAM :
Mr. Deputy Speaker, Sir, I am a little surprised by the statement and amused because one is constrained to understand that in between the lines there is an indication that firstly, when I was explained the matter at length, I seemed to have understood in a very sympathetic fashion and that the representatives of the Association also appreciated the position of the Department and pleaded that they were not in a position to call off the agitation.

At the outset, I would like to say that that is not right for the simple reason that this issue is not an issue that has been born today. In 1980, when the late C.M. Stephen was the Minister of Communications, he took up the matter. Again the matter was taken up in 1983. Then it was taken up by the Minister of Communications Shri V. N. Gadgil and then again in 1986 by the previous Minister of Communication Shri Ram Niwas Mirdha. The most amusing thing is that the Department is sympathetic with us. They say that the demand is not unjust, is not unfair and the demand is over seven years old. The demand is not just based on the fact that we are technically superior. That goes without question. The demand is also based on the fact that the people who are in the junior cadre, i.e. from the cadre from which people are promoted to J.E. are getting a higher scale. In other words when RSAS go through competitive examination and pass, they move from higher pay scale to low pay scale to a superior post. Such an anomaly is pending not for one or

[Shri P.R. Kumaramangalam]

two years but for six years. Minister after Minister takes up the matter. What is on? Committee after Committee are appointed. I would have understood if no evaluation had been done till now. The Indian Institute of Management, very well knows, very popular, at Bangalore, was engaged an independent body Lakhs of rupees were spent by the Department to analyse, rationalise; understand, study the P & T Department. They gave it in their report in favour of J.Es., in favour of technicians and say that technology is going up. You require to have high qualification. It is a fact that JEs today require minimum qualification of either a Graduation in Science or in Engineering. The technician requires Diploma in Engineering. But they are treated at lower level than the Matric in other Departments and you expect to go to the 21st Century with technological advances and pay of these technical personnel is the least! While on the one hand you pay Junior Accounts Officer, Inspector of Excise—one does understand that. Charity begins at home but does it stop it home? That is a question. If one is willing to give Junior Accounts Officer and to Inspector of Excise, because they belong to the Finance Department, why can't technical employees be given justice?

It is not a question that this issue did not come up and was not agreed to by the Ministers. Both the Ministers in writing as well as orally one after another said, "Yes, your issue is just. We will try and get you. Certainly we will fight up the case and fight for you." But what has happened? The real truth is that the bureaucracy in this Government have learnt the art of weaving wool over the eyes of the Ministers. They have learnt the art of ensuring delay in giving justice to the employees. They appoint Committee after Committee, get evaluation after evaluation for years without end.

I may, at this stage, point out that this work to rule agitation is not only a work to rule agitation which is being done by the Junior Engineers, Class III technicians are also on agitation. It is surprising—though their qualification is Diploma (Engineering), their scale is the lowest in the Government of India compared to any technician. Other technicians

can be Matric, but they get scale of Rs. 1200 and Rs. 1400 while these technicians get Rs. 925. Whenever the issue is taken up—when it went to the Pay Commission, the Pay Commission said, "Technical evaluation has to be done." Technical evaluation was done by the Indian Institute of Management, Bangalore. No mention of it was made as if it does not exist on record at all and their is no Report. Very sincerely they say 'no'. We wish to agree to your demand. However, to discriminate 2 lakh employees, we require evaluation. What about evaluation? What has been done earlier?

All right, A Group of Ministers appointed a Committee. The Chair Person of the Committee was one Smt Khosla, Joint Secretary, Department of Personnel. She stayed for one month. She resigns. She does not say she was helpless and she requires to have consultancy service of some experts to do job evaluation. No. She resigns and says, 'No, I do not want to be the Chairman' Then you keep quiet for a period of time, then you appoint another committee with a retired Secretary of Communications—with due respect to him, Mr. Agarwal—and in that committee you put the same Chairperson, Mrs. Khosla, who resigned saying, 'I am incapable of handling the issue'. How much and how long are the employees going to be fooled around? To what extent? If you want the credibility of your move, then there must be some basis behind it. Merely going to the employees and saying that 'I sympathise with your matter' or 'we sympathise with your issue, but we are constrained' is not enough. There has to be some action. We have seen historically that these committees—I often say there is like for the Committees, that committees of government and sub-committees of government are similar to diarrhoea, that in both cases there are sittings, in both cases there are reports and in both the cases the matter is dropped. That is what is happening with every single committee, and committees do not lend credence, they are always treated as a way out of the problem somehow to buy peace for the moment. This peace has been bought not once, not twice, but six times in telecommunications. Every time a committee is appointed,

Today the employees in the Telecommunications have reached a stage where they have said, 'We want no more committees. You say, our demand is unjust, throw it out of the window, we will, face it. But tell us clearly where we stand. There are enough committees and enough reports which are in our support; not a single report is against us. Take it, accept it or reject it, but please for God's sake do not appoint another committee. We do not want committees.' That is the stand of the employees, whether they are technicians or whether they are junior engineers. If the Indian Institute of Management at Bangalore, which is supposed to be an independent body, where I understand even Ministers and bureaucrats go for refresher courses or training courses. . . (*Interruptions*) In Hyderabad also there is an Institute. Bangalore is also named. Well, if they are good enough for Ministers to be trained and refreshed, I think their report is valuable enough and should be treated with credence by Government.

Mr. Deputy-Speaker, in this particular case, in addition to the fact that committee after committee is being set up and nothing is happening, the truth is today neither can the Association of Junior Engineers nor can the technicians withdraw their agitation in the name of another committee for the simple reason that not only will they not be able to satisfy their members, but definitely the public at large will ridicule them. And I am unable to understand that when it is an admitted fact that faults are doubled, why is it that this Government does not feel that it is necessary for it to take a decision? Why is it that the bureaucracy's point of view is prevailing?

Mr. Deputy-Speaker, Sir, if I may submit quietly while making an appeal to the unions to withdraw their strike. . .

MR. DEPUTY-SPEAKER : Please wind up.

SHRI P.R. KUMARAMANGALAM : Mr. Deputy-Speaker, Sir, I would like to

have two minutes, it is important, telephones and communications all over the country are slowly coming to a grinding halt. It is not a matter of just a Calling Attention. It is a serious matter where a demand considered, admitted just—they say they are sympathetic, but they are not willing to concede it and giving committee after committee, excuse after excuse to buy time. Mr. Deputy-Speaker, Sir, while making an appeal to the agitating employees to withdraw their agitation and restore normalcy—that is almost a plea—simultaneously they announced that they have armed themselves with ESMA. In fact they have armed themselves with it on 4th of November.

SHRI THAMPAN THOMAS : MISA.

SHRI P.R. KUMARAMANGALAM : It is not MISA, it is only ESMA. Why if their demand is just, if the movement is just, when it is accepted that the issue has been delayed for years and when the workmen are agitated, is it the role of this Government to throttle them, close their mouths using a draconian law known as ESMA? Every time, workers raise their voice as saying we want justice, we want injustice corrected, is ESMA going to be shown to them? What is happening in this country? Are we being ruled by the people's representatives or are we being ruled by the bureaucracy? That is the issue. Mr. Deputy-Speaker, Sir, all of us know that we write letters to bureaucrats. As a simple Member of Parliament, I know that the normal reply comes, it is a formal rejection—of course, very politely worded. How many issues which are just settled by the bureaucrats? They have no accountability. They are not answerable to anybody. But still they think, they rule this country. Often jokingly I say that we Members of Parliament are called temporary employees, Ministers are casual and they consider themselves to be the permanent employees, the rulers of this nation. It is unfortunate that the bureaucracy are prevailing and real justice is not being given.

I would like to end, Mr. Deputy-Speaker, Sir, by just saying this much that the working class will not be cowed down,

[Shri P. R. Kumaramangalam]

We will not take injustice. We will be reasonable, one are willing to negotiate, we are willing to discuss. If the JETA union says that let the Minister and Secretary address the Executive, they said it because they do not want to sound as if they are blocking the cadre for meeting the Ministers, blocking the cadre for meeting the Secretaries and as if we have played politics. Our objective is to settle the issue amicably. If the Government comes forward, we are most willing to settle. But, however, if the Government is under the impression that using the threat of ESMA or applying ESMA, I would like to go on record, to say that the working class as a whole, without exception, without any political colour, will revolt. We will not tolerate it. We will ensure in this country that not a single wheel moves if ESMA is used. If at all with velvet gloves, an iron hand is extended, we are still willing to grip it. We are not against it. May I take this opportunity to appeal to the Communications Minister, to appeal to the Finance Minister to appeal to the Prime Minister, my beloved leader that it is time now that our people's representatives or Ministers remove that veil which the bureaucrats have so efficiently knitted over the eyes of the Ministers and see the reality. Come forward and settle.

We are the working class who stand by right from the beginning to the end. But please don't allow yourself to become tools in the hands of the bureaucrats who do not have the interest of the poor, the working class or the employees of any single institution in their heart. They belong to a class and they will only serve their class interest.

DR. CHINTA MOHAN (Tirupati) :
Sir, at the outset, I sympathise with the striking Junior Engineers of the Telecommunication and at the same time, I condemn the attitude of the Government. All the time they come down with the weapon that this shall be considered as essential service and therefore this sort of attitude should go out from the mind of the Government of India. When the servant is on the long strike, the master is likely to be at fault. When the Government of

India servants are on strike means, the Government of India is at fault.

The Government service mainly depend on the productivity, efficiency and standard of living conditions of the Government servants. When compared to pre-independence days, today the price-rise is about 6 times high. This is all due to the wrong planning of the Government.

12.45 hrs.

[SHRI SOMNATH RATH *in the Chair*]

In spite of more than 35 years of Congress rule, the country and the Congress-I do not have a clear concept and they do not have a clear ideology. They have finished sixth Five Year Plans and we have entered into the Seventh Five Year Plan. In the Seventh Five Year Plan, we have finished almost two years and, you have raised the 7th Five Year Plan outlay to about Rs. 1,87,000 crores. Out of that, you are mainly depending upon the public sector. You are planning Rs. 42,000 crores for the public sector but the public sector is today in shambles. Coming to the field of public sector, most of the public sector units like SAIL are getting loss of Rs. one crore per day. At this juncture, we cannot mainly depend on the public sector. The Government is not having a clear-cut concept and we are getting losses. On the expenditure side, it is Rs. 22,220 crores. We will have a budget deficit of Rs. 35,000 crores by the end of the Seventh Five Year Plan. (*Interruptions*). We have revised the tax structure in 1974 with the appointment of the Mathai Commission. The trade deficit is about Rs. 9,000 crores. With all that, I say that the Seventh Five Year Plan is a big fiasco. I say that the economic policies of the present Finance Minister are at stake.

With all this, I do not blame the Communications Minister for the strike. I blame the Finance Minister who is not able to control the present situation of the price rise and, at the same time, these telecommunication staff have gone on strike today. Today about 2 lakh people) and

tomorrow some more people come and ask for the wage rise. Actually, they are getting basic pay of Rs. 225-700. But their demands are very genuine. Radio technicians and lab technicians are getting more than what they are getting at present. Suppose, a Member of Lok Sabha is getting Rs. 1,000/- and a Member of Rajya Sabha is getting Rs. 1,500/- Naturally I will be worried. I will demand and agitate and do some sort of a strike. (Interruptions) Mr. Kumaramangalam was saying that since six years, no Communication Minister has taken any time to look into the problems. They say that they are evaluating the problems. At the same time, they say they are studying this. It will not help the people at large. I would like to say that you should deviate from such tactics. Just by raising the pay structure and pay scales, the standard of living of a particular Government employee will not raise. If the pay packet is mainly spent on liquor and lottery, it will not increase the standard of living. Today a person is getting Rs. 1,000. If you increase the salary to about Rs. 1,500/-, the quality and standard of living will not change at all. Suppose, today a worker will take a beedi, tomorrow he will definitely jump into a cigarette. By his just smoking a cigarette, you will not say that the standard of living has gone high. For all that, we should set an example. The masters should set an example. Then only the servants will follow. Unfortunately, today the masters in the Ministries who are sitting there, they are living in Five-Star culture. When they are living in a Five-Star culture, how can you expect the Government Servants to be satisfied... Because they keep in mind the price rise.

(Interruptions)

In the Seventh Five Year Plan, you have raised Rs. 1730 crores....

(Interruptions)

In the Seventh Plan outlay, regarding the Communications Ministry, you said about the balanced growth in the network of this Communications Department and you have promised to give rapid modernisation and quantum of technology and productivity. I do not know any reason

to appreciate all these four factors. With this, I condemn the attitude of the Government and support the workers' strike.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Sir, in fact, there is a serious situation today in the country arising out of the work-to-rule agitation resorted to by about 22000 Junior Engineers of the Telecommunications Wing of the Ministry of Telecommunications. After going through the statement made by the Minister here and supplied to us a little bit earlier, I was entertaining a hope that today in the afternoon there will be a solution to this vexed problem and that would naturally give a sigh of relief to everybody. But I am confused after I heard my hon. friend Shri Kumaramangalam, because there is a reference given in the statement on page 3, in the para preceding to the last para it states :

"the representatives of all the associations while appreciating the position of the Department pleaded that they were not in a position to call off the agitation and that in view of the long delay in settling this matter, the rank and file may not respond to such a call off. They requested a meeting by the Secretary with the Telecommunications and Sanchar Mantri with their Executive Committee including their circle Secretary. This was agreed. The meeting is scheduled for this afternoon"

You heard Shri Kumaramangalam who is deeply involved in this matter, that this was not exactly the position. So, the confusion is worse confounded.

Sir, Shri Arjun Singh has taken over this Ministry recently. He is a Cabinet Rank Minister. Shri Santosh Mohan Dev is assisting him as Minister of State. They are quite new. They have stepped into the Ministry in the midst of this agitation. In fact, I think, this agitation has greeted them to this Ministry. We have faith in

[Shri Sriballav Panigrahi]

the ability of the Minister. Shri Arjun Singh is known as a trouble-shooter. So, whatever might be the vexed situation, I am quite hopeful that there will be a solution and a very early solution to this problem.

One thing I fail to understand. You know, this problem is not one of today. This is quite an old problem lingering on for the last several years. In the year 1983, on the advice of the Finance Ministry, this matter was referred to the Fourth Pay Commission. These demands had received the moral support of as many as four Ministers in charge of Communications from then on till now. But how in spite of all these things, this demand which has been called 'justified', which had received the moral support from the Ministry from all the Ministers in charge the Ministry, till now this demand has not been fulfilled? Now, there is a conflict going on between.....

MR. CHAIRMAN : I cannot help you. The rule permits only five minutes.

SHRI SRIBALLAV PANIGRAHI : Sir, I am just making only points. It seems to us that a confusion, confrontation is going on between the Ministry of Communications and the Ministry of Finance. I would like to know whether the Finance Ministry or the Pay Commission directly gave such concession to other categories of employees of this grade, and the equivalent grade.

They have now left the matter to the department on the plea of job evaluation. When a job evaluation has already been done by a known Institute, the Indian Institute of Management, Bangalore, I do not know why again Committees after Committees are being appointed to go into this. Naturally, that is bound to arouse the anger of the people and displease the people who have been fighting for long for their genuine demands. They have naturally demanded higher pay scales to be on par with their counterparts working in other Departments. The Pay Commission also has recognised that the work involved is of a higher technical nature.

I would now come to one thing. Job evaluating was already done in Bangalore by the Indian Institute of Management. Again another Committee was appointed. What were the terms of reference of the Khosia Committee? Why did she resign? What sort of attitude is this—on the part of a civil servant? When some specified work was entrusted to them, they have avoided that responsibility. Again a Committee has been appointed. How long will this drama continue? Naturally, it is the people who are suffering. Today there is no telephone line functioning between Delhi and other parts. The newspapers are also suffering because the tele-communications lines are defunct. The SAARC Conference is going to be held in Bangalore shortly. What will happen if this strike is not called off, if this agitation is not called off immediately? Things will go worse.

When the Minister feels that the demands are justified and genuine, how is the bureaucracy coming in between? In a democracy it is the political leadership which is supposed to be the master of the situation and master of the rules and regulations; they should not be slaves to the rules and regulations. If any rule comes in the way, that is a point for consideration and that has to be sorted out.

There is force in what Shri Kumaramangalam has said. The demands are genuine. The job evaluation has already been done by the Indian Institute of Management. The Department has also recommended. So, there should not be any further delay in accepting their demands and thus bringing about a happy and honourable solution to this problem which is causing concern in different circles.

SHRI THAMPAN THOMAS (Mavelikara) : Sir, I would like to raise certain very important things on this matter. I would place this issue from three angles: one as a consumer, another as a trade unionist and the third as a Member of Parliament. Today the position is that the tele-communications in the country are completely paralysed because of this strike. In fact, the Ministry has been sleeping over this issue for the last 15 days.

The news which I have received today from my constituency is this. There is a hospital where dead bodies are kept in my constituency, in Thiruvalla, and they are waiting for the relatives of the dead to come from the Gulf countries. Normally the dead bodies are kept in cold storage, but since there is no space in the mortuary to keep the dead bodies, they are kept out, and the whole area is smelling bad. This is happening because the relatives of the dead who are in the Gulf countries could not get the message and, therefore, could not come and attend to the burial. This is the situation in my constituency because of this strike. This has been published in leading Malayalam newspapers. This is the exact news which I have got.

There is another thing. In Ahmedabad, the Mayor of the city has placed a wreath on the telephone and buried it.

This is the situation prevailing in this country. I do not know how this Government is going to tackle this issue. This Government is posing in this House that it is a Government which is working but I say that it is a Government which is sleeping over issues. And it has been proved very well because you had no mind to settle this matter with the representatives of the trade union all these days. The demands raised by the workers are genuine. Of course, the issue has the support of all the working class in the country because it relates to their service conditions and there is discrimination among themselves who are doing the same work. They want the same salary which is a common and natural issue. You are not ready to tackle it and hear them. Because of that the whole situation has gone to such a position.

13.00 hrs.

I say as a consumer that no rent or telephone charges should be collected from 14th October onwards when these workers started strike. Otherwise we will start a civil disobedience in order not to pay the charges.

MR. CHAIRMAN : The Hon. Member will continue after lunch. The House is now adjourned for lunch.

13.01 hrs.

The Lok Sabha then adjourns for Lunch till Fourteen of the clock

The Lok Sabha re-assembled after Lunch at six minutes past Fourteen of the Clock.

[MR DEPUTY-SPEAKER *in the Chair*]

CALLING ATTENTION TO
MATTER OF URGENT PUBLIC
IMPORTANCE—CONTD.

[*English*]

Agitation by Junior Engineers Tele-
Communications)

SHRI D.N. REDDY (Cuddapah) : Sir, I want to be the first to congratulate you here. I have received your invitation today. Heartiest congratulations and best wishes on the occasion of your marriage.

MANY HON. MEMBERS : Congratulations from all of us.

SHRI D.N. REDDY : I wanted to be the first to congratulate you.

PROF. MADHU DANDAVATE (Rajapur) : On a point of order Can anybody marry prospectively ?

MR. DEPUTY-SPEAKER : Thank you. I request all over friends to come over to Madras. That is my request.

Sbri Thampan Thomas.

SHRI THAMPAN THOMAS (Mavelikara). Mr. Deputy-Speaker, Sir, I was mentioning about the liability of the subscribers to pay for the period from October 14 if this event continues. I feel that no subscriber in India is liable to pay to the Telephone Department after 14th October since there is *no quid pro quo*. They are not giving us any service and

[Shri Thampan Thomas]

without giving any service they cannot take money from us. As a consumer I feel that the consumers of telephones in India should take the position that they will not pay the amount to the department. I feel that this is in consonance with the teachings of Gandhiji's civil disobedience movement. According to that, where injustice is done to the people, they should not be prepared to pay the money.

Then, as a trade unionist, I would like to point out to the issue which has come out of this agitation, and which shows how the Fourth Pay Commission has approached the problem of workers and because of that how the anomaly has crept in. The trade unions in India were demanding equal pay for equal work. Why have they not given that treatment to the junior engineers, which are also technical hands. They are also doing technical work, but they were not taken care of. They are not even being paid the salary that a sweeper may be getting in any public sector undertaking. That is their plight. The sweeper and other such employees might be getting more in terms of D.A., and other facilities. If that is the case, it is only natural and desirable that the demands of the workers in terms of their salary etc. will have to be considered and settled. This has been a long pending issue. This is an issue which you could have discussed with them and finally settled with them. But you have not done that.

The issues raised by the workers are genuine and have to be morally supported; that deserves our support.

However, the course of action adopted by them to put the consumers into difficulties was rather embarrassing. Instead of that, they could have gone for a total strike in consultation with other trade unions and Government would have reacted on that. Anyway, I am not going into the details of it. However, this issue requires settlement at the earliest.

I also find that the technology that you are adopting for the communication

system is a total failure. You were telling about the communication systems which you are importing from abroad. The various technologies that you are importing from abroad have now proved to be a total failure. The cross-bar system or the CLT system, whatever it be, ultimately because of the few technical hands who were handling them, the whole nation has come to a standstill.

Here I would also like to point out that the technology that you are importing from abroad is a scrap, which has been thrown away by other countries, including the French system. This has been criticised when you were importing this system at a high cost, by the engineers concerned at that time and it has come in the press also as a big news item. Therefore, I would urge that the Government of India and the Telecommunications Ministry should find out an indigenous method which is akin to our country. A system which suits our country should be developed, but you have, so far, not made any attempt in this regard.

Also, the employment conditions provided in the Telecommunications Department are alarming. You are still using what is called the RTP—Reserve Training Pool. At very low wages, you are engaging people as RTP and you are using their services. There are so many vacancies which are not filled up. Many a time, the reply given to this House is that there are financial constraints and therefore the Department is not in a position to appoint people and because of the stand taken by the Ministry of Finance, the vacancies which are existing in the Department are not filled up. As a result, the *Mazdoor*, RTP and all such classes are being exploited. You should try to prevent this sort of a thing by appointing proper people and developing a suitable technology and save the consumers from these difficulties.

Today, it has been brought to my notice that you are charging Rs. 10,000 for every telex machine from the press people. If they want to instal teleprinters in their Delhi Bureaus, you are charging them Rs. 10,000 without interest. I do not know

us to why you are charging this amount like this. This only means that you are coming in the way of giving news through tele-printers to the press. By all means, it only harasses the consumers.

I would like to point out here that this is the situation today with a Government which wants to prove or show that it is a 'working' Government! I would like to suggest that this matter has to be settled with the unions by negotiating with them. And I am glad to say that the statement which the Minister has given to us today afternoon shows that you are having a discussion with the trade unions representatives. I would urge the hon. Minister and the Department to take a constructive attitude towards this issue and settle the matter in the interest of the public of the country.

SHRI INDRAJIT GUPTA (Basirhat): This agitation, I think, has established its point. The point that they want to establish through this agitation has been adequately established. The services are paralysed by and large and naturally the public in the country who are interested to know the reasons for this crippling agitation are also now informed and today the Lok Sabha, Parliament of India is also discussing this matter.

Now, it is upto the Government to take some bold step to see that this deadlock can be resolved. I am not at all in favour of holding out this threat of action under ESMA and so on. It is contained in the statement also. The entire trade union movement has long ago opposed tooth and nail this whole concept of ESMA. Those people who advocated ESMA at that time thought that a threat of action under ESMA would perhaps prevent strikes from taking place. But it has done nothing of that kind. If the workers feel honestly that they have got some justified demand or cause, they are not going to be cowed down by such threats. I only want to say one general thing, that is, the context in which the whole thing is taking place should be seen rather in a larger perspective.

It is all connected with this advent of new technology which the Prime Minister, particularly, has been advocating so stridently, that our country has to import, acquire and establish new technology in order to modernise all our services. Now, this is not happening only in the tele-communications, I know, but I won't go into details because there is no time in many other sectors also. Two things come up. One is the conflict of the interests between the bureaucrats—traditional bureaucrats—and what you may call the technocrats, this is here, also, because you cannot run this technology without people who are highly qualified and who have been given the requisite technological training to handle this new equipment. These are people, Sir, who are working on electronic Exchanges, handling this co-axial cable equipment and so many new things which are coming and will be coming in future. Here all standard routine practices which have been followed in our Government Departments from time immemorial, at least from the British time, is that everything must be on the basis of seniority alone. Seniority alone is the sacrosanct channel through which everybody has to pass. This will not conform or it will not meet the necessity or the requirements of the modern technology. This is the trouble. So, naturally the people who are technically trained, who are technically qualified, who are handling all these complicated and intricate equipments, they do feel that they are not getting the due that they should get. There may be some resistance from the older people who may be, as you were saying, only matriculates and people like that who have been promoted, due to seniority and who are senior to these people, most of whom are being recruited during the last five or six years, these technologically trained people are junior in that sense. So this is the conflict which will develop and not only here, I do not think, we have seen the last of it, but also I think, in the days to come, in many sectors of our economy, unless this matter is handled in a proper way, there will be conflicts. There may be even a spate of disputes and agitations on this issue. Incidentally, if properly trained people are not put on the job, much of this equipment may get spoiled also, if it is not handled properly. The people handling this costly equipment

[Shri Indrajit Gupta]

must be capable people. In our country, so far, we had rather a dearth of such people. Now, we have to give special attention to their training and to their technical qualifications. The demand of these engineers is, sympathetically looked at by everybody, including the Government. According to your own statement, I believe, there was a Committee some years ago, the Sarin Committee. That Sarin Committee also admitted that these people—technically trained technologically staff and cadre—must be given proper treatment and they must be given proper emoluments and career opportunities.

The Pay Commission, because it felt, it could not go into the question of job evaluation, left it at that, but otherwise, it said, something must be done for them. I would say that you are having some negotiations this afternoon. I do not want to say anything which might queer the pitch. Mr. Kumaramangalam is here. He is competent enough to deal with that. Some questions will arise. For example, what retrospective effect, are you prepared to give, in case these revised pay scales are accepted. Some revised pay scales are ultimately accepted and some retrospective effect has to be given. The Pay Commission has awarded retrospective effect of its recommendations from the 1st of January, 1986. Now, the position is that the Government has shifted it to the 1st of January, but as far as these people are concerned, I would plead that in their cases, depending on the qualifications, the training they have received, and the period of service they have already put in, it may be considered in their cases, whether some favourable retrospective conditions can be considered.

Then, Sir, the question is that, you are saying that we cannot finish this job evaluation in one day. Time is required. Some High Level Committee composed of whom, I do not know, I would like to know incidentally who are the Members of this so-called High-Level Committee, I suppose they are mainly bureaucrats—officials of the Ministry and so on. They certainly cannot do this job. They will probably have to appoint some so-called consultants

or somebody, I do not know who. If you give us some information on this, we would be wiser about it.

Consultants in this field are generally taken from among the private sector people; and I do not know exactly by what means they will evaluate the jobs of these telecommunication engineers. These are not things which can be subjected to the usual time and motion study, and that kind of a thing. Naturally, there is no finality, there is no definiteness about it: how it will be done, how long it will take: when it will be finished, and having been finished whether it will be accepted and whether it will be applicable. The trouble is that people engaged in this kind of a prolonged agitation, want a settlement which will not be completely open-ended, an open-ended thing, without any kind of finality about it, and nothing definite.

I do not know whether it is possible; I hesitate because I do not know what Mr. Kumaramangalam's reaction would be. In order to get an early settlement, I do not know whether it is possible for Government to accept the minimum and maximum of a new payscale for these people: the minimum, and maximum, and then pending this job evaluation which must be done within a fixed time limit, the actual fixation of individual people within that pay scale can be done. That will vary to some extent, according to the job evaluation. But the minimum and maximum of that new pay scale which they are demanding, should be fixed now, and granted and announced. Why not?

Mr. Thomas was right: I find that in public sector enterprises, probably for a Peon or a Sweeper the total emoluments in some public enterprises would not be less than what these junior engineers are being given. This is an absurd thing which we have inherited in this country, unfortunately. An engineer may be getting less than a Sweeper or a Peon. Their demand before the Pay Commission was parity with the public sector enterprises. That rejected by the Pay Commission. Now you have an absurd position wherein people are working side by side, in one place. *Khalasi*

e.g. working in a railway loco yard, working side by side with another *khalasi* who is working in the marshalling yard of a steel plant. The latter is a Steel Plant employee.

I can tell Mr. Arjun Singh that this happened a few years ago in the Bilai marshalling yard. There were *khalasis* who were employees of the steel plant; and for the shunting of wagons and all that were railway *khalasis* who were working side by side with them. The latter were the employees of Railways. And the gap in emoluments between the two is of the order of Rs. 300 or Rs. 400 p.m.; because one happens to be a public sector employee, he is getting much more than the other man doing exactly the same job, but who happens to be a departmental employee of the Railways. These are anomalies of a very crude kind which we have inherited from the past. I would say that in this case also, such types of engineers who are called upon to handle all these new equipments and high technology, should be treated in a new way. They must be looked at in a new light. If these are the people who are going to build the new India of tomorrow, then they cannot continue to be treated in the same old way which we have followed all these years.

So, these are my suggestions: one is regarding retrospective effect: some further consideration should be given in their case. Secondly, I am suggesting that pending this job evaluation—I think without that, Government will not agree to anything: what kind of job evaluation, I do not know—there is a new pay scale which they are demanding, i.e. a revised pay scale. That pay scale can be announced, with a minimum and a maximum. The fitment of the engineers into that scale can be finalized. Now, some ad hoc thing can be there. It can be finalized when the job evaluation is completed. Whether they are willing to agree or not, I do not know.

I would finally say this: I am also some sort of a trade unionist, a bit older than my friend, of course. I am sorry these people, before they went on this agitation and even after they went on it, never bothered to approach any of us, for our support.

He also belongs to another central trade union. They have never approached us, never canvassed us for the justice of their demand and never asked us for our support. At least, I can say that I would have come out publicly.

SHRI THAMPAN THOMAS: I too.

SHRI INDRAJIT GUPTA (Basirhat): But they have not done that. Well, that is their right, they can and they cannot, as they want to do. I cannot force them to do anything. But I would say one thing, that they should consider one thing. I began by saying that their agitation has established their point that they are very well organised, they are united, they are strong in their demand and they have shown by their action that they can effectively paralyse a very vital wing in the whole chain of our national economy; they have done it. Now, I think, they should consider whether some kind of an interim step can be taken pending final settlement by which this paralysing of this thing can at least be looked into.

Fortunately or unfortunately, nowadays, trade unions are also learning from their experience that to win their cause they require public support and popular sympathy. Without that, by antagonising public, it is very difficult for the working class to win their demands. Now, somebody has said that if the trade unions turn their back upon the people, then the people will turn their back upon the trade unions. Unfortunately, the detractors of the trade union movement in this country go on accusing trade unions saying, you are only concerned with your economic demands, how much more money you can get, you don't bother about anything else. "But when some trade unions bother about other things, then we are told." "Why are you bothering about those things? Those are not your concern, you concern yourself with your bread and butter." "However, we will do whatever we think correct. But I think they have fought a struggle in which they have established their strength and their unity and they should go in that spirit to these negotiations and try to see if they can get an honourable settlement. In no

[Shri Indrajit Gupta]

strike or struggle are we hundred percent victorious. First of all, the government should not threaten them. That is the main point. If you threaten them and try to break this strike with the help of other personal from outside and so on, then, of course, whether Mr. Kumaramangalam wants it or not; we will also have to enter into it, because that kind of thing today will be with his people, tomorrow it will be with somebody else. So, I beg of you don't like me to go to that path and try to work out some formula by which it will be possible to come to a settlement and end this struggle and confrontation which is causing so much trouble to the public.

I have been trying in the last five days to ring up my family in Calcutta, because somebody is sick there. I can neither get trunk booking nor get STD nor get no delay demand nor get lightning call; nothing; everything is paralysed. So, other people are also suffering. The business community; I do not know, why they are keeping quiet; there is something very fishy about it. I would have expected the big business houses to make a big row about this; apparently, they have got an alternative channel by which they can do it; we cannot do that.

MR. DEPUTY SPEAKER : This year is ending and there may be so many demands from the house to collect money. Therefore, it is convenient for them to keep quiet. Otherwise, it is not possible to do it.

SHRI INDRAJIT GUPTA : They have got other services also everywhere. That is all I have to say, and I would like to hear from the hon. Minister how they are thinking of dealing with this subject.

THE MINISTER OF COMMUNICATIONS (SHRI ARJUN SINGH): Mr. Deputy Speaker, Sir, I am quite conscious of the situation which these unfortunate series of events have led to and I would like to join with our hon. senior member of the House, Shri Indrajit Gupta, in expressing my—I

could only use the word 'sympathy'—sympathy for the thousands and thousands of citizens of this country who use the facilities of the Department, because, in a sense, any activity by a democratic government or public utility service cannot but have the interest of the people at heart primarily; everything else has to and will always come after that. Therefore, when Shri Indrajit Gupta says that, all said and done on both sides of the House, we must be aware where to draw the line so that inconvenience of the citizens of this country does not reach a point of no return.

I am sure, not only I would agree but I think all sections in this House would agree with this proposition.

As Mr. Kumaramangalam has said, this is a six-year old issue. He is much more conversant with it, I will go by what he says. He has also given a narration of what happened when and how things were not clinched at some time or the other. There again, I would let his statement stand even though there may be some information to the contrary. I would like this House to come to two or three basic points about which I presume, you will agree with me, there is no dispute. One is the number of committees which have sat on this problem and given recommendations. You have cited names and I think there are one two more names here when this matter was taken and I again agree with Mr. Gupta that the real crux of the problem is not the pay scale but it is a sequel to that. The crux of the problem now, and which will continue to be, before us, is the adjustment that we have to make with high technology working. Not only for the employees who are going to run those machines but also for us who are going to use them and that adjustment, I think is one of the reasons why this friction has arisen. I am always, and I have always been a supporter of the plea that the new technicians in a broader sense of the term we are going to run our machines and our systems must get not only respect but also emoluments which are in no way demeaning to their status as technical people. And I am sure, that this is an approach which is inherent in the statement of the Prime Minister when he exhorted the nation to use technology for the

development of this country so that the pace of development becomes faster and faster.

At the same, time, neither I nor any Member of this House can be unaware that there are certain system through which we are working at the moment and for some time to come we are going to continue in those systems. So, however, exasperating we may become, however angry we may become, here I would like to clarify if that impression is gained by the statement, that Shri Kumaramangalam came to me or to somebody else we were not able to satisfy him, at least I can say, that he did come to me, I made an attempt but he went back an angrier man than when he came to me.

MR. DEPUTY-SPEAKER : Because he is a trade union leader.

SHRI ARJUN SINGH : That is right. But I think he has objected to that, but I want to clarify that it was never intended that way. But the fact still remains that an attempt to explain to him was made which I think also is not some thing which we can gloss over.

The point in this case is, that before the Pay Commission was appointed this matter was taken up and though I would not like to say it as a categorical statement, but what the information before me seems to spell out is, that the reference to the Pay Commission was made within the knowledge of the trade union people and the services. Anyway, the Pay Commission had taken cognizance of the entire Central Government services and its report has come.

All Pay Commission reports always create some residual problems. This is not the first time it has happened. You look to any Pay Commission report, there are problems which arise after the Pay Commission report has come because it is a question of relativity, a question of so many other parities and all these things come and naturally some people feel that they have not been dealt with justly and they start agitating immediately after the Pay Commission report has come. Understandably every one would expect that once

the Pay Commission report has come, that is the end of the matter at least till the next Pay Commission is appointed. But that does not happen. In this case also the Junior Engineers felt that whatever the Pay Commission had said, they are not fair to them. The Pay Commission also has not made its recommendations conclusively so far as these people are concerned. While conceding the point that they have a special case to be considered and its inability to go into it, the Commission suggested some kind of a job evaluation. Now, as is borne out by the records, I think it was as a sequence to this comment of the Pay Commission that the first Khosla Commission was appointed. Again I do not know whether you agree to it or not, but at least, there was an acquiescence if not agreement. And if there was an acquiescence and if the unfortunate event of Mrs. Khosla having resigned had not occurred, I think, this problem would not have arisen or because in due course of time, she would have given a report and that report, for better or for worse, would have been considered and acted upon. As to why she resigned and what was behind that I do not want to go into it because that is nothing with which I am concerned. Her resignation created that suspicion that perhaps the Government wants to play with this issue and does not want to come to the conclusion on this issue. As matters go, in such situations, in certain circumstances, perhaps, the suspicion may not be unjustified, in certain circumstances, it will totally be unjustified. But I will leave it at that. I would say that if the principle of accepting the committee for job evaluation had been agreed to or acquiesced to and the Pay Commission having made that observation, I think, the principle of appointing a committee should not be objected to as such. The point that should always be kept in view is that the Committee should not be an excuse to postpone or prolong a decision. I will not deny that in certain circumstances the appointment of a committee does become another instrument to postpone things and then sometimes everyone agrees also that it should be done because certain situations demand that the present situation should be defused and subsequently we may have a second look. I think, this I would like to dispel totally that the appointment of this

[Shri Arjun Singh]

job evaluation committee under the Chairmanship of Mr. Agarwal, who was the Secretary of Telecommunications, is not going to be a committee which is being appointed just to stall issues or to postpone issues. I would request the committee—I would like to inform the House—to submit its recommendations within a month of its starting work and certainly not later than 10th of December, 1986.

SHRI INDRAJIT GUPTA : Who are the members of this Committee? Are they all officials?

SHRI ARJUN SINGH : The members are :

Mr. S.M. Agawal—Chainman

Mr. V. Devarajan, Member Finance and Addl. Secretary, Department of Telecommunications—Member

Shri B.C. Verma, Joint Secretary, Ministry of Finance

Shrimati Khosla, Joint Secretary, Department of Personnel

Shri N.K. Mathur, DDG (I), Department of Telecommunications.

SHRI K. RAMACHANDRA REDDY (Hindupur) : Will the report come by the end of December?

MR. DEPUTY-SPEAKER : The Minister has already assured that it will come before 10th of December.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : How Mrs. Khosla who resigned as chairperson of a committee, has been taken as a member in this new committee again? What were the terms of reference of that committee?

SHRI ARJUN SINGH : Let us have a second try. The question of evaluation and how it is to be done was a point which was also raised. A reference was made to the evaluation already made by the Indian Institute of Management, Bangalore. I would like to say that this Committee will take into consideration also the evaluation already made by the IIM and whatever the

recommendations in that evaluation are, they will consider them and also try to see how much of that can be utilised for their recommendations. Apart from that, there will be other consultants, I mean, the consultants which are well-known. I cannot decide for the Committee, therefore, I will not like to go into it, but on that account I would like to assure you.

The other point that was raised by Mr. Gupta was the issue as to from which date these recommendations regarding the pay-scales will become effective. On this issue I have had a discussion with the Finance Minister and I am glad to inform the House that the Finance Minister has agreed that these will be given retrospective effect from 1.1.1986.

I would now like to say one thing. The question of asserting one's right, specially in the trade union movement, is indisputable and that is one right which can never be challenged and should not ever be challenged. The Indian labour movement has a very illustrious historic past and in the development of this country, the labour movement and the labour force of this country has played a very epical role and shall continue to play that. Of that we are all sure. At the same time, there are some things which we should not ignore. As Mr. Gupta said, having made the point, having established the case, it is now to find a way out as to how it is to be implemented. This is all that is left. At this moment of time, I would appeal to the leaders of the trade union movement and especially to the unions of these Junior Engineers that what they are now concerned with is certainly their legitimate right and that right we respect and we shall try to see that their interests are protected and served to the extent possible. At the same time, we would also like them to consider that the area in which they are working is not an area which concerns a certain part of the country, a certain section of the people or certain interests which may be ignored for some time even if there is no work going on.

Telecommunications, the House will agree, are the sinews, the nerves and the

veins of a nation and I do not think it can be justified on any account that they should be paralysed to make a point or to gain advantage to one's own interest, which may be justified on its own account. The stage has now come when any further escalation would certainly paralyse those sinews of the nation, the veins and arteries of the nation, and the House will agree that such a situation should not be allowed to occur, should not be allowed to happen, and I am quite confident that my appeal shall be heard and responded to in the spirit in which it is being made. But the Government has a higher responsibility also because telecommunications, as I said, affect practically every part of national endeavour, including our security, our defence, everything. We cannot allow a situation of drift in this matter. If national interests so demand, with a very heavy heart, we will have no choice but to enforce ESMA. I do not consider ESMA as a solution. I do not agree that the labour movement of this country has to be faced with that. But, at the same time, I would be failing in my duty if I were to remind the House that under certain circumstances where national interests demand, there may be no way out. I am sure, that situation will not arise and the manner in which this issue has been broached by all Members in this House, will help those who are contesting for their aims to come to a settlement. It is a question of a month from now I do not think the heaven will fall if after a month they realise what they had wanted, perhaps, they have got to a substantial degree. Unless we are prepared to rise to such occasions, I do not think we are really serving the interests either of the labour movement or of this country. This is all I have to say.

14.46 hrs.

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT): Sir, with your

permission, I rise to announce that Government Business in this House during the week commencing 10th November, 1966, will consist of:—

- (1) Consideration of any item of Government Business carried over from today's Order paper.
- (2) Consideration and passing of the Delhi Fire Prevention and Fire Safety Bill, 1966:
- (3) Discussion and voting on :
 - (a) Supplementary Demands for Grants (Railways) for 1966-67.
 - (b) Supplementary Demands for Grants (General) for 1966-67.
- (4) Consideration and passing of :
 - (a) The Atomic Energy (Amendment) Bill, 1966.
 - (b) The Indian Post Office (Amendment) Bill, 1966.
 - (c) The Child Labour (Prohibition and Regulation) Bill, 1966, as passed by Rajya Sabha.
- (5) Discussion under Rule 193 regarding ethnic problem of Tamilians in Sri Lanka.

[Translation]

SHRI KAMMODILAL JATAV (Morena): Mr Deputy Speaker, Sir, kindly include the following subjects in the List of Business of the Lok Sabha for the next week :

Sir, areawise, Madhya Pradesh is the largest State of the country but it is quite backward in the economic, social, educational and cultural fields because even after about 40 years of independence well-planned progress and development has not taken place there.

[Shri Kammodilal Jatav]

In comparison with the other States, the development work done in Madhya Pradesh is negligible.

Keeping in view the possibility of the exploitation of natural and forest wealth of Madhya Pradesh and the need for its overall and urgent development, it is quite necessary to formulate and to implement development schemes. It is, therefore, requested that the Government should direct the Planning Commission to have an in-depth survey of the State and formulate urgently different schemes for its development so that this State may also achieve the level of development that the other developed States have attained.

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : I request that the following may be included in the next week agenda :—

The Minorities Commission has submitted several Annual reports since its inception. Some are still under the consideration of the Government. But they have never been discussed by the House.

Recently the National Integration Council discussed the welfare of the minorities from various angles in the light of the 15 point directive issued by the late Prime Minister and reiterated by the Prime Minister.

Also the High Power Panel under Dr. Gopal Singh has submitted its report and the report of the Mandal Commission also contains several recommendations in favour of the backward classes among the minorities.

I would therefore propose a discussion in the House on the Welfare of Minorities in the coming week. II. The National Union of Backward Classes, SC/ST and Minorities held a week long satyagrah in Delhi from 1 to 9 October, 1986, in which nearly one lakh volunteers from all parts

of the country took part to press inter alia for the urgent implementation of the recommendations of the Second Backward Classes Commission.

SHRI P. NAMGYAL (Ladakh) : I request that the following may be included in the next week agenda :—

Over all review/revision of Government policy on the Tibet Issue in the light of dilly dally tactics adopted by the Chinese during the last seven round of talks held over the border disputes with that country.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Deputy Speaker, Sir, the Government services are the backbone of the administration. The strength of the administrative set up depends upon the soundness of these services. The Government services are a medium through which the aspirations and justifiable needs of the society can be fulfilled. But it is well known fact that the present image of the bureaucracy is quite low. Administrative machinery is becoming lethargic, lax and irresponsible and that is why the State is finding it difficult, though not incapable, to give shape to the ideas envisaged in the Constitution. What is, therefore, required is that the administration machinery should be geared up and it should be freed from corruption. For this, if the laws have to be changed and amended, that should be done.

An opportunity should be given to discuss this subject in the House during the next week so that an integrated and comprehensive concept about the entire administrative machinery may emerge.

[English]

DR. CHINTA MOHAN (Tirupati) : I request the following may be included in the list of business the following week.

Encephalitis, brain disease is very widespread in Andhra Pradesh, Assam and other

parts of the country where it has taken about 350 lives. Fresh attacks of disease have been reported from Nellore, Chittoor and other parts of coastal Andhra. So far in Andhra Pradesh about 561 cases have been reported in which 171 children lost their lives. Blood samples were identified with virus. The State Government of Andhra Pradesh have asked the Centre for help for importing 10 lakh brain fever vaccine. So far no action has been taken. I request the above item may be included in the next week for discussion.

SHRI SHANTARAM NAIK (Panaji) : I request that the following may be included in the next week agenda :

More and more reports with respect to Pakistan having already manufactured an atom bomb are pouring in. The Government of India have time and again decided that we are not going to manufacture any nuclear bomb, but at the same time, Prime Minister Shri Rajiv Gandhi has emphatically, and rightly so, stated that our options are open. Therefore, here is the time that we exercise the option. I suggest that the House should discuss the issue next week as to whether we should go nuclear or not.

2. Despite the advent of Television, films exhibited through cinema theatres are still a powerful medium. The medium has been thoroughly neglected and the Government's role has, so far, been restricted to censorship and collection of entertainment tax. I feel the Government should play a greater role as far as film industry is concerned. I therefore, suggest that the House should discuss the matter thoroughly and evolve a policy.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : I beg to submit that the following matter may be included in the List of Business of the House for the coming week.

In the course of geological investigations carried out in the past by the Atomic Minerals Division of DAE along the South Orissa Coast, extensive dune sand deposits with the highest content of heavy minerals viz, ilmenite, rutile, zircon, monzite, garnet and sillimanite were found close to Chhatrapur in Orissa. This belt is estimated to contain about 230 million tonnes of raw sand with 20.25 per cent heavy minerals and is expected to last for about 100 years. In order to exploit these natural resources Indian Rare Earths Ltd. is building an integrated industrial complex, known as Orissa Sand Complex (OSCAM) near Matikhalo village, South of Chhatrapur town, with a total capital outlay of over Rs. 133 crores. This complex with all its plants was scheduled to be completed and gone into production in 1982. But it is a matter of great regret that till today two of its plants in the real sense of the term have not become functional. This is a serious lapse and needs to be probed into. Further, the inordinate delay of completion of the complex in spite of regular supply of required funds should be gone into and responsibility fixed. There are also serious allegations in respect of construction and running of the complex. This complex of the Indian Rare Earths Ltd., a public undertaking of Atomic Energy Department, has a good future and is of vital importance to our economy. No Minister of Atomic Energy has ever visited this important project. The present Minister-in-Charge of Atomic Energy may kindly pay a visit to this complex early and review the progress in the field which will go a long way in setting right things there.

SHRI BANWARI LAL PUROHIT (Nagpur) : Sir, I request that the following may be included in the list of Business for the next week. I would like to draw the attention of the Government towards the agony of the citizens of Nagpur. The telephone system of Nagpur city is totally inadequate. The waiting list of the main exchange is jammed to its capacity. The position is that even to 'top most priority' cases such as serious heart patients cannot get even a single phone on medical grounds. After a lot of hue and cry from the citizens and organisations, the then

[Shri Banwarl Lal Purohit]

Minister, Shri R.N. Mridha declared in Nagpur that first Electronic Exchange would be given to Nagpur city. Plans were sanctioned, estimates were prepared and sanctioned, building is ready for the last two years, waiting for the instruments but equipments of this electronic exchange are nowhere in sight. Since telephone is not luxury now-a-days but a necessity, I earnestly urge the Government to expedite the installation of Electronic Exchange by pursuing the matter at the highest level with the suppliers of the equipments on Priority basis so that the development activities of the region get a boost.

[Translation]

SHRI AJAY MUSHRAN (Jabalpur):

Mr. Deputy Speaker, Sir, with your permission I submit that the following matters may kindly be included in the List of Business for the next week :

There are 16,700 powerlooms in Madhya Pradesh, out of which 3,800 are in the cooperative sector. Powerloom industry is spread all over the State in 20 districts, but most of the powerlooms are located in Jabalpur, Burhanpur, Ujjain, Sioni and Gwalior districts. Majority of these powerlooms are run by the weavers belonging to the economically weaker section of minority community.

Therefore, adequate financial assistance for the protection of the powerloom industry should continue. The economic condition of the weavers is deteriorating due to inadequate working capital, lack of marketing facilities and lower capacity of the obsolete powerlooms. If the proposed grant schemes in the powerloom sector are abandoned, the aim of the Government to provide protection to the weavers of the weaker communities will not be fulfilled.

The incentive grant schemes in Jabalpur have been introduced with a view to remove the peculiar difficulties being faced by the powerloom weavers in the production of grey cloth, as the manufacture of coloured saree has been going on there from the beginning by the powerloom and handloom weavers. As a result of production of cloth by the big powerlooms, the production in the handloom sector has been adversely affected. This is the reason the Government of India has imposed a ban on the production of this cloth. In Jabalpur, this ban could not be applied as it was not possible to provide alternative employment to the thousands of weavers engaged in this field. In 1984-85 a special scheme to encourage production of grey cloth and to exempt production of the coloured cloth from tax, was implemented which has brought good results. In spite of the recommendation made in the Textile Policy about giving equal status to the mill-powerlooms and the powerlooms in the unorganised sector, continuance of financial help during the Seventh Five Year Plan period to the powerloom weavers is necessary in the interests of the handloom weavers also.

15.00 hrs.

[English]

SHRI CHINTAMANI JENA (Balasore):

I may kindly be permitted to make the following submission on the floor of the House for their inclusion in the next week business commencing from 10-11-86.

The children and infants of our country are easy prey to dreaded diseases prior to developing their natural immunity by Polio, tuberculosis, measles, diphtheria, whooping cough and tetanus, which make them to suffer with life-long complications,

and brain danger, paralysis, lung ailments, deformed limbs, deafness and blindness etc of which many are fatal.

Out of these sufferers, 500 children and infants are paralysed for polio in a daily average. Similarly, a quarter million children die of neo-natal and tetanus per annum. Many die or are mal-nourished by measles. Two fifths of a million children die of T.B. every year and one tenth of million children die of whooping cough annually.

The expanded programme on Immunization, though started functioning in the year, 1978 aimed to cover 85% of the total infant population by 1990-91 but the achievement is very low.

This very important subject needs to be included in the next week business.

[*Translation*]

SHRI RAMSWAROOP RAM (Gaya) : Mr. Deputy Speaker, Sir, the following subject may kindly be included in the List of Business for the next week :—

The law and order situation in Gaya, Jahanabad and Aurangabad districts of Bihar has deteriorated. I urge the Government to issue proper orders to the State Government in this regard so that in future injustice is not done to the poor. The subject should be discussed in this august House also.

[*English*]

SHRI H.K.L. BHAGAT : I am grateful to the hon. Members for the observations and statements that have been made. I shall try to bring them to the notice of the Members of the Advisory Committee.

15.02 hrs.

JUVENILE JUSTICE BILL, 1986—contd.

[*English*]

MR. DEPUTY SPEAKER : The House will now take up further consideration of the following motion moved by Dr. (Smt.) Rajendra Kumari Bajpai, on the 5th November, 1986 namely :—

“That the Bill to provide for the care ; protection, treatment, development and rehabilitation of neglected or delinquent juveniles and for the adjudication of certain matters relating to, and disposition of, delinquent juveniles, be taken into consideration.”

Shri K. R. Natarajan will now speak.

15.03 hrs.

[**SHRI VAKKOM PURUSHOTHAMAN**
in the Chair]

SHRI K.R. NATARAJAN (Dindigul) : On behalf of AIADMK, I support the Juvenile Justice Bill, 1986 seeking to make a uniform juvenile justice system throughout the country. It provides for a specialised approach towards the prevention and treatment of juvenile delinquency.

It also provides for the machinery and infrastructure required for the care, protection, treatment, development and rehabilitation of various categories of children. It is proposed to establish observation homes, juvenile homes for neglected juveniles and special homes for delinquent juveniles.

Various Agencies made surveys and have ascertained causes for juvenile delinquency. These are the main causes :

1. Destitution.
2. Vagrancy.
3. Truancy.

[Shri K.R. Natarajan]

4. Smoking in public places.
5. Obstinacy.
6. Bad association.
7. Living in unhygienic and immoral surroundings.
8. Economic instability.
9. Lack of Education.
10. Sex-appealing films and literature.
11. Lack of accommodation facilities.
12. Scanty remand homes.
13. Unemployment.
14. No income.
15. No work.
16. Exploitation of the juveniles by the unscrupulous smugglers and prohibition offenders etc.
17. Neglect by parents.
18. No adequate follow-up action after release of juveniles from the jails or homes.

Already a number of legal steps have been taken to achieve the objects and reasons given in the Bill :

1. Guardians and Wards Act, 1890 to protect the property rights of the minor children and of the children of unsound mind.
2. Hindu Minority & Adoption Act, 1956.
3. Central Probation Offender Act 1963.

There were a number of measures taken and Acts passed by the Tamilnadu Government.

1. Tamilnadu Borstal School Act.
2. Tamilnadu Children Act,

3. Taminadu Probation Offenders Act.
4. Tamilnadu Youthful Offenders Act. etc.
5. Reformatory Schools Act.

Now the present Bill consolidates all these Acts and makes it applicable to the whole of India.

This Bill provides for juvenile homes for neglected juveniles will accommodation, maintenance and facilities for education; vocational training and rehabilitation and also provides for the development of his character and abilities and gives him necessary training for protecting himself against moral danger or exploitation and for all-round growth and development of his personality. This Bill also provides for Special Homes for delinquent juveniles with the same facilities. Observation homes are provided for temporary reception of juveniles during pendency of enquiry. There is a provision for after-care organisations. Experts are of opinion that these measures will only minimise the incidence of offences but will not prevent the delinquency at all. The principle that prevention is better than cure should be implemented. As a matter of fact the rights that these categories are entitled to are ; the denial of rights such as : (1) the right to no residence or accommodation ; (2) the right to no education ; (3) the right to no work ; (4) the right to no employment ; (5) the right to no food ; (6) the right to no clothings ; (7) the right to no decent living ; (8) the right to exploitation by unscrupulous people and ; (9) the right to be the victims of sex abuse by moneyed people and so on. Yet we call them as kings of this land—*Indiar olloorum in Nattu Mannargale*”.

In these circumstances what we have to do is the implementation of the principles enshrined in the Chapter IV of the Constitution of India, Directive Principles of State Policy should be executed—articles especially 38, 39, 39A, 41, 42, 43, 45, 46 and 47. I hope that the present Rajiv

Government will faithfully implement these State policies and avoid occurrence of destitution and vagrancy etc. and to give the society a decent living.

SHRI SOMNATH RATH (Aska) : Sir, I rise to support the Bill. When this Bill becomes an Act, it will be a national law and it details with the human wealth of this country. At present, in the Statute book, laws are not wanting as far as the juvenile delinquents are concerned. We have the Children Act, 1960 ; Prohibition of Offenders Act, 1956 and also Section 27 of the Cr. P.C. envisages that there must be a Special Court to try these juvenile offenders. But this Bill has given a new dimension having included the neglected juveniles. So, rightly this Bill has been named as Juvenile Justice Act. It will create revolution in the country provided the aims and objects that are stated in Bill are implemented in the right earnest.

Sir, in the Bill it has been rightly said that these juvenile offenders or the children who are involved in criminal cases, they will not be lodged in Police Stations or in jails. Recently, the Supreme Court enquiry revealed that the juvenile offenders are kept in Jails among the hard-core criminals for years together as under-trial/prisoners. After being convicted also, they are kept in the same jails. From the time of British regime in India, we have got jails separately meant for juvenile offenders. Even in the Central Jail there are not different wards where the children are kept. The aim being that the punishment should not be deterrent. It must be informative and scope should be given to the children not to commit the offence once again. If they remain with hard-core criminals in jails and are coming into contact with them, then necessarily they will turn themselves into hard-hearted criminals.

It is said in the Bill that they will not be tried along with the other accused who are not juvenile. And bail is a must ; irrespective of the offence committed, they will be released on bail and they will be kept with parents or homes. But there is one lacuna. The Bill is silent about the offences or crimes where the punishment is

death or imprisonment for life. So, it must be clearly spelt out as to what will be the fate of those delinquent juveniles who commit an offence or crime under section 302 I.P.C. or other offences where the maximum penalty is death or imprisonment for life. I hope the hon. Minister will clarify the position. We know that children are kidnapped and they are made blind for the purpose of begging. This Bill takes care of those juveniles also. Begging is prohibited. If any person utilises children for begging, he is also being punished.

I will invite the attention of the hon. Minister through you, Sir, to some clauses in the Bill.

Clause 11 reads :

"The State Government may establish and maintain as many observation homes as may be necessary for the temporary reception of juveniles during the pendency of any inquiry regarding them under this Act."

The Clause which are now in this Bill will become sections after it is passed into an Act. It is left to the State Governments. As I said earlier, the purpose and aim of the Bill will not be fulfilled unless the State Governments come in a very big way.

The Bill takes care of also persons who sell narcotics or alcohol to the juveniles. They are also being punished, but the punishment mentioned here is only three years which is very meagre. A more severe punishment must be given for this offence. The punishment should be imprisonment for life, so that the miscreants who use the juveniles in their trade of selling narcotics and liquor will be discouraged and encouraging the juveniles to adopt these immoral ways will also be reduced. This aspect should be taken care of by the hon. Minister.

We have homes now also. In America, there are homes for old people who are not supported by their children. They are

[Shri Somnath Rath]

also kept in Homes in China. In our country in different States we have some homes meant for children. Clause 9(3) reads.

"Every juvenile home to which a neglected juvenile is sent under this Act shall not only provide the juvenile with accommodation, maintenance and facilities for education, vocational training and rehabilitation, but also provide him with facilities for the development of his character and abilities and give him necessary training for protecting himself against moral danger or exploitation and shall also perform such other functions as may be prescribed to ensure all round growth and development of his personality".

That has to be implemented. It sounds very well. But how to implement it? If it is implemented, then and then alone this Bill which is going to be a national law will fulfil the long desired objectives.

The Hon. Minister may enlighten us in what manner Clause 9, sub-clauses (3) and (4) are going to be implemented. If we fail to implement it, there is no use in passing this Bill because it will be in the statute book only. The aim and objective will not be fulfilled and we have only the satisfaction of passing the Bill.

We have got at present many schemes under the poverty alleviation programme and also under the child development programme in some blocks of the country. Those facilities as well can be extended to these children. About the children suffering from leprosy, we shall have to see that they are cured and accepted by the society and they are employed.

The question is how to employ them. It is not sufficient to give them other facilities; besides that we have also to see that they are employed. If no steps are taken in this regard, after remaining in the Home for some time, when they come out, they

get frustrated and again commit crime. There is no use of all these laudable ideas if they are not achieved.

Therefore, while congratulating the Minister for bringing this Bill, I only request that this Bill must be acted upon in its true spirit.

DR. DATTA SAMANT (Bombay South Central): Sir, going through all the ideas contained in the Bill, I feel that the child who is begging, the child who is neglected and the child who is a criminal should not be kept behind bar and he should be properly trained. If you read the full text of the Bill you will find that academically it is good. Similarly, the Child Labour Abolition Act is coming at present for about 1,70,000 children who are working in this country. It is a socio-economic issue.

If we just discuss this academically here and give big publicity, I don't think we do any justice to them. I got the Report of 1976 which says that 50% of the basic laws of Juvenile Act are not implemented at all in 197 districts out of 370. The number of juvenile courts in the country are 80, the number of Children's Homes are only 90 and their total capacity is 15,000 while the number of criminal children are 1,50,000. If we take the number of neglected children into account, it will be more than 3 to 4 lakhs. In two years, that is, 1981-82 and 1982-83 the number of such children has gone up by 50 per cent. There are lakhs of children on the road. In Bombay if you go out of Santa Cruz airport you will find thousands of children begging.

There is a serious economic situation in the country. There are three lakh villages in the country without primary schools and drinking water facilities. I am categorically asking this Government whether they are in a position to supply all these facilities to these homes for which you require crores of rupees. You are not making any provision for that. The Financial Memorandum is providing only Rs. 1.5 crores for the Union Territories.

I want to know at present in all these categories how many children are there in the country. I am told the basic juvenile Acts are not being implemented in about 11 States. In South Delhi there are two juvenile schools and the Government report says that the children there are under-nourished and without clothes and shoes. If juvenile children are neglected in Delhi then what about the States for which you are not making any provision. Further while implementing this why are you not consulting the State Governments. Now academically you are telling you should do such and such thing without making any financial provision and leaving it to the States. Therefore, I say that we are wasting the time of the House.

Now assuming you will implement all these things what are you going to do with these boys when they leave the juvenile schools. At present there are seven crore educated unemployed in our country. You are not able to give employment to them. So what are you going to do with these boys afterwards. Therefore, I am requesting the Government not to go in for such a legislation when there are no socio-economic conditions and crores of children are working on account of poverty. If this Bill has to be implemented then more than Rs. 100 crores are required whereas you are not making any provision. You say the States will provide. I may point out that in 10 States even the basic law is not being implemented. You have used very nice words that a child should be properly nourished, properly treated, etc. but you see in Bombay lakhs of children are begging on the road. Therefore, I say that such a Bill should not be brought. Since the Government is not making any financial provision it will only remain as an academic discussion.

[*Translation*]

SHRI RAMSWAROOP RAM (Gaya) :
Mr. Chairman, Sir, I heartily welcome the Juvenile Justice, Bill, 1986. The hon. Minister has come before the House with a historic Bill. There are 40 lakh 40 thousand delinquent and neglected children in the country. About 2 crore children

are engaged in dangerous professions. Through you I want to draw the attention of the hon. Minister as to why after all these children become delinquent? 90 percent of them belong to the poor families who live in slums and as they do not get the proper environment and atmosphere, they take to undesirable ways. You have brought this Bill with good intention but unless you have a proper vigilance, I feel, by enactment of this Act we are not going to be benefited much. You visit any jail and you will find that children are being kept with hardened criminals. They get training in criminality there itself. How then you expect that after their release, those children will become good citizens? 14 year old children should never be kept in jails; they should be kept in separate Remand Homes. Although you have provided for one Remand Home in every district, they are exploited in these Homes too. It is an important subject and touches the emotional feelings of the society. You should make it compulsory for the State Governments to provide Remand Homes for those delinquent children who belong to the families living below the poverty line. One Remand Home in each district will not be sufficient because their number has increased so much that you cannot achieve your goal of reforming them by keeping them in one Remand Home. I, therefore, suggest that there should be one Remand Home in each Block. It is like a cancer in the society and if it is not treated in the beginning, we cannot take the country forward. The children are the future of the country.

If you go to the hotels on G.T. Road, you will find how juveniles are tortured. They are being exploited in stone and chip mines. The children are kidnapped from rural areas and are crippled or blinded and forced to beg. The Government should find out the places where the children are crippled and are forced to beg. If you look at your Remand Homes and Orphanages, you will come to know about their real condition. You should learn a lesson from it. No proper care is taken at these Remand Homes. Rather, they receive training here which turns them with criminals. In this Bill you have provided for Juvenile Boards and Juvenile Courts. I would request that such courts should be

[Shri Ramswaroop Ram]

set up in every district. The State Governments should be directed to set up at least one Juvenile Court in every district by the end of this year to decide the cases of juveniles. You have set up Juvenile Welfare Board also. Therefore, to avoid the overlapping between the two, you have to define the functions of the juvenile court separately. The Bill has provided for the appointment of probation officers but you have not defined their code of conduct and as a result of it, they will simply appoint the employees but nothing will be done for the reformation of delinquent children. Therefore, I once again request the Government to appoint some selected persons for this purpose from social services organisations. The Code of conduct should be framed for them. Only then the aims of the Government will be fulfilled. You should open more and more Remand Homes, so that children may not become delinquent juveniles.

MR. CHAIRMAN : We will now take up private members' legislative business.

Shri Suman.

15.26 hrs.

COMMITTEE ON PRIVATE
MEMBERS' BILLS AND
RESOLUTIONS

[English]

Twenty—Fourth Report

SHRI R.P. SUMAN (Akbarpur) : I beg to move :

"That this House do agree with the Twenty-fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 5th November, 1986."

MR. CHAIRMAN : The question is :

"That this House do agree with the Twenty-fourth Report of the Committee on Private Members' Bills and Resolutions presented to the House of the 5th November, 1986".

The motion was adopted

15.27 hrs.

MINIMUM WAGES (AMEND-
MENT) BILL, 1986*

(Amendment of Section 3)

[English]

SHRI RAHIM KHAN (Faridabad) : I beg to move for leave to introduce a Bill further to amend the Minimum Wages Act, 1948.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Minimum Wages Act, 1948."

The motion was adopted

SHRI RAHIM KHAN : I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL, 1986*

(Amendment of article 311)

[English]

SHRI RAHIM KHAN (Faridabad) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

*Published in Gazette of India Extraordinary, Part II, Section 2, dated 7.11 1986.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI RAHIM KHAN : I introduce the Bill.

15.28 hrs.

CONSTITUTION (AMENDMENT)
BILL, 1986*

(Omission of article 310, etc.)

[English]

SHRI AJOY BISWAS (Tripura West) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India"

The motion was adopted

SHRI AJOY BISWAS : I introduce the Bill.

PAYMENT OF GRATUITY
(AMENDMENT) BILL, 1986*

(Amendment of Section 2)

[English]

SHRI SHARAD DIGHE (Bombay North Central) : I beg to move for leave to introduce a Bill further to amend the Payment of Gratuity Act, 1972.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Payment of Gratuity Act 1972"

The motion was adopted

SHRI SHARAD DIGHE : I introduce the Bill.

15.29 hrs.

CIVIL DISTURBANCE VICTIMS
COMPENSATION BILL, 1986*

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : I beg to move for leave to introduce a Bill to provide for the Payment of compensation by the State to citizens or their dependents for injury suffered and damage to property in the course of civil disturbance, riot or commotion.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to provide for the payment of compensation by the State to citizens or their dependents for injury suffered and damage to property in the course of civil disturbance, riot or commotion"

The motion was adopted

SHRI SYED SHAHABUDDIN : I introduce the Bill.

*Published in Gazette of India Extraordinary, Part II, Section 2 dated 7.11.1986.

*Published in Gazette of India Extraordinary, Part II, Section 2 dated 7.11.1986.

15.30 hrs.

**CONSTITUTION (AMENDMENT)
BILL, 1986***

*(Substitution of new article for
article 347 etc.)*

[English]

SHRI SYED SHAHABUDDIN
(Kishanganj) : I beg to move for leave to
introduce a Bill further to amend the
Constitution of India.

MR. CHAIRMAN : The question is :

“That leave be granted to intro-
duce a Bill further to amend the
Constitution of India.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I
introduce the Bill.

15.31 hrs.

**INDIAN NATIONALS ABROAD
(REPRESENTATION IN PARLIA-
MENT) BILL, 1986***

[English]

SHRI SYED SHAHABUDDIN
(Kishanganj) : I beg to move for leave to
introduce a Bill to provide representation
in Parliament to Indian nationals residing
abroad.

MR. CHAIRMAN : The question is :

“That leave be granted to
introduce a Bill to provide repre-
sentation in Parliament to Indian
nationals residing abroad.

The motion was adopted

SHRI SYED SHAHABUDDIN : I
introduce the Bill.

*Published in Gazette of India Extra-
ordinary Part II, Section 2, dated
7.11.1986.

15.32 hrs.

**PAYMENT OF BONUS (AMEND-
MENT) BILL, 1986***

(Amendment of Section 2 etc.)

[English]

SHRI AJOY BISWAS (Tripura West) :
I beg to move for leave to introduce a Bill
further to amend the Payment of Bonus
Act, 1965.

MR. CHAIRMAN : The question is :

“That leave be granted to intro-
duce a Bill further to amend the
Payment of Bonus Act, 1965.”

The motion was adopted

SHRI AJOY BISWAS : I introduce the
Bill.

15.33 hrs.

**PREVENTION OF INSULTS TO
NATIONAL HONOUR (AMEND-
MENT) BILL, 1986***

(Insertion of new Section 4)

[English]

SHRI SYED SHAHABUDDIN
(Kishanganj) : I beg to move for leave to
introduce a Bill to amend the Prevention
of Insults to National Honour Act, 1971.

MR. CHAIRMAN : The question is :

“That leave be granted to
introduce a Bill to amend the
Prevention of Insults to National
Honour Act, 1971.”

The motion was adopted

SHRI SYED SHAHABUDDIN : I
introduce the Bill.

*Published in Gazette of India Extra-
ordinary, Part II, Section 2, dated
7.11.1986.

15.34 hrs.

**PREVENTION OF INSULTS TO
NATIONAL HONOUR (AMEND-
MENT) BILL, 1986***

*(Substitution of new Sections for
Section 3)*

[English]

SHRI SHANTARAM NAIK (Panaji) : I beg to move for leave to introduce a Bill to amend the Prevention of Insults to National Honour Act, 1971.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to amend the Prevention of Insults to National Honour Act, 1971."

The motion was adopted

SHRI SHANTARAM NAIK : I introduce the Bill.

15.35 hrs.

**WIDOWS' PENSION BILL,
1985—CONTD.**

[English]

MR. CHAIRMAN : Before further discussion on the Widows' Pension Bill by Shri Virdhi Chander Jain is resumed, I would like to mention that 2 hours and 41 minutes have already been taken on this Bill, thus exhausting the time allotted for its discussion. On the last occasion, the Minister, Shrimati Margaret Alva, was intervening in the debate on the Bill. She has already taken 05 minutes. After the Minister finishes her speech, the mover of the Bill, Shri Virdhi Chander Jain, has right to reply to the debate. Therefore, we may extend the time for discussion on the Bill by another 30 minutes. I hope the House agrees.

*Published in Gazette of India Extra ordinary, Part II, Section 2, dated 5.11.1986.

SOME HON. MEMBERS : Yes, we agree.

MR. CHAIRMAN : The time for this Bill is extended by thirty minutes.

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND MINISTER OF HEALTH AND FAMILY WELFARE (SHRI P.V. NARASIMHA RAO) : Sir, I do hope that the extension of such a magnitude is needed. All the cogent arguments pertaining to this Bill have been advanced already by my colleague. I really do not know, if there is anything else to add to what she had already said. Sir, this Bill actually goes against the grain of Government's policy. The essence of Human Resources Development is development and not charity. My own feeling is that Mr. Jain, belonging to older generation has not been able to appreciate the aspiration of the women of the younger generation. So, may be he and I are out of date, but since, I am dealing with this subject, I know something about it. He might, as well listen to me and withdraw the Bill. Sir, we really want to make the women competent. We want to add to their competence, to their productivity so that they become productive assets of the society. We do not want to give them doles from the age of 18. This looks preposterous to me. So it goes against the very policy of Human Resource Development. What we should do, what we should attempt to do always hereafter under this policy is to develop the skills of women, develop the competence of women. Therefore, I would like to tell Mr. Jain that he should withdraw the Bill and think of something in line with the policy. Let him come up with another Bill which is a little more in line with the policy and I will be very happy to comment on the Bill. If there is anything useful, I am prepared to take it. I am prepared to accept it. But under this, we are really negating the entire policy of the Government. I am sorry, Sir, I cannot accept it. I would like him to withdraw the Bill.

MR. CHAIRMAN : Mr. Jain,

[Translation]

SHRI P.V. NARASIMHA RAO : Please withdraw this Bill.

SHRI VIRDHI CHANDER JAIN (Barmer): Why? I do not withdraw it.

SHRI P.V. NARASIMHA RAO: Then what are you saying? You represent the old generation.

SHRI VIRDHI CHANDER JAIN: Mr. Chairman, Sir, the Widows' Pension Bill introduced by me, has been supported by all the hon. Members who participated in the discussion, except Shri Mool Chand Daga.

It appears from the amendments moved by Shri Mool Chand Daga that he also appreciates the spirit of the Bill.

Just now the hon. Minister has expressed his views that we belong to the old generation and we think different from the new generation. I may tell you that I have a long experience and I feel a sense of pity whenever I see the condition of any widow. It is not a question of giving some dole. The Members of Lok Sabha and the Vidhan Sabhas also get pension when they do not remain Members. Similarly, on the death of a Government servant, family pension is granted to his family. War-widows are also granted pension. Therefore, there is no motive of giving dole behind this Widows' Pension Bill introduced by me.

Earlier, I had expressed my views very clearly that I am in favour of widow remarriage. I want that widows should work. They should be employed in industries and in other services. Priority should also be given to them in employment. I also want that age relaxation in services should be given to the widows.

You should not link the word 'Pension' with dole. I want that widows should lead a respectable life and for that purpose I have introduced this Bill. I do not mean that after getting pension, widows should not join any business or industry. Therefore, I said it very clearly that the pension would be very useful for their upliftment,

And keeping this in view I have brought this Bill before the House. A question of social security is related with this.

In our country we have not yet taken up the question of social security. Just now the Juvenile Justice Bill was being discussed. We have not provided social security to them also. We have not yet been able to provide social security to the aged and handicapped. We have been treating the aged women as burden on the society. If a widow comes before us while we are going for some important work, we consider it a bad omen. We still have such feelings. A widow cannot attend the marriage of her son and cannot participate in 'Tilak' ceremony. This is the factual position.

There are situations when, being without any support, they have to work as maid servants and have to clean utensils. They have to do certain works which are humiliating for them and affect their character also adversely.

We have made arrangements for the pension of politicians and freedom fighters so that they may not lead a hard life and even if they are not MLAs or MPs, they may lead a respectable life. Similarly, we want that widows should also lead a respectable life. With this end in view, I have introduced this Bill. Before presenting the Bill I have thoroughly considered all the aspects. I have provided in the Bill that a widow having an annual income of more than Rs. 1200 or having parental property fetching good income or a widow in service, shall not be eligible for widow-pension. If a widow tries to get pension by fictitious and unfair means, there is provision for punishment for such an act in the Bill. I have prepared this Bill with these precautions.

Several hon. Members have expressed their views on this Bill during the discussion. Shri Daga has suggested a pension of Rs. 200 per month. Some other hon. Members have suggested pension ranging from Rs. 300 to Rs. 500 per month. After

due consideration I have suggested a pension of Rs. 75 to Rs. 125 per month as a support to a widow.

Some customs still prevail in our country which do not allow widow re-marriage and as a result thereof she has to face many difficulties. She tries her best to get employment but does not succeed. She wants to lead a respectable life in society, but cannot do so. Under the Directive Principles of State Policy the Constitution guarantees right to work. Even then she cannot get employment. I have brought this Bill keeping in view our present social structure. I have prepared this Bill after indepth study and have taken the advice of my friends. We want to have this arrangement for giving social security to them. I would still request you to reconsider it because by doing so we will be able to do justice to the widows.

With these words I conclude.

[English]

SHRI P.V. NARSIMHA RAO : I would like him to withdraw this Bill. Whatever good, useful ideas have come, we will discuss them with him. If there is anything to be brought again which is in line with the policy and still gives certain concessions to women on a preferential basis, I am prepared for that. But the Bill in its present form is just unacceptable.

MR. CHAIRMAN : What do you say about it ?

SHRI VIRDHI CHANDER JAIN : I beg to move for leave to withdraw the Bill to provide for payment of pension to destitute widows.

MR. CHAIRMAN : The question is :

"That leave be granted to withdraw the Bill to provide for payment of pension to destitute widows."

The motion was adopted

SHRI VIRDHI CHANDER JAIN : I withdraw the Bill.

15.50 hrs.

CONSTITUTION (AMENDMENT)
BILL, 1985

(Amendment of Article 311)

[English]

SHRI C. JANGA REDDY (Hanamkonda) : I beg to move :

"That the Bill further to amend the Constitution of India, be taken into consideration."

[Translation]

Mr. Chairman, Sir, this judgement of the Supreme Court has shocked all the employees of the Central and the State Government. Several unions of the Government employees have agitated over it and have submitted memoranda to show their disagreement with the judgement. This issue has also been discussed in the House more than once. We know that all those people who have expressed their opinion on this subject here or outside the House, regardless of the fact whether they belong to the Ruling Party or the Opposition, are against the judgement and have stated that the Constitution has to be amended again on the basis of this judgement.

SHRI MOOL CHAND DAGA (Pali) : What is the date of that judgement ?

SHRI C. JANGA REDDY : Should I tell you ? Shri Kumaramangalam and Shri Lalit Maken have made statements. . .

SHRI MOOL CHAND DAGA : Which is the judgement ?

SHRI C. JANGA REDDY : It is regarding Proviso to Article 311 (2) (b). . .

[English]

MR. CHAIRMAN : You will get an opportunity.

[Translation]

SHRI C. JANGA REDDY : Shri Daga wants to test me. If he keeps on interrupting, how can I have my say ?

[English]

SHRI MOOL CHAND DAGA : Who is the appellant, who is the respondent ? What was the judgement ?

[Translation]

SHRI C. JANGA REDDY : I will tell you. Let me speak.

[English]

SHRI MOOL CHAND DAGA : What was the date of the judgement ?

SHRI C. JANGA REDDY : 11th July, 1985.

SHRI MOOL CHAND DAGA : I would like him to specify the date ; when was the judgement given, who was the petitioner ? He has referred to the judgement.

[Translation]

SHRI C. JANGA REDDY : I am telling you, Shri Daga, just listen to me. . . (Interruptions) . . . If you want to know the taste of the food before it has been eaten then how can I tell you that ? The food is being cooked at present and spices are being mixed (Interruptions) This judgement was delivered on 11th July, 1985 by the Supreme Court in the case of Tulsiram Patel who worked as an Auditor in the Department of Defence at Jabalpur. One of his increments was stopped without any prior notice. When he enquired about it from the Regional Officer, the latter not only refused to answer him, but also hit him on his head in anger. Subsequently, the issue was taken to the Court. The judgement was delivered and punishment was awarded to him but later on the Session Court acquitted him, Subsequently,

without serving any prior notice, he was dismissed from service under Article 311 (2) (b). As a result of his dismissal, he filed a Writ Petition under Articles 226-227 in the Madhya Pradesh High Court against his compulsory retirement. The High Court accepted his Writ for reinstatement on the basis of the Supreme Court judgement of 1975 given in Chellappan Case. A Supreme Court Bench comprising five judges, gave a judgement on 11th July that under Article 311 (2) (b), any Government employee can be removed from service merely showing the reasons on record but without informing him of the charges levelled against him. This judgement was given after over-ruling the judgement given by hon. Justice Krishna Iyer and hon. Justice Fazal Ali in the Chellappan case under Article 14. That is why a demand has been made in the Lok Sabha to amend it and those Members of Parliament who are connected with Trade Union movement have supported it. Therefore, before the amendment is made, it has to be considered as to how the President and Governors have been shown as Government servants. We are aware that our Constitution has drawn its features from the British and other constitutions. Before that we were ruled by 'rajahs' who could recruit or dismiss employees from their service at will. The Government employees are not the servants of 'rajahs' ; they are public servants. As it is clearly mentioned in Article 310 :

[English]

"Except as expressly provided by this Constitution, every person who is a member of a defence service or of a civil service of the Union or of an all India service or holds any post connected with defence or any civil post under the Union holds office during the pleasure of the President, and every person who is a member of a civil service of a State or holds any civil post under a State holds office during the pleasure of the Governor of the State.

(2) Notwithstanding that a person holding a civil post under the

Union or a State holds office during the pleasure of the President or, as the case may be, of the Governor of the State, any contract under which a person, not being a member of a defence service or of an all-India service or of a civil service of the Union or a State is appointed under this Constitution to hold such a post may, if the President or the Governor as the case may be, deems it necessary in order to secure the services of person having special qualifications, provide for the payment to him of compensation, if before the expiration of an agreed period that post is abolished . . . vacate that post."

[Translation]

In Article 310, it has been provided, that the employees hold any post at the pleasure of the President and the Governor but in order to have a check on this power it has been mentioned clearly in Article 311 that :

[English]

"No person who is a member of a civil service of the Union or an all-India service or a civil service of a State or holds a civil post under the Union or a State shall be dismissed or removed by an authority subordinate to that by which he was appointed.

- (2) No such person as aforesaid shall be dismissed or removed or reduced in rank except after an inquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges . . ."

[Translation]

It has been clearly mentioned in Article 311 (2) that no Government

servant can be dismissed or removed from service, until he has been given a reasonable opportunity of being heard in respect of the charges against him. A study of our constitution before the 42nd amendment was made shows that the framers of our Constitution had thought about such a situation. They might have drawn certain features from the British Constitution, yet it has been clearly mentioned that :

[English]

"No such person as aforesaid shall be dismissed or removed or reduced in rank except after an inquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges, and where it is proposed, after such an inquiry, to impose on him any such penalty, until he has been given a reasonable opportunity after making a representation on the penalty proposed, but only on the basis of the evidence adduced during such inquiry.

16.01 hrs.

[SHRI SHARAD DIGHE *in the Chair.*]

[Translation]

Here there is a mention of giving two opportunities. Prior to the 42nd amendment of the Constitution, made during the Emergency period, it was clearly mentioned that during the course of enquiry employee should be informed of the charges against him, and given a reasonable opportunity of being heard in respect of those charges. This provided him an opportunity to clarify his position and in case, the employers were not satisfied with his clarifications, the same was intimated to him and at the time of announcing punishment he was told that such and such punishment was being considered for him but a second opportunity was to be given and a show-cause notice served. This is an ample proof of the fact that our Founding Fathers had

[Shri C. Janga Reddy]

made it clear that Government servants must be given two opportunities before actually being dismissed from service. Again, it is clear that a Government employee needs to be served with a show-cause notice before dismissal, and that opportunities should be given to him to explain his case before awarding him even the smallest punishment. This was their line of thinking. Now, insertion of the word 'pleasure' does not imply that that President or the Governor can take decisions arbitrarily. In Britain, it was felt earlier that 'the King can do no wrong'. This theory was in vogue earlier, but later on Government servants were provided the opportunities to explain their point of view. And should our country which claims to be a democratic republic enforce such laws? It is not proper to make use of President's name in this manner, when we consider him no less than an Emperor. As we are a democratic nation, every Government employee must be provided such an opportunity before his dismissal. I have read the Constitution as it was before the Emergency period. You may look at the subsequent interpretation of (b). In the case of Chellappan he was dismissed from service in spite of his acquittal in the criminal case under proviso (s) of Article 311. When the case was taken to the Supreme Court he was reinstated into service under Article 14, under the principle of Natural Justice. They must be provided the opportunity. Even during the British rule, such an opportunity was provided. If we study section 96 (b) of the Government of India Act 1935, we shall find that such an opportunity was provided to the Government employees even in those days. But today, in spite of our being a democratic country, Government servants are considered as slaves.

SHRI GIRDHARI LAL VYAS (Bhilwara) : Word 'slave' is unparliamentary ; it should be expunged.

SHRI C. JANGA REDDY : Shri Vyas is a trade Union leader, who considers all the Government employees as slaves of the Government.

MR. CHAIRMAN : I would examine it and give my ruling accordingly.

SHRI C. JANGA REDDY : If it is unparliamentary then the hon. Chairman will look into it.

I want to tell that the judgements delivered by the Supreme Court in very important cases have been repealed and revoked. We must know that there are 12 million Government employees in this country. Even the leaders of the Congress Party are opposed to it. You can have a look at the statement of Shri Lalit Maken :—

[English]

Late Lalit Maken M.P. had said : "The judgement had put 12 million Government employees in jeopardy. Who will determine as to whether the dismissal is in public interest? Employees will have to depend on the mercy of the bureaucrats."

[Translation]

You should make a detailed study of it. All the journalists and the newspapers are against it. You should understand this. I want to assure you that it is against the interests of the employees. Even after the views expressed by so many people, the hon. Minister says that this parameter has been given to us by the Supreme Court. We should know as to how long this parameter is? The (b) part of it should be withdrawn, which says :—

[English]

Article 311 (2)

"No such person as aforesaid shall be dismissed or removed or reduced in rank except after an enquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

Provided further that this clause shall not apply to impose upon him any such penalty, such penalty may be imposed on the basis of the evidence adduced during such inquiry and it shall not be necessary to give such person any opportunity of making representation on the penalty proposed :

Provided further that this clause shall not apply—”

[*Translation*]

He has told this but it has not been enforced at three places.

[*English*]

“(a) Where a person is dismissed or removed or reduced in rank on the ground of conduct which has led to his conviction on a criminal charge”.

[*Translation*]

Here, I want to tell you that if a Government servant is involved in a criminal case, he can be dismissed, irrespective of the place where he may be serving but this provision that he can plead his case or engage a lawyer in the civil court or criminal court does exist even there. Implicitly, we find that if someone is convicted under Proviso (a), then he can be dismissed from service without any show cause notice. But before awarding punishment to him he is granted a chance to engage a lawyer to plead his innocence and if even after this he gets punishment then this is justified. I want to tell you that here also in a way, they are clearly getting opportunity in (a) and (b) :—

[*English*]

“(b) Where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practicable to hold such inquiry.”

[*Translation*]

I do not understand it. If any person does not behave properly with his officer, he can be dismissed then and there. In the evening, orders are issued and the next morning he is relieved of his duties. What purpose will it serve? Heavens are not going to fall if a period of 15 days is given to him to explain his case? Even if

someone is awarded capital punishment he gets a chance to plead his case but (b) has such provision that an officer can dismiss his employee on such petty grounds as he has smoked before him or has abused him or has occupied a chair in his presence and for that he can record any reason on the file as he has not to intimate it to the employee. That is why we want a change in the procedure of the Confidential Report itself. For that also the employee should be given a show-cause notice but there is no provision for it. He can be dismissed by intimating 2 or 3 imaginary reasons. A person who has been working till yesterday evening can be fired from his service next morning. He would not be intimated about the reason recorded in the file because :—

[*English*]

‘There is no need to show any reason, kindly go’.

[*Translation*]

And if he dares to stay there then the police may be called to throw him out. This should not happen in a democratic country; it is possible only in autocracy. This is a way to keep the Government employees under thumb to force them to do legal or illegal works. If they do not carry out the biddings of the officers, they can be dismissed on one or the other pretext. There are many such instances; I would mention one of them to you. A railway employee Shri C. Ramarao who had complained to the Minister about the bunglings of his officers, was suspended on the pretext of being late by 15 minutes but this was not the actual reason. The actual reason was that he had complained against high officers. Can discipline be maintained in this way? This will not only encourage dictatorship but also bureaucracy, and big officers will start exploiting the lower staff. This verdict has proved that bureaucrats can take any action against anybody. If somebody does something wrong and for that if he is given a show cause notice of 15 days then it is not going to harm anyone. You have powers to take disciplinary action under

[Shri C. Janga Reddy]

which you can suspend him, and serve him a show cause notice. If he issues some undesirable orders under his signatures, he can be asked to go. What type of Democracy is it? If the Constitution is not in the interest of the people then it will have to be amended. It has not been gifted to us, we have ourselves framed this Constitution for ourselves. We should amend it as an experiment. This House must amend such laws. This judgement is against the interests of 12 million Government employees. Justice Krishna Iyer has already said that it is a death sentence without warrant. It is an economic death sentence. (*Interruptions*)

SHRI MOOL CHAND DAGA : You have made your point clear.

SHRI C. JANGA REDDY : We patiently listen to your views on all your Bills. Now, I have presented one Bill. Why do you not listen to me? You are a very experienced person.

[*English*]

SHRI Y.S. MAHAJAN (Jalgaon) : How much time is to be given to the mover?

MR. CHAIRMAN : Let me explain. It is an important Bill.

[*Translation*]

SHRI C JANGA REDDY : I want to remind you that if a personnel in the Armed Forces indulges in indiscipline, he is court martialled for that. Even he is given a chance to plead his case, where the security of the country is involved. Here, it is not proper to remove a Government employee from the service merely to satisfy the whims of bureaucracy. I only want this much amendment that (b) should be deleted from (a), (b) and (c) and (a) and (c) should be retained. This is a minor amendment and not a major one. Article 311 (2) (b) should be withdrawn and the Article renumbered. I want that all the hon. Members, sitting here should support it. I would request the Government also to pass this Bill. The resentment among the Government employees cannot be removed by the

executive instructions issued by you as these are bureaucracy oriented instructions. I would request the hon. Minister that the injustice being done to the 12 million Government employees, should be removed and this amendment accepted.

[*English*]

MR. CHAIRMAN : Now, there is notice of amendments to the motion for consideration given by Shri Mool Chand Daga.

SHRI MOOL CHAND DAGA (Pali) : I beg to move :

"That the Bill be circulated for the purpose of eliciting opinion thereon by 20th February, 1987."

MR. CHAIRMAN : Motion moved?

"That the Bill further to amend the Constitution of India, be taken into Consideration.

DR. G.S. RAJHANS.

[*Translation*]

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Chairman, Sir, the Bill introduced by Shri Janga Reddy is very important in many respects and for the last one year, and especially after the verdict of the Supreme Court, this issue has been under discussion in some way or the other. The problem has two facets. One is, we have to see whether merely by becoming a Government employee, one gets the right to remain in service for ever or whether same law should apply irrespective of the person being employed in a private undertaking or a Government undertaking. Secondly, it is to be seen that no injustice is done to 1.20 crore Government employees. They fear that their officers will have power to dismiss them from service without any reasons. So far as I understand, the rule applies to those officers also. You can go to any Government office and find whether even 50 per cent employees are doing their work honestly? And whether even those who do their work, are performing their duties properly? I am expressing these views out of my personal experience. The

employees in banks and government offices force their managers and officers to grant them over-time as they do not perform their duties well and the over-time has to be granted to get the work done. Their officers are forced to do the work which the employees are supposed to do. It is true that the press and the opposition severely criticised Emergency but if you go to the public even today, it will advocate its justification. It is not my but the public view. Why people express this opinion? Because during Emergency they got reliefs; the hospitals functioned properly, the trains were in time and post offices functioned properly. Just now you heard about Telecommunications. I have nothing to say about it. My brother in Bihar is seriously ill and for the last several days I have been trying to make a lightning call without any success. Why such people should not be dismissed? Should we advocate that the Government should not take any work from its employees and go on paying them salaries for sitting idle. The Government employees of this country forcibly claimed salary for 13 months for working for 12 months. We want that justice should be meted out to them and that they should not be dismissed without any reason... But the Government employees should honestly tell if their present behaviour is justified. Therefore, the time has come when a national consensus should be reached in the country. It is right that they should not be sacked without any reason but there should be no hesitation in throwing out a fish infecting the whole pond. On the one hand we want to modernise our country and want to take it to the 21st century and on the other hand, we are being pulled back. The important question before us is that when there is insecurity of job in the private sector, the same should be in the Government undertakings also. I give you a small example. The employees in the Private Sector warns his employees that :

[English]

'If you are not able to deliver the goods by tomorrow, you are out ?

[Translation]

And due to this approach there is so much efficiency in foreign countries as well

as in our country and the production and work output is immense. But when someone gets confirmed in a Government service or in Public Sector Undertaking, he openly declares that no body can get work from him. Whether he is an I.A.S., I.P.S. or I.F.S. officer or even a petty clerk, they all mock at the politicians and Ministers. In this country though the Constitution is there but the real power does not lie in the hands of the elected representatives of the people. Elected representative in Europe are considered garbage and are dismissed as casual workers. Everywhere in our country, people pamper the I.A.S., I.P.S. officers and other bureaucrats and I have seen Ministers pampering bureaucrats. If anyone has let down this country, it is the bureaucracy. Time has come to change this bureaucracy; otherwise it will eliminate us. The situation has deteriorated so much that the bureaucracy does not want to listen to any elected representative. An I.A.S. officer who becomes a Collector, Additional Collector or S.P.O. and an I.P.S. officer who becomes S.P., or Additional S.P. considers himself nothing less than a king. I do not know whether it is permissible but he forcibly keeps upto 25 orderlies and in this illegal manner, hundreds of orderlies are there to serve him. He behaves like a Mughal emperor and people bow before him.

I have already said that our country is divided into two parts? one is India and the other is 'Bharat'. India is that part where people speak English with the twist of their tongue and where people send their children to public schools to make them I.A.S. or I.P.S. officers because these I.A.S. and I.P.S. officers consider themselves 'kings'. The other part is 'Bharat' which consists of the poor and the hapless and for whom even drinking water is not available. Their fate is to suffer at the hands of these bureaucrats and to serve them. If we do not see the writing on the wall and do not become practical, then for how long the public will tolerate us? This is not a question which concerns a single party. We should rise above party considerations and should see why a handful of English speaking bureaucrats are ruling over the whole country and why should we allow all this to happen? If

[Shri G.S. Rajhans]

they also face insecurity of job and know that they can also be sacked for their mistakes like the managers in private sector, then they will mend themselves. I am revealing a secret to you. You go to any State. You will find that every I.A.S. and I.P.S. officer has a bungalow worth about Rs. 50 lakhs in the State capital. Is there any Government which is ready to enquire honestly in this matter and disclose the facts? We the elected representatives, will go on fighting with each other and criticise one another but what are we doing to tackle the ones who are befooling us, sucking our blood and provoking us to fight against one another. The bureaucrats are a very clever and shrewd class and are a closely knit fraternity. Whatever you say about socialism and 20 Point Programme, they do not pay any attention. They will do only what they consider fit. You, all the elected representatives present here tell honestly as to how many bureaucrats let your programmes succeed? Is it not our duty to tell these bureaucrats that they are liable to mislead the public. We shall lead and guide the country as the people have voted us and who are they to guide the people. We shall not allow them to do all this. We shall support their case if there is insecurity of job but we would also like some High Court Judge to enquire into the huge properties amassed by the bureaucrats and guilty ones to be dismissed. No sympathy should be shown to them.

Sir, you will be surprised to know that just 10 days ago, it was published in all the newspapers of the country that an I.P.S. officer had embezzled crores of rupees in some purchase deal. The I.A.S. officers awarded medals for efficiency and honesty have misappropriated crores of rupees. You will be even more surprised to know that a lady I.P.S. officer pleaded her ignorance along the goings on, stating that she being a new comer, the clerk got to her signatures on the papers.

Sir, I would request the hon. Minister that time has come to take some action and not to overlook it any more as the people of the country cannot wait for long. It may be that you are a supporter of bureaucracy but you must take into

account that to what extent this bureaucracy is dominating the country? They befool others and enjoy themselves. They are not accountable to anyone. When it comes to us, we are held accountable to our constituency, our State and the entire country but these I.P.S. officers who have embezzled crores of rupees are still holding high posts in Bihar. Neither the Chief Minister of Bihar nor the Centre dare to take action against them.

Now these I.A.S. and I.P.S. officers have formed their associations. You take any action against them and their association takes up their case. Is there any law under which we may debar them from forming associations? If there could be barefoot bureaucrats in China, why the same cannot be in India? How many officers and Sub-Divisional Officers visit a flood or drought hit area in any State? Everyone is having his pound of flesh in the loot. We are in a very crucial phase of history.

[English]

We are on the cross-roads of history.

[Translation]

If we do not control the bureaucracy immediately then it will eliminate us and that will be a sad day for the country.

In brief, I want to say only this much that public servants earning below a certain salary should be granted some job security but true picture of the top level bureaucrats should be projected before the people and in no case they should be granted job security.

[English]

SHRI Y. S. MAHAJAN (Jalgaon) : Mr. Chairman Sir, Our Constitution is the best in the world. It was framed by the Constituent Assembly over a course of years under the leadership of Pundit Nehru, Shri Vallabh Bhai Patel and Dr. Ambedkar. It consists of the best parts of the Constitutions in the world.

They thought that we should have a very efficient bureaucracy. Therefore, they

provided for its security, Section 311 provides for security to the members of the civil service in this country. Today their number is about a few millions. They are the back-bone of our administrative structure and it is they who claim the responsibility of implementing all our plans with regard to socio-economic development.

All these years we have been saying that we have failed at the implementation stage because the administration is not efficient. More than that, the administration is not only not efficient, but also it is corrupt. Instances of corruption have been given by the previous speaker Dr. Raj Hans. Everyday we come across such instances ; but we cannot remove them. Even the head of a department cannot remove even a Class-IV servant because he appeals to the district court, then high court and finally to the supreme court. The courts take the side of the under-dog and he is re-instated with full payments of his salary which he was not getting during the period of his suspension.

It is this which has reduced the rate of our social and economic growth for the last so many years. The Bill says that, Article 311 2(b) simply says that where it is not possible or practicable to carry out an inquiry, the authority concerned should give reasons and then dismiss or terminate the service or reduce the status of the lower officer concerned. This is only one thing which should be taken into account. I will suggest that the reasons should be communicated to the officer concerned. That is not provided in the Constitution. If that is provided, I think most of the objections to the judgement of the Supreme Court will vanish. I think we have made security a shibboleth in this country. It is the excessive security enjoyed by the government servants which has come in the way of their efficiency and has encouraged corruption.

Everybody knows that a certain person has made tonnes of money. His salary may be Rs. 2000/- per month ; but he owns property worth Rs. 50 lakhs, one crore or two crores. We cannot do anything, we cannot go to court, we cannot

prove it because the law always says that you cannot convict a person unless there is convincing proof. The law relating to corruption is a part of the criminal law. Therefore, it is not possible to prove to the hilt the guilt of a corrupt person and therefore, he escapes. If you try to give absolute security as proposed by Shri Reddy, you will ruin the country. That is my contention. Therefore, the security aspect that we have at the moment is quite sufficient. There is no case for removing the Section as suggested by Mr. Janga Reddy. We can say if there are reasons the same should be put in black and white and communicated to the person concerned.

I am surprised, Sir, that the Opposition parties should have objected to the Supreme Court judgement because at least they more than we should say that the Administration is inefficient and corrupt. Why should they not realise and help in the development of the country by seeing that the Administration becomes honest and efficient. If you give excessive security then you ruin all our plans for socio-economic development. Therefore, I suggest that there is absolutely no case for re-consideration of Article 311 or much less drop 311 (2) (b) as has been suggested by Mr. Janga Reddy,

SHRI AJOY BISWAS (Tripura West) :
Mr. Chairman, Sir, I rise to support the Bill. I thank Mr. Janga Reddy that he has brought a very important Bill before the august House because 1.20 crore Central Government employees are involved in this Bill. We find outside Parliament many State Government employees are demonstrating and demanding that Articles 310 and 311 (2) (a) (b) and (c) should be removed from the Constitution. Articles 310 and 311 are blots on the Indian Constitution. Mr. Janga Reddy, I think, seeks to remove these blots from the Constitution to protect the rights of the State and Central Government employees. Lakhs and lakhs of Government employees, think that like a Democles sword it always hangs over their head and they are always under constant fear of being dismissed by this black provision.

[Shri Ajoy Biswas]

The latest Supreme Court judgement has also created more problems for the Government employees. The Supreme Court judgement has revised the earlier decision of the same Supreme Court. In 1974 the Supreme Court gave the verdict in Challapan case that Government employment should get the opportunity to know what is the quantum of punishment.

Sir, in 1973 the loco running employees were on the path of agitation and about eleven to twelve thousand loco running employees were dismissed under Section 14(2) of the Railway law. Ultimately the railway people went to the High Court and Supreme Court. Mr. Challapan went to the Supreme Court and the Supreme Court gave the verdict that as the railway authorities did not comply with the provision that they have to inform the quantum of punishment so all the cases were dismissed and they were re-instated.

Then the Government again went to the Supreme Court. The latest judgement by the Supreme Court—the Bench consisted of five Judges—revised the decision in the Challapan case and they said that there was no need to inform the person concerned about the quantum of punishment and that is the crux of the whole problem.

The latest Supreme Court judgement has taken away the principle of natural justice. The result of the judgement is that the bureaucracy has been given an unbridled power to sack employees without the semblance of any show cause notice and the vindictive executives will now prey upon the employees to settle their scores. It further helps the ruling class to terrorise the employees and thwart the trade union activities of the Government employees as a whole.

The problem is not the judgement. The problem is the intention of the Government. What do the Government want to do? The Supreme Court judgement previously was in favour of the employees. Now it

went against the employees. But I want to ask the Government, what they intend to do. If the Government want to keep this black provision in the Constitution, then that is another issue and if the Government want to remove this provision and want to create an atmosphere of democratic situation in the country, then that is a different issue. One Article, that is Article 311 (2) (B) is sought to be amended by this Bill, but I am against Articles 310 and 311 (2) (A), (B) and (C) also. This is because these Articles are connected with each other. Article 310 cannot be separated from Article 311 (A), (B), and (C). These Articles are based on the doctrine of pleasure.

If you go through the debates of the Constituent Assembly, you will find that these Articles are replica of the Government of India Act, 1935. What was the Act of 1935? It was framed on the basis of the British Constitution and conventions. According to the British Constitution and Conventions, the Government employee is a servant of the King or the Queen. As the King or the Queen can do no wrongs and there cannot any agreement between the King or the Queen and the employee, so, the employment must be at the pleasure of the King or the Queen. That was the doctrine of the British law. It is a prerogative of the ruler and it has been kept in our Constitution. It is a legacy of the colonial rule.

Sir, in particular, I would like to ask the Minister whether the Government is interested in continuing this British legacy in our Constitution, Or whether they are interested in removing this anomaly and creating a democratic atmosphere for government employees. This is the main question. The problem is, according to that Act, the Queen or the King can dismiss any employee and it is just a replica of that Act. The only difference is, here the President or the Governor can dismiss any employee without assigning any reason. But in actual practice it is not the President or the Governor who would be doing that. According to our Constitution, any bureaucrat can dismiss an employee under Article 311 (a),

(b) or (c). He has only to record in the file that it cannot be disclosed anywhere. So the entire state machinery, the entire government depends upon the bureaucrats.

Sir, the contents of the Articles 310 and 311 (2) (a), (b) and (c) have been bodily lifted from the Indian Act, 1935. The only change is that instead of King or Queen, here it is the President in the case of central employees and Governor in the case of State employees. But the same master-servant relationship still persists and this sort of relationship is not in conformity with our democratic set up. Let the Government tell us whether this master-servant relationship is in conformity with our democratic set up. Do they feel that this relationship should continue? It is a colonial legacy and a colonial attitude, which needs to be deleted so as to make our Constitution more democratic. I am not talking about the Supreme Court here. What are you doing? What is your duty? This is the main question. This august body must, once for all, repudiate this feudal, royal, barbaric concept.

I am challenging the Government to show one single case where an employee was retrenched actually because he was acting against the security of the State. Can they prove that what was recorded in the file was true? You will not be able to prove that thing. Not a single case. You can never prove that the employees are retrenched because they are acting against the security of the country. According to Article 311 (2) (c), if the activities of the employee are against the security of the State he is to be dismissed. Here I may tell you that Shri Sukumol Sen who is a Member of the Rajya Sabha was dismissed under Article 311(2) (c) because he was said to be acting against the security of the State. Now people have elected him. He has been elected to the Rajya Sabha and now he is a Member of Parliament. I would like to give another instance. In Tripura one Mr. Vivekanand Bhowmik, who was a teacher, was dismissed under Article 311 (2) (c) because his activities were said to be against the security of the State. He became the Minister. The same Governor who dismissed him, because of his activities against the security of the State took his

oath. So, this is full of contradictions. What you can say is that this provision is needed for the Government to maintain the security of the State. That is not the main thing.

Sir, I am telling you, that in Jammu and Kashmiri Constitution, there is Section 126 (b) which is also a replica of Articles 310 and 311 (2) (a) (b) and (c) During Emergency, about 14 employees were dismissed. During the Shah regime, they dismissed 9 employees under this Act. So, you dismissed these people who were fighting for the integrity of the country.

You supported that Government. So these Articles, 310 and 311 (2) (a), (b) and (c) always used to put down the democratic trade union movement of the Government employees. It never used to eradicate the corruption. It never used to maintain the security of the country. What Mr. Rajhans was telling is not the thing. The Government employees are guided by the Conduct of Service Rules. They have enough powers to remove anybody for corruption. They can remove anybody for any sort of offence. Corrupt officials have been promoted.

In 1971, in West Bengal, during the regime of Shri Siddartha Shankar Ray, 14 employees were dismissed. Who are these people? Under Article 311 (2) (c) all were leaders of the State Government Employees movement who were dismissed. During Emergency, in West Bengal, 28 employees were dismissed under Article 311 (2) (c). In Tripura, which is a small State, during emergency, 3 State Government Teachers and employees were dismissed under Article 311 (2) (c) because of their activities against the security of the State and all 31 employees were the leaders. Even your Government was cruel i.e., first of all, they were arrested under MISA and then they were put behind the bars. The dismissal orders were served on them inside the jail. During emergency, the dismissal order were served with the help of police only to curb the trade union movement and to curb the democratic rights of the Government employees in the country. In 1977-78, the Left Front Government came

[Shri Ajoy Biswas]

to power in West Bengal and Tripura. They reinstated all the dismissed employees who were dismissed under Article 311 (2)(c).

17.00 hrs.

Now what do you do? They are not anti-national. Their activities are not now against the security of the country. The same Governor reinstated those employees. So, it is not connected with the security of the State or with the other arguments which you have been advancing. You want these provisions, these black laws, only to arm yourself to curb the trade union and democratic movements in the country.

This is not an isolated thing. Already, in this august House you have passed the National Security Bill. You are trying to bring in a Trade Union Relations Bill which will snatch away all the rights which have been earned by the workers during this period. You want to snatch away all the rights. You are trying to bring in that Bill before this august House.

I had also written to the Minister last year. In his reply to my letter, he said: 'No; we have instructed all the departments to see that before dismissal, he is informed. Otherwise, no dismissal order can be there.' But this will not serve the purpose.

One crore and twenty lakh State and Central Government employees are united. They want that these black laws should be deleted from the Statute. For 1968, and again in 1973 the State Governments' employees have demonstrated in Delhi. Thousands of them came to Delhi. In 1984, throughout the country, the State Governments' employees observed a one-day token strike. The State Governments' Employees Federation—I am also connected with it—has decided that on 24th November 1986 it will collect 40 lakh signatures from the State Governments' employees, against these draconian provisions; and those 40 lakh signatures will be presented to the Prime Minister. This is the extent

of the wrath of the Government employees. You must consider this. Thousands and thousands of State Governments' employees will come to Delhi, and demonstrate at the Boat Club.

I further request Government and the Minister to see reason. Don't bypass anything. You just put forward your arguments reasonably. You must try to create a proper atmosphere among Government employees. I request you to delete these provisions and protect the rights of the State Governments and Central Government employees in this country.

[Translation]

SHRI HARISH RAWAT (Almora): Mr. Chairman, Sir, recently there have been two judgements by the Supreme Court which have created difficulties not only for the concerned parties to the case but for all of us also. One judgement related to Shariat. Whether anything should have been said or not about that is a moot point but it is a fact that much has been said in the House and outside on this.

The second judgement of the Supreme Court related to Article 311. The way Supreme Court has changed its own earlier ruling and has interpreted Article 311(2) (b), we too are involved in it. With this judgement are involved the interests of lakhs of Government employees of the country.

I am of the view that our Constitution is a document which gives protection to the weaker sections against the powerful ones. With this judgement of the Supreme Court, the guarantees given to the Government employees by the Founding Fathers of the Constitution, apprehending that they will not be able to get justice from the powerful, have been taken away. It can be misused in the matter of service conditions. High officers have been given ample powers. The judgement of the Supreme Court delivered in July 1985 I feel, is not only against the interests of the Government employees, but also against the basic principle of natural justice.

17:07 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

It goes counter to the Fundamental Rights also, given under Articles 14, 19 and 21. The hon. Minister is well aware that the employees not only have put up their demand or demonstrations more than once, but have also exhibited their power and if we widen the gulf between the employees on the one hand and the Government and the officers, on the other, it will not be in any way desirable. I would like to request that the Amendment submitted by Shri Janga Reddy to Article 311(2)(b) should be accepted. It is not going to make much difference basically. Whereas the framers of the Constitution have given rights to the Government employees under Article 311(1) they have at the same time made all the conditions clear under provisos (a), (b) and (c) of Article 311 (2) under which services of a Government employee can be terminated. I think the Supreme Court has exceeded its powers and this has created a feeling of insecurity in the minds of the Government employees. This is quite understandable. Shri Rajhans and some other hon. Members have stated that the Government employees do not do work and are corrupt. There is no doubt that there can be certain persons of this type but the Government and the senior officers are fully equipped to take action against such employees and the Constitution does not come in the way of such action. The difficulty comes when power is misused. With this judgement, possibility of the officers misusing the powers given to them has increased. This has created a feeling of insecurity among the Government employees. This feeling is not only against the interests of the employees, it is against our own interests and is contrary to the basic conception of the Constitution also. Therefore, I am of the view that the Amendment presented by Shri Janga Reddy should be accepted. The BJP people do not do a good turn but this time they have taken a good step for the first time by bringing this Bill and thereby giving us a chance to express our views. We should not take this judgement in that sense that because the Government employees indulge

in misdeeds, they should be punished. Rather we should consider this decision as violative of the basic spirit of the Constitution. The Government employees are feeling insecure today. The difficulties of the Government employees have been increased by setting up service tribunals as these are to be presided over by the officials. How will one set of the officials change the decisions of other set of officials? I feel that this has resulted in diluting the guarantee of protection given by the founding fathers of the Constitution. Therefore, we should accept this Constitution Amendment Bill. If the wording of the Bill is not acceptable in the present form, that can be changed. Heavens are not going to fall if Article 311(2)(b) is deleted. I hope that our young Minister will accept it.

SHRI P. NAMGYAL (Ladakh): Mr. Deputy Speaker, Sir, I want to say few words on the Constitution Amendment Bill presented by Shri Janga Reddy. From the speech of the hon. Member who spoke before me, it seems that the Government employees are engaged in one or the other act of indiscipline and illegal activity. I do not fully agree with him. I am of the view that there are very few persons who are caught doing such activities.

I am not a legal expert but at the same time I feel that Article 311(2) provides that reasonable opportunity will be given to the employee and only after that if some charge is proved against him, he will be penalised. Moreover, it has been provided in sub-clause (2) that :

[English]

“(b) where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is reasonably practicable to hold such inquiry ;”

[Translation]

This clearly shows that it is a specific criminal charge and after it provisos (b) and (c) follow. Every act cannot be termed as criminal. We daily read in the

[Shri P. Namgyal]

newspapers that there are certain persons in the Punjab Police who are in collusion with the terrorists and provide information to them on wireless. When a bank is looted, at that time also it is said that some bank employees were involved in that. Similarly, you must have read a lot about Jammu and Kashmir also. The Muslim Educational Trust, the Islamic Study circle and some such other organisations are there where quite a large number of Government employees are working who are intellectuals. They mobilise that funds within the country as well as from abroad and also incite people against India.

If in some case, involvement of a Government employee is established, then you say that he should be given a chance. To my mind, provisos (a), (b) (c) have been rightly included in the Constitution. It is said about our Constitution that it is quite flexible and even on a routine matter, Fundamental Rights can be invoked. All the anti-national, anti-social, communal and secessionist elements take undue advantage of such provisions. Every Government servant is not of that nature and I think, they get justice because proper enquiry is conducted as provided under Article 311(2) of the Constitution and they are properly listened to. During enquiry if charges are established against them, they are not given another opportunity. Therefore, the Amendment Bill brought by the hon. Member does not seem to be of much consequence. In this regard I would like to say that such provision must remain in the Constitution, And in view of the prevailing condition in this country such provisions are necessary to deal with the elements who come under the criminal Procedure code. Everyone is not a criminal. If a Government servant does not obey his officer, he cannot be called a criminal. Disciplinary action will definitely be taken against him for non-compliance of order but criminal case cannot be instituted against him. The criminal is one who commits crime such as murder etc. You know that our late Prime Minister Mrs. Indira Gandhi was assassinated in broad day light and the culprits were caught red handed.

They are still under trial. Why such a long trial is there in such cases? In such cases even proofs were not very important because they were caught red handed while shooting. So long as stringent action is not taken in such cases, there cannot be any peace in the country.

I, therefore, cannot support the Amendment Bill brought by Shri Janga Reddy and I oppose it.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad): Mr. Chairman, Sir, I support the Constitution Amendment Bill brought by Shri Janga Reddy. First of all I may submit that the Supreme Court has given two such judgements which have created turmoil in the country. One was in favour of women but the Government in panic did away with that judgement in this House. The second judgement is this one under which one crore and twenty lakh people are living under a feeling of instability and insecurity. Who are these persons—these are the persons, who are a part of the Government, who are running this Government. If you take 5 persons dependent on each of these one crore 20 lakh people, that would mean that 6 crore people are going to be affected by this judgement. This you have to keep in mind. It is not an amendment to the Constitution that will pose danger to the country. On the contrary, it will remove the panic in the minds of the employees.

One thing more. Some hon. Members have pleaded that the Opposition benches allege that corruption is increasing and that the administration is corrupt. In such a situation administration does not mean only these one crore and 20 lakh persons. Administration means those people also who are sitting on those benches. This cry against the corruption that is raised both from this side as well as that side is not going to be muffled. When persons who make law do not act upon it, how can others in lower hierarchy be expected to act upon it? If people like us amass such a huge property through corrupt means, how can we prevent others? We are the law makers. We should be more

cautious in this regard. Such evils have entered into us also. Why this panic then? There should be no such panic. I would say that the Government should accept this Amendment Bill because people are agitating against it. The workers have got this right after great sacrifices but now the Government is taking it away. The court had decided two cases out of which one was accepted by the Government but the other was not accepted because the Government apprehended that one judgement would cause isolation of the people of one religion from it. But you should understand that the other is even more dangerous. That is why I say that it would be better if the Government accepts it. It has created a feeling of insecurity among one crore and twenty lakh employees. It is quite wrong to dismiss an employee without serving any show cause notice. Whenever anyone commits any offence, he should be asked to explain the circumstances under which he did so? If his explanation is not found satisfactory, he should immediately be dismissed without showing any favour to him. But the dismissal, without calling any explanation is not right. It is very important. I would, therefore, say that the Government should accept it. At present you may not accept it because you are in majority but sooner or later, whether you are in the treasury benches or in opposition, it would be passed by this House. It is inevitable and nobody can stop it.

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr. Deputy Speaker, Sir, I neither support nor oppose the Constitutional (Amendments) Bill 1985 introduced by Shri C. Janga Reddy because it is a matter on which our Government should think very seriously.

The first question is that we have given guarantee under our Constitution to the employees they will not be dismissed from their service without any reason and they will be given full opportunity to explain their position. On the other hand, in some cases the officers and the Government are empowered to dismiss an employee without providing him any opportunity to explain his position. These are two types of questions about which we should think seriously.

I want to say one thing in this regard. An hon. Member of the Communist Party and another hon. Member who was just speaking, have said that one crore and twenty lakh employees,—and if their dependants are also included—then six crore people, will be affected by this judgement. But these six crore people are consuming the maximum part of our national income whereas no facility is available to 38 to 40 per cent people who are still living below the poverty line. Unless we make arrangements to provide comforts and facilities to every citizen of our country and unless we make efforts to provide work, food, clothes and houses to all the citizens, education to the children and health facility to every one in our country, spending the maximum part of our national income on these six crore people will not strengthen our system and we will lag behind in fulfilling our other objectives.

What I mean to say is, on the one hand all sorts of security, resources and facilities are being provided to them and on the other hand, crores of people remain deprived of these essential amenities. Therefore, we should make arrangements and establish such a coordination that essential amenities to all citizens of the country are provided.

I would like to suggest one more thing to which you may or may not agree. In various countries of the world, the officers are engaged on contract basis, particularly the officers of higher ranks because it is not possible to engage the lower employees on contract basis. If the higher officers are employed on contract basis, they will always have a sense of fear that if they do not work for the improvement of the country's condition, their contract can be terminated at any time. If the higher officers have this fear in their mind, much improvement can be effected in our present working system.

Just now Shri Rajhans was speaking about the rampant corruption in our country. Big persons are involved in corruption but no action can be taken against them. As such, it is impossible to eliminate corruption. A person earns money by illegal means but no action can be taken against

[Shri Girdhari Lal Vyas]

him because of the non-availability of the evidence. But if the officers are employed on contract basis and they do not work properly, we can definitely take action against them. They will have constant fear of such action in their mind. Our Government should think over it as to what would be the advantages of such a system if adopted and how our administration would run.

Presently, our hon. Members say that entire system of our country is controlled by the bureaucrats. By adopting this system we will get rid of this bureaucratic grip and will get opportunity to take the country towards progress. This system will be very useful for our country.

Shri Reddy has proposed that the provision under Article 311(2)(b) should be deleted but there are many cases where generally evidence is not available. There can be cases in which though it comes to our knowledge that an employee is conspiring against our country it becomes difficult to take action against him due to lack of evidence. A higher officer may know that a particular employee is involved in a big scandal or conspiracy but he cannot take action against him without evidence. It is the only provision under which action can be taken in such cases. It is a question worth considering that if this provision is deleted, how action will be taken in such cases. Generally, our Government believes in democratic system and does not dismiss any employee. No officer dismisses his employee merely on personal enmity. It is, therefore, worth considering how a decision will have to be taken in such circumstances. If this provision is deleted, there will be no other alternative available to take action in such cases. You know that evidence is not available against the persons involved in corruption cases, conspiracy against the country, secessionist activities or other anti-national activities because they work behind the scene. Under such circumstance, how action is to be taken against them. It is one of the provisions under which action can be taken against them.

I want to give one more suggestion. Ours is a democratic country and Shri Janga Reddy has forcefully advocated it in his speech. Then why should we not give all democratic rights to the people. All employees may be appointed on contract basis so that they may serve at their will and may leave the service as and when they so desire. In addition to their right to vote, they should be allowed to contest elections also, so that they may not have any complaint against the Government. Shri Janga Reddy has alleged that the Government looks down upon its employees. With this system the employees should not have this feeling because we all are equal. All citizens of this country have equal rights. Thus they should also have right to contest elections and make their full contribution to this system. Such an arrangement can be made under our democratic process and certain decisions of this type can be taken. We should think over it in a definite manner. I would also request that these systems should be strengthened. Dr. Rajhans has said it rightly that many of the employees and officers are corrupt. At present what is the condition of our Banks, Financial institutions, civil courts and administrative courts? Their employees consider salary as their right and adopt unfair means to earn extra money. You may see at Delhi. In the morning high officers go to their offices but in the evening they take their dinner in five star hotels alongwith their wives and children. What they spend in a day is equivalent to their full month's salary. Wherefrom they get money? If you look into it, you will come to know how our bureaucrats are working? It is, therefore, very essential to make improvement in our present system. This improvement cannot be made till the provision of Article 311(1) exists. Therefore, what is required is introduction of a provision of contract system in the service. The way, we the politicians are elected for a period of five years, which can be further reduced in certain compelling circumstances, they too should be taken in service on that basis so that they may also feel that the sword of Damocles in our democratic set up remains hanging over their head. This system should definitely be introduced so that the administration may be streamlined and the pace of development may be accelerated. That is why I

said I neither support nor oppose this Bill. It has been stated that the services of a person should not be terminated without assigning any reason. It is very correct that a person should not be dismissed unless the charge is proved against him. This provision is in the interest of our country.

For this reason, I again state that I neither oppose nor support this Bill. In the end, I will say only this much that the hon. Minister should take an appropriate decision after considering my suggestions seriously.

SHRI K.D. SULTANPURI (Simla) : Mr. Deputy Speaker, Sir, I rise to oppose the Amendment Bill introduced by Shri Janga Reddy. The first thing is that I consider that the points contained in the Bill are not correct. We have already got a provision in the constitution which is very good and suitable actions are taken according to that provision. Today all are governed by uniform laws. Everything is, therefore, going on well. These B.J.P. people do not talk of their indiscipline I do not know how such an idea has struck them. We have noticed that only one or two hon. Members of their party remain present in the House. It is beyond our Comprehension how they will work for the welfare of the country.

SHRI C. JANGA REDDY : At least 50 per cent of our Members are present here but from your party not even 50 per cent Members are sitting here.

SHRI K.D. SULTANPURI : I would like to ask Shri Janga Reddy whether their leader, Shri Atal Bihari Bajpai has ever thought about the Government employees. It is surprising that Shri Janga Reddy is concerned about them. Therefore, I feel that the Bill introduced by him is not a good one. You better withdraw it. We should treat all alike. Today every activity in the country is going on smoothly. Whether they are employees of the Government of India or of the State Governments, They are all working with great honesty. We have got the provision to punish the guilty employees. We can take legal

action also against them. So this Bill is not required. I again oppose this Bill vehemently. In my view our other colleagues will also oppose this Bill. It will therefore, be better if Shri Janga Reddy withdraws this Bill.

KUMARI MAMATA BANERJEE (Jadavpur) : Mr. Deputy Speaker, Sir, I congratulate Shri Janga Reddy for presenting this Bill. I thank you also for granting me time to express my views on this Bill. I support the intention behind the Bill but it seems to be politically motivated. I fully agree to what Shri Rajbans and Shri Vyas have said about this Bill. Even now some people of our country are swayed by parochial considerations. That is why Shrimati Indira Gandhi was assassinated and attempts on the lives of Shri Rajiv Gandhi at Raj Ghat and Punjab Police Director General, Shri Ribeiro were made. Many other such anti-national activities are taking place in the country. Some people want to disintegrate this country. Article 311 (a), (b) and (c) are justified and it should be made more strict. It will be better if Shri Janga Reddy withdraws this Bill.

We also believe in trade union movement. We understand the feelings of workers. We have noticed at some places that the management is not having good relations with the workers. The management can misuse this power in such cases. The Government must ponder over this aspect. Otherwise, the judgement of the Supreme Court is all right. 1.20 crore employees of General Government and State Governments feel that this judgement will not go against them. It is understood that 20,000 employees have become surplus in N.T.P.C. Workers will be retrenched. But the management will not suffer for its mismanagement.

[English]

Not only in NTC, but everywhere these is this mismanagement and corruption going on. But only workers are being exploited, as also trade unions. Mismanagement is going on as before.

[Kumari Mamta Banerjee]

[*Translation*]

Then the Government should take care that no worker is retrenched. If services of any worker are terminated then the management will have to give reasons for the same. The Government and the President have powers to penalise elements indulging in anti-national activities.

No C.P.M. Member is present in the House. But we want to tell those people who proclaim Indian constitution as the legacy of British empire colonialism and racialism that our Constitution is the best in the world. It contains the best provisions. We combat the evil things. Cannot we criticise such issues within the party forum? Article 311 (a), (b) and (c) should not be misused against the workers. The Government should also see to it that this thing does not happen. It should be enforced only against the terrorists and anti-national elements. But if the management misuses this provision to harass the workers and does not give a chance to the workers to plead their innocence, then it will have a harmful effect. But these people label it as a British legacy.

What is the legacy? Those people are not here. Otherwise, I would have told them that a manager of one small industry was beaten up by the C.P.I. (M) workers in broad daylight. This is not the only instance. An organisation of the junior engineers has been on strike for the last four months. The Chief Minister of West Bengal says that some very harsh measures will be taken against the striking employees, they will be sent to jail and their promotion will be stopped. And upon all this they profess to be the champions for the cause of workers. They say that China is no threat at all and that we should follow Pakistan's example in this regard. These CPI (M) people conspire with foreign powers and speak something else in the Parliament merely for the sake of publicity. If you go to West Bengal, Tripura or Assam, you will find how these people indulge in propaganda tactics. The junior doctors who are on

strike have been beaten up. And here they speak like this.

[*English*]

You will be surprised to know that the Vice Chancellor of Calcutta University is afraid to enter the Calcutta University premises; and he is working from his residential premises. He is not coming to the University. This is going on for two months. There is no working being done. There is no justice. This is happening, because of the CPI (M). In the Congress Party, one can always criticise Government and plead for the welfare of the workers. They say that under the Congress regime, the British legacy is going on. It is absolutely incorrect.

I want Mr. Janga Reddy to withdraw his Bill, but Government must think over this matter, because this is related to workers' interests. The workers' interests must be protected.

[*Translation*]

SHRI MANOJ PANDEY (Bettiah): Mr. Deputy Speaker Sir, the Bill moved by hon. Shri Janga Reddy is based mainly as Section 311 of the Constitution. This Bill is connected with the Supreme Court verdict on that issue. There are certain bitter facts and as we all know bitter truth is hard to swallow. Shri Reddy has moved the Bill which is concerned with a verdict which affects 12 million people. But he has never moved any Bill for those 750 million people who are always dominated administratively by 12 million people. Although he is a very good friend of ours and always talks of the agricultural labourers and is very anxious about the state of agriculture, he should have brought a Bill which could benefit 80 per cent of the population of this country. Anyway, it is his concern. One point that I wish to make relates to our 20-Point Programme which is a socio-economic Programme. So far as this programme is concerned, I wish to say that the administration must be sensitive to the feelings of the people. In this connection I would further say that whatever is being done in the

name of the Trade Unions is not proper. It is important to emphasise on this because Trade Unions are in existence in every field. Even the lowest employees, when employed in the Public Sector, try to form a Union and are running it to serve their interest. Our workers are not bad; they discharge their duties with great responsibility, irrespective of whether they are in the Private Sector or in the Public Sector and I do want to say anything against them. They have shown their worth and whenever our country has faced any calamity, they rose to the occasion. If some Trade Unions are not functioning properly, then it is our leaders who are responsible for it. Shri Indrajit Gupta has said a very good thing in this respect. He has asked about the interest of loss the people are suffering by the strikes? They are not understanding this and are throwing the interests of the people to wind to force the Government to listen to the demands of the Trade Unions. We must think who is being put to difficulties by it? This is a social issue. You have allotted very little time to me, and although I wanted to say much more, I would like to take up briefly only two points. First, we are always criticising the doctors and other employees for the prevailing condition of the hospitals. I am also a doctor by profession and a doctor must have certain responsibilities. Besides, the class III and the Class IV employees also have certain duties and responsibilities. If we look at the conditions of the Operation Theatres or of the wards, we will realise the gravity of the situation. If sympathetic trade unions are for then their demands could be accepted. But Trade Unions nowadays are formed for political reasons and to get some economic and political benefits out of them. In such a situation, I may perhaps be not able to support the Bill moved by Shri Janga Reddy.

This is all I had to submit.

[English]

MR. DEPUTY-SPEAKER : Hon. Minister.

THE MINISTER OF STATE IN THE
MINISTRY OF PERSONNEL, PUBLIC
GRIEVANCES AND PENSIONS AND

MINISTER OF STATE IN THE
MINISTRY OF HOME AFFAIRS (SHRI P.
CHIDAMBARAM) : MR. Deputy-Speaker,

Sir, I have listened with great interest (Interruptions)

MR. DEPUTY-SPEAKER : I want to seek the permission of the House. Already two hours' discussion is over. The Minister can intervene now, he is replying. We extend the time by half an hour.

SHRI P. CHIDAMBARAM : I will finish in ten minutes.

Mr. Deputy-Speaker, I have listened with great interest to what Hon. Member Mr. Janga Reddy had to say on his Bill as well as the comments of other hon. Members.

At the outset I wish to emphasise that the Bill is concerned only with Clause (b) of the second Proviso to Article 311 (2). And, therefore, I must thank hon. Member Mr. Janga Reddy for accepting the judgment of the Supreme Court so far as Clause (a) and Clause (c) of the second Proviso are concerned. Although certain other hon. Members did speak on clause (a) and clause (c), I assume that Mr. Janga Reddy certainly does not share the apprehensions of the other hon. Members and their criticism of the judgment of the Supreme Court, and consequently his Bill is confined only to the proposed deletion of clause (b) of the second proviso.

Sir, a point was made about why this Government supports such draconian provisions in the Constitution. I am afraid, Sir, this reflects an inadequate understanding of the history of these provisions. Clauses (a), (b) and (c) of the second proviso were there in the Constitution as originally enacted, except for minor, verbal differences which do not affect the substance of the issue. Clauses (a), (b) and (c) were there even in the original Constitution and since this debate

[Shri P. Chidambaram]

is confined only to clause (b), may I read clause (b) in its original form. It said :

“Provided where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practical to give to that person an opportunity of showing cause.”

It is an identical provision except that the last five words were ‘an opportunity of showing cause’. This was there in 1950. In 1963, when the Constitution was amended to introduce what is called ‘a second opportunity to show cause against the proposed penalty, minor verbal changes were made in clauses (a), (b) and (c), but substantially the provisions were the same. I will read clause (b) as amended in 1963 :—

“Provided that this clause shall not apply—

X X X

(b) where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practicable to hold such inquiry.”

It is the same provision in 1963. In 1976, when the Constitution was once again amended, the amendment took away what is called the second show cause notice against the proposed penalty, but left untouched clauses (a), (b) and (c). Again for the record let me read clause (b) after the 1976 amendment :

“Provided further that this clause shall not apply—

X X X

(b) where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to

be recorded by that authority in writing, it is not reasonably practical to hold such inquiry ;”

Therefore, Sir, we have done nothing to clause (b). Clause (b) has been there since 1950 and nobody before the judgment in Tulsiram Patel's case raised the argument that clause (b) was a draconian provision which could be abused to dismiss or remove hundreds and thousands and millions of Government employees. In fact, it did not happen. Before and after the judgment in Tulsiram Patel's case, clause (b) was the same. Between 1950 and 1985, in 35 years, the record of this Government, the record of the Congress Government barring two-and-a-half years of Janata rule, did not provoke any clamour, did not provoke any outcry that hundreds and thousands and millions of Government employees are being arbitrarily dismissed. May I ask, what is your information, what is your data to say that after Tulsiram Patel's case we are abusing clause (b) and dismissing hundreds and thousands and millions of Government employees? This is simply an argument without any factual basis whatsoever. They are arguing in a vacuum. There is no factual basis for this apprehension. It is not as though something has happened and the Government has done something or the Government has introduced a new provision or the Government has made a new interpretation which was not there since 1950. The record shows we have done nothing. Governments have come and gone. Many many eminent men occupied offices in Government. For a period of 2½ years we were not in Government. Yet, nothing has happened to justify the argument that this provision is being abused. More so, nothing has happened after Tulsiram Patel's case which would justify the argument that we are doing something different today than what it was before 1985.

Then, Sir, reference was made to Chellappan's case. Chellappan's case has no impact upon Clause (b) as my hon. friend Shri Janga Reddy will readily concede, Chellappan had to do with Clause (a). In Chellappan's case the Court did not interpret Article 311 (2) proviso

Clause (a), but interpreted a Special rule in Railway Services Rules, Rule 14 had a different language, viz. it had the word "consider". Therefore, reference to Chellappan is not relevant if I may say with great respect, to this debate. The question is if Tulsi Ram Patel case did not introduce any new principle of interpretation regarding Clause (b), is there reason to believe that this Government will abuse it? My humble answer is that this Government will not abuse it; this Government has not abused it in the past; this Government will not abuse it in the future. In fact, the bonafides and earnestness of this Government has been made manifestly clear by two sets of instructions issued after Tulsi Ram Patel's case on the 11th November 1985 and the 4th April 1986. These instructions have been widely distributed and have been communicated to every office, every department, every Ministry. If you will pardon me, Sir I may take some legitimate pride in drafting these instructions. In fact I sat down and I drafted these instructions myself to ensure that no one would take advantage of Clause (b) or for that matter Clauses (a) and (c). So far as Clause (b) is concerned, Clause (b) itself says, and the Supreme Court judgment affirms it and we have made it very clear in the instructions, that two conditions precedent must be satisfied. Firstly, whether it is reasonably practical to hold an enquiry or not, is not a matter of subjective judgment. This conclusion must be reached on objective facts. As every lawyer knows, every court knows the test is that of a reasonable man taking a reasonable view. Would he reach the conclusion that an enquiry cannot be conducted? That is the test. We will hold every appointing authority to that test and let there be no doubt whatsoever about the enforceability of these instructions. The second pre-condition is the authority must record reasons. He must record reasons on the file. It is a contemporaneous record and therefore it is not as if anybody can get away without nothing any reasons. The Supreme Court judgment says that the reasons need not be communicated to the delinquent. In our instructions we say that it is obligatory to record the reasons on the file. And we have gone a step further and said that it would be

advisable to communicate these reasons to the delinquent. Invariably, I would expect all the authorities who take recourse to Clause (b) not only to record the reasons but to communicate these reasons to the delinquent so that he will know why an enquiry has not been held in this case. Although there is an internal flaw in hon. Member Janga Reddy's Bill, because he now proposes deletion of Clause (b) but he does not propose deletion of Article 311 (3). You will kindly appreciate that Article 311 (3) will not stand by itself after clause (b) is deleted.

18.00 hrs.

But then the Supreme Court has categorically said that notwithstanding Article 311 (3) the court is not precluded from sitting in judgement over the conclusion whether an inquiry was practicable or not. The court had the power. Therefore, when a delinquent goes before a court and complains that in his case an inquiry has not been conducted the court has the power to scrutinise the reasons and say whether the inquiry was rightly dispensed with or the inquiry should have been conducted.

There is yet another safeguard. The Supreme Court has said that the right of appeal and the right of revision are not taken away and in the appeal and in the revision the delinquent can contest the correctness of the decision of the original authority to dispense with the inquiry. He can say that now the situation has changed. May be then the practicability of conducting an inquiry was in doubt. Today the situation has changed. Calm and peace has returned. Please hold an inquiry into the charges against me today. The appellate authority and the revisional authority can take note of that argument and decide whether an inquiry should be held or not. The Supreme Court goes a step further. If at the stage of appeal the same disturbed situation prevails the delinquent would be entitled to ask the appellate authority to postpone the hearing of the appeal so that the appeal will be heard after calm and peace has returned. There are so many safeguards.

[Shri P, Chidambaram]

With all these safeguards let me assure you and the House that there is no chance of anybody being dismissed arbitrarily in abuse of power or without any checks or balances and without any judicial review.

We have gone a step further. On the 4th April, 1986, when it was brought to my notice that it was possible that some authorities may take it into their heads that dispensing with the inquiry means dispensing with even the charge memo, I took note of that and issued supplementary instructions and I urge the hon. Member to read those instructions. We have clearly said in those instructions that the possibility of holding an inquiry should actually subsist at the time when the conclusion is arrived at. The authority should not anticipate that, "if I decide to issue a charge-sheet today; if I decide to call for an explanation may be 30 or 50 days hence a situation will be created where an inquiry cannot be held and, therefore, I will not even issue the charge memo." That is ruled out. We have said at every stage of the inquiry—charge memo, explanation, oral inquiry, leading of evidence on the side of the Department, leading of evidence on the side of defence, written arguments and consideration at every stage you must decide whether it is reasonably practicable to hold or continue the inquiry. If at the initial stage there is no difficulty we have

said you must issue the charge memo and may be at a later stage you may come to the conclusion that it is not practicable to hold an inquiry.

Sir, the instructions of 11th November, 1985 and 4th April, 1986 more than adequately safeguard the interests of the government servants. I do not wish to enter into any lengthy debate on the other aspects raised. I assure the hon. Member that the provisions have remained the same since 1950. The Supreme Court has not introduced any new principle of law. Government have not done anything contrary to law or the Constitution. On the contrary Government have come forward with elaborate guidelines and instructions which more than adequately safeguard the interests of the Government servants. I would most humbly request Mr. Janga Reddy not to press his Constitution amendment Bill.

MR. DEPUTY-SPEAKER : Mr. Janga Reddy, you may speak next time. The House stands adjourned to re-assemble on Monday at 11.00 A.M.

18.05 hrs.

The Lok Sabha then adjourned till Eleven of the Clock, on Monday, November 10, 1986/Kartika 19, 1908 (Saka)