

LOK SABHA DEBATES

(English Version)

Fifth Session
(Eighth Lok Sabha)



(Vol. XIV contains Nos. 11 to 20)

LOK SABHA SECRETARIAT
NEW DELHI

Price : Rs. 4.00

[Original English Proceedings Included in English Version and Original Hindi Proceedings included in Hindi Version, will be treated as authoritative and not the translation thereof.]

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LOK SABHA DEBATES

LOK SABHA

*Friday, March 14, 1986/
Phalgun 23, 1907 (Saka)*

*The Lok Sabha met at three minutes past
Eleven of the Clock.*

[MR. SPEAKER *In the Chair*]

[*Translation*]

MR. SPEAKER : Are you having some special conversation with Shri Dagaji ?

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, you tell both of them, our Raja Saheb too, to sit away from Prof. Madhu Dandavate. Who sover sits opposite him, becomes Chief Minister.

SHRI VISHWANATH PRATAP SINGH : I am seated a little aside, right opposite to him is Shiv Shanker ji.

MR. SPEAKER : Does he have the Midas touch ?

SHRI BALKAVI BAIRAGI : May God save from his looks.

ORAL ANSWERS TO QUESTIONS

[*Translation*]

Trade between India and Japan

*287 SHRI BANWARI LAL BAIRWA : Will the Minister of COMMERCE be pleased to state :

(a) the volume of trade between India and Japan during the last three years;

(b) the steps proposed to be taken by both the countries in order to boost the bilateral trade ;

(c) whether Japan has expressed its willingness to advance loan to India ; and

(d) if so, how this loan will be utilised ?

[*English*]

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (d). A Statement is given below.

Statement

(a) The volume of trade between India and Japan during the last three years is given below :—

	(Rs. in crores)	
Year	Exports	Imports
1982-83	833.61	1087.90
1983-84	825.68	1455.53
1984-85	1060.97	1240.41

(b) Steps to promote bilateral trade include bilateral review of trade at official and business level; exchange of visits by businessmen; participation in trade fairs and exhibitions organised in the two countries; and facilitating better market access.

(c) and (d). Japan has expressed willingness to advance special Yen Credit for Assam Gas Combined Cycle Power Station and Associated Transmission Line Project.

[*Translation*]

MR. SPEAKER : We have not yet covered even the half and you have started tiring.

SHRI BANWARI LAL BAIRWA : Mr. Speaker, Sir, it is not clear from the statement laid by the hon. Minister on the Table of the House as to what items are we exporting and importing ?

Secondly, when in 1984 the Japanese Prime Minister visited India and thereafter

our Prime Minister visited Japan, he was given a warm welcome in that country. It shows that the attitude of Japan towards us is quite courteous and we are coming quite close to each other. The way Japan has made strides in the field of automobiles and electronics is indeed commendable. I want to know whether Japan is willing to give us that technology in the field of automobiles and electronics ?

SHRI P. SHIV SHANKER : So far as the question of transfer of technology is concerned, talks were held on the proposal for giving scientific and technological assistance to India during our Prime Minister's visit to that country. Detailed talks will be held on official level.

As to the quantum of bilateral trade with Japan, as I have stated in the statement, the exports and imports during 1982-83 were of the order of Rs. 833 61 crores and Rs. 1087 90 crores, respectively. The corresponding figures in 1983-84, were Rs. 825.68 crores and Rs. 1455.53 crores. In 1984.85, the exports were to the tune Rs. 1060-97 crores whereas the imports were of the order of Rs. 1240.41 crores. So far as the items, as asked by the hon. Member, are concerned, these are :

[*English*]

Iron, Ore, marine products, diamond, German jewellery, ready-made garments, handloom fabrics, engineering goods, leather and leather goods. These are the thrust items which have been identified.

[*Translation*]

SHRI BANWARI LAL BAIRWA : Mr. Speaker, Sir, as stated by the hon. Minister our exports have registered an increase whereas our imports have gone down. This is quite an encouraging Trend. also please give details in respect of the trade review done at official and commercial levels.

Secondly, it has been stated in reply to part (c) and (d) that Japan has expressed willingness to advance special Yen credit for Assam Gas Combined Cycle Power Station and Associated Transmission Line Project. I would like to know whether similar projects for some other state are also under consideration ?

SHRI P. SHIV SHANKER : Other projects are not under consideration at the moment, but when our Prime Minister had gone there, Japan had expressed its willingness to give a credit of 30 billion Yens, which comes to about Rs. 205 crores, for Assam Gas Combined Cycle Power Station. Apart from that, there is no specific item for which they would give us credit.

SHRI JAGDISH AWASTHI : Mr. Speaker, Sir, as stated by the hon. Minister, our import bill is more than our export earnings and as a result we are spending more foreign exchange. I want to know what steps Government propose to take to boost our exports and reduce the imports so that we could push up our foreign exchange reserves ?

[*English*]

SHRI P. SHIV SHANKER : Various steps are sought to be taken for the purpose of increasing the exports. A few among them which I can bring out at this stage are regular review of trade, identification of thrust items, participation in exhibitions, fairs, product development, and market development measures. Of course, on each item there are a lot of details. I would not like to go into all of them. I only put forth points before the House which are the measures which are taken for the purpose of increase of trade with Japan.

SHRI ATA-UR RAHMAN : It has been said that Japan has expressed its willingness to advance Yen credit for Assam Gas Combine Cycle Power Station and Associated Transmission Line Project. Has this Project any connection with the flaring of gas in Assam which is going on for the last 30 years which has caused wastage of about Rs. 500 crores up till now.

SHRI P. SHIV SHANKER : Specifically, of course, the question is whether it is with reference to flared gas. My submission is that this amount has not exactly been offered for the purpose of flared gas so that it could be converted into power. But, by and large, there is gas production in Assam and it is that which was sought to be utilised and it is sought to

be utilised for the purpose of this power station.

At this stage, I might bring to the notice of the hon. Member that when it comes to the question of flaring, when we get the Associated gas and when we try to bifurcate or trifurcate it into C1, C2, C3 and so on so forth, a part of the gas is bound to be flared even when we get the crude oil and from the crude oil, when the gas is sought to be dissociated, even at that time, a part of it gets flared. This is a phenomenon which is known to all the oil-producing countries, not only to us. But it is true that in our country the flaring of gas is more as compared to that of other countries.

PROF. N.G. RANGA : It is very high.

SHRI P. SHIV SHANKER : I am conceding that. But to check that, various measures were being taken by the Petroleum Ministry from time to time to see that the gas is flared to the minimum extent.

DR. G.S. RAJHANS : I want to know which of the non-traditional items are popular in Japan, if any commercial intelligence has been gathered regarding that, and, if so, when was commercial intelligence gathered ?

SHRI P. SHIV SHANKER : The question seems to be slightly tricky. My friend is asking about the commercial intelligence and the point is that I have already given the details of the thrust items. Most of them are non-traditional. I have already narrated this once and again for the benefit of the House I might read it out. Of course, some of them are the traditional items. There is no doubt about it. I have also given the items which are non-traditional. Traditional and non-traditional both together, I have already given. I have given the details of those items and that is why, when it comes to the question of the commercial intelligence, apart from the fact that we have a person from the Commerce Ministry in the Embassy there, for the purpose of going into the whole thing, and trying to study the situation and then feed back the information to us, there are also the officers connected with the foreign trade who are in different countries. One

such officer is also located in Japan who takes care of these things. The non-traditional items like hand-tools, cutting tools, and garments, apart from what I have said in the general expression, are also items which are sought to be given the thrust with respect to the trade with Japan.

Decline in Export of FCV Tobacco

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

(a) whether the Indian export of FCV (flue cured virginia) tobacco in world market has gone down;

(b) if so, the percentage of decline;

(c) the foreign exchange likely to be earned during 1985-86 from export of tobacco;

(d) whether Government propose to take steps to help the tobacco exporters by providing seeds, fertilizers and pesticides, and by propagating modern technique of cultivation; and

(e) whether Union Government also propose to provide need-based credit from commercial banks to boost export ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) A Statement is given below.

(c) The exports of Tobacco during 1985-86 are likely to be of the order of Rs. 160 crores.

(d) and (e). It is already being done.

Statement

India's export of Unmanufactured and VFC tobacco, world Exports and India's share in World trade during the period 1980 to was as following :—

Year	World Exports (M.Kgs.)	India's Exports (M.Kgs.)	India's Share %
1	2	3	4
(i) Unmanufactured tobacco :			
1980	1345.9	73.2	5.44

1	2	4	5
1981	1480.3	104.8	7.08
1982	1461.7	97.9	6.70
1983	1365.8	83.5	6.11
1984	1400.8	80.7	5.76

(ii) VFC Tobacco :

1980	616.3	64.5	10.46
1981	668.4	90.0	13.46
1982	694.3	84.6	12.18
1983	641.2	66.3	10.34
1984	673.2	63.1	9.37

SHRI V.S. KRISHNA IYER : It is very unfortunate that our exports of tobacco are going down year after year. It was Rs. 223 crores in 1983 and now it has come down to Rs. 160 crores this year.

May I know from the Government as to what are the reasons for this decline? Is it true that it is on account of the poor quality and particularly, some of the countries like China have rejected our tobacco and our tobacco has become very very unpopular in some of the countries.

Is it also a fact that the Tobacco Board has restricted the production of the exportable flue cured virginia tobacco to just 90 million kgs for the current year as against million 183 kgs just three years ago? Will the Minister kindly enlighten us?

SHRI P. SHIV SHANAER : The first part of the question of the hon. Member is with reference to the reasons for decline. I must submit that there is a very stiff competition from countries like Zimbabwe, Brazil, Malawi, etc. to UK and other EEC countries. This is the main reason as a result of which our exports are going down. But the fact of the matter, I must bring it to the notice of the House, is that the unit value of tobacco is going up.

Then, the other point which, in my submission, is also a little relevant and

which is also resulting in the decline in the exports is the vigorous campaign in foreign countries on anti-smoking. That is also affecting the exports of tobacco to some extent...*(Interruptions)* I am only giving the reasons for the decline. This is what was asked for. ...

PROF. MADHU DANDAVATE : From our point of view, it is an anti-national propaganda.

SHRI P. SHIV SHANKER : I agree with you. But strangely enough, so far as our country is concerned, the consumption is going up.

The hon. Minister was pleased to ask about the VFC tobacco exports. In 1982— I thought he wanted to know the figures—the exports were 84.6 million kg. In 1983 it came down to 66.3 million kg and in 1984 the position was 63.1 million kg. But I have made the submission and I need not repeat it. But, nonetheless, I will make it clear that the unit value of tobacco has gone up.

SHRI V.S. KRISHNA IYER : If the Government were to ban smoking, I welcome it. But that is a different thing.

Now you are getting a revenue of Rs. 1500 crores by way of excise from tobacco. Still you are not helping the production of tobacco. You will be surprised to know that production of tobacco in India is the lowest in the world, particularly, of the particular quality of tobacco. So, what the investment, technologically and otherwise made by the Government of India towards the development and production and improvement of the quality of tobacco in our country?

SHRI P. SHIV SHANKER : Various technical programmes are there apart from the financial assistance given to the growers for the purpose of increasing production of tobacco. The programmes are varietal trials, integrated pest management, tobacco desuccouring, various inputs are supplied improved cultural practices, besides the evolution of different varieties capable of giving appreciated returns in the growth, and then auction system which

has also been introduced. These are the various steps that have been taken so that the growers are helped for the purpose of getting a remunerative as also price the growth of tobacco.

SHRI H.N. NANJE GOWDA : Sir, the auction system introduced by the Tobacco Board has not helped the growers actually because the merchants compromise themselves. They do not offer higher prices. Now, I am told, while exporting, the merchants are making a minimum of Rs. 15000/- per tonne as profit whereas the former is not getting the benefits. So, as in the case of Coffee Board, can you have the 'pool system' in the case of tobacco through the Tobacco Board so that they can re-sell the same tobacco as in the case of coffee ?

SHRI P. SHIV SHANKER : I am sorry, not entirely agree with the hon. Member that the auction system has not been able to help the growers. In fact the position is that previously before the auction system was introduced, so far as the exporters and traders were concerned, they were not paying money to the growers on time. In fact, large amounts of arrears were pending to be paid to the growers. Now, the position is that when it comes to the question of auction, the Tobacco Board itself gives a cheque—though it is a post dated cheque in 15 days. So, the grower now gets the entire amount within 15 days. This is one part of it. The second part is that because of the auction, there is a stiff competition among the bidders, as a result of which proper price is fetched. The hon. Member has also been pleased to ask about the Pool, as to whether there is any proposal like that of that Coffee Board. Well, I am unable to study the very economics of it. I have not gone into the details of it and this suggestion I will certainly keep in mind. I do not say, I am conceding to the hon. Members proposal but none-the-less, it is worth examining. I will certainly do it.

DR. KRUPASINDHU BHOI : I am very much please to hear the hon. Minister's answer. He is very intelligent. But I want to know categorically from the Minister one thing. Please try to hear what is the technical thing.

(Interruptions)

DR. KRUPASINDHU BHOI : I want to know the correct information from the hon. Minister as to what is the sale value, per tonne, of tobacco both C.I.F. and F.O.B. for the last two years and what is the purchase price two from the growers, per tonne, for the last years.

SHRI P. SHIV SHANKER : I am sorry that I do not have those figures. I will lay them on the table to the House.

(Interruptions)

MR. SPEAKER : I have asked Mr. Ranjit Singh Gaekwad to put a question.

SHRI RANJIT SINGH GAEKWAD : Sir, looking to the falling market of tobacco and the propaganda that chewing and smoking is injurious to health, I would like to know from the hon. Minister as to whether the tobacco growers would be given any incentive to grow some other crops ? Is the Government Planning such programme for them ?

SHRI P. SHIV SHANKER : I think the answer is known to my hon. friend.

[Translation]

SHRI V. TULSIRAM : Mr. Speaker, Sir, please permit me to ask a question which is very important. Tobacco is cultivated extensively in Andhra Pradesh.

MR. SPEAKER : He himself asked the question.

[English]

Management of Foodgrains by F.C.I.

*291. **PROF. NIRMALA KUMARI SHAKTAWAT :**

SHRI R.M. BHOYE :

Will the Minister of **FOOD AND CIVIL SUPPLIES** be pleased to state :

(a) whether it is a fact that foodgrains management of the Food Corporation of India has not been satisfactory;

(b) if so, reasons thereof;

(c) whether any study has been conducted by Government to review the working systems of the Corporation; and

(d) the steps proposed to be taken to improve the management of foodgrains by Food Corporation of India ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :

(a) No, Sir.

(b) Does not arise.

(c) Yes, Sir.

(d) The performance of Food Corporation of India is constantly reviewed with a view to improving its operational efficiency.

[*Translation*]

PROF. NIRMALA KUMARI SHAK-TAWAT : Mr. Speaker, Sir, I want to know from the hon. Minister the quantum of foodgrains that is treated as wastage in F.C.I. godowns without the permission of the regional officers ? At the same time, I would also like to know the quantum of wastage of foodgrains during 1985-86 ? My second supplementary is that a large quantity of foodgrains continues to lie in the open and the fact is that these foodgrains are rotting. Have you ever conducted a survey to find out the quantum of foodgrains lying in open outside the godowns ?

[*English*]

SHRI A.K. PANJA : It is not correct that because it is lying in the open, the wastage is there, damage is there. There are two systems operating now : one is within the constructed godowns, *pucca* constructions, and the other is cap system, that is, cover and plinth method. Therefore, whenever it is seen that the foodgrains are lying in the open, they are always covered under the specifications given for protection of foodgrains. (*Interruptions*) So far as damaged portions are concerned, when they cease to be edible by human beings, then those are used sometimes for the purpose poultry feed and sometimes for other purposes. Very small portions are wasted.

[*Translation*]

PROF. NIRMALA KUMARI SHAK-TAWAT : Mr. Speaker, Sir, my question has not been replied to. I want to know from the hon. Minister the quantum of foodgrains which is treated as wastage and what is its percentage ? Can you give me the figures relating to the last year ?

[*English*]

SHRI A.K. PANJA : This does not arise out of this main Question.

(*Interruptions*)

SHRI BASUDEB ACHARIA : It is arising out of mismanagement.

(*Interruptions*)

MR. SPEAKER : Why are you interrupting ? Let him reply.

SHRI A.K. PANJA : Kindly see the question, Sir :

“Whether it is a fact that foodgrains management of the Food Corporation of India has not been satisfactory;”

It is not so.....

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : May I submit this...(*Interruptions*)

MR. SPEAKER : Take in easy. You will get the information. Information cannot be denied to us. But let it be done properly. We can get the information by other means also. We can have questions, but not like this.

SHRI P. SHIV SHANKER : I may submit that we sitting on this side do appreciate the concern of the hon. Members with reference to what is going on in the Food Corporation of India. We are not trying to cover up anything. But the fact of matter is that, when it comes to the question of the percentage of wastage, that is not available at present. We will lay it on the Table on the House.

MR. SPEAKER : That is what I said. It cannot be denied.

PROF. MADHU DANDAVATE : I want to point out, Sir, that if you go through the no-day-yet-named Motions of the last five Sessions, you will find that this subject has been mentioned. But never a discussion has been allowed on that. You allow Half-an-Hour Discussion on this.

MR. SPEAKER : No problem.

SHRI BASUDEB ACHARIA : Please allow Half-an-Hour Discussion on this.

MR. SPEAKER : No Problem.

[*Taanslation*]

PROF. NIRMALA KUMARI SHAKTAWAT : Sir, I want to know from the hon. Minister whether in addition to F. C. I.'s own godowns, godowns are also taken from private parties to store food-grains? If so, the expenditure incurred in such godowns during 1985-86? Have you got some training arrangement for imparting training to the employees who maintain these godowns; if so, where this training is imparted?

[*English*]

SHRI A.K. PANJA : So far as FCI godowns allowing private parties to store their things is concerned, it is not to our knowledge. For procurement by FCI, there are rented godowns, our own godowns, State godowns. There is a training programme for the maintenance of these stocks so that the stocks are maintained in a healthy position and it reaches the end consumer in a proper manner.

SHRI P. SHIV SHANKER : Sir, may I have your kind indulgence to answer this point? I have now got the figures. They are rather unfortunate on reading. But nonetheless I post the House with the information, whichever has come to my notice.

As regards the losses in transit as well as storage both put together—I have got the different lists or the transit loss as also the the storage loss, but I would give the total shortages—they are : In 1980-81 it was 6.43 lakh tonnes. (*Interruptions*) I am bringing to your kind notice,

If there is something wrong, we must try to find a way out. That is why I am bringing all the facts. I would not like to hide anything from the House. (*Interruptions*) Please wait. I have myself volunteered to give the figures.

6.43 lakh tonnes is the shortage in 1980-81 valuing at Rs. 100.20 crores. In 1981-82 it was 6.51 lakh tonnes valuing at Rs. 115.91 crores. In 1982-83, 7.40 lakh tonnes valuing Rs. 143.66 crores. In 1983-84, 6.74 lakh tonnes valuing Rs. 140.70 crores. In 1984-85, 5.72 lakh tonnes valuing Rs. 122.76 crores.

SHRI MOOL CHAND DAGA : Therefore subsidy is given.

SHRI P. SHIV SHANKER : Mr. Daga, we are also concerned with what is happening. It is none of my intentions to hide any figures. I must also make it clear when it comes to the question of percentage of quantity of purchase which has gone into loss, in 1980-81 it was 2.76%; 1981-82, 2.28%; 1982-83 2.37%; 1983-84, 2.11%; and 1984-85; 1.94%.

MR. SPEAKER : 1985 has been a good and progressive year with regard to losses as well as percentage.

SHRI THAMPAN THOMAS : Wrong procurement is the reason of all these things. I am giving an example. I don't know whether the Central Government has noticed it. In Kerala, 65000 tonnes of rice cannot be used. It is unusable for human consumption, it is kept in the godown and for Kerala now the supplies are made from Coimbatore. Also the stocks which are not fit for human consumption are not destroyed. I am asking whether the Government will conduct an enquiry into all these things and see that the unusable for human consumption stocks are destroyed and fresh stocks are sent. This is happening because of mismanagement. What is the programme to regulate the procurement?

MR. SPEAKER : This has already been answered.

(*Interruptions*)

SHRI THAMPAN THOMAS : How are they going to regulate the procurement?

MR. SPEAKER : That is what they are saying. In the last year there has been an improvement; they can improve upon it further.

PROF. N.G. RANGA : In financial terms it is going upto 150 crores of rupees. The Finance Minister should take specific note of it.

MR. SPEAKER : That is what he has said. It has to be improved. Last year there was improvement as compared to the previous year.

SHRI G.G. SWELL : Sir, the Minister of State was pleased to say that they do not authorise other people to keep the FCI rice or foodstuff with them. (*Interruptions*) I would like to know whether in some areas where the poverty alleviation measures of providing rice to the poor people, especially the tribals, under subsidised rates are taken up, that purpose has been defeated and the whole thing becomes a cruel mockery to the tribal consumers because of the appointment of wholesalers between the FCI and the retailers? These wholesalers give the people and the retailers godown sweepings and other inferior rice and sell the better quality which they obtain from the FCI in the open market and thus make lot of money. Has the Minister's attention been drawn to this specific question?

SHRI A.K. PANJA : Sir, attention has not been drawn to any such mismanagement...

SHRI G.G. SWELL : Sir, I contest it very strongly. I have myself written a letter explaining the whole thing to the Minister concerned. He now says, his attention has not been drawn. I myself handed over the letter to the Minister and did not send it through the office. May I also say that I have also drawn the attention of the Prime Minister to this and the Prime Minister has replied to me. (*Interruptions*) I don't believe it.

SHRI A.K. PANJA : Sir, the question was directed to me. Is the letter written to me?

SHRI G.G. SWELL : I have written to

the Ministry and the Minister. Let the Minister reply. I only quoted him. I did not direct to him. I directed it to the Ministry and the Minister.

SHRI P. SHIV SHANKER : Sir, I am sorry. The issue need not have become that controversial. Very recently the hon. Member had passed on the letter to me. That is under consideration. I have not been able to pass it on to my colleague and I am sorry for that. He does not know that fact. That is why he gave that answer. But the point is, when it comes to the question of rice being supplied at the subsidised rates, what becomes most disturbing is that in many an area the public distribution system is not that efficient. I have already stated that I am feeling the difficulties in that. I have written to the various Chief Ministers also in this respect that their public distribution system must become strong not only in tribal areas but also in rural and urban areas. In the urban areas it is slightly better than the rural areas. So, Sir, because the public distribution system is not strong, this difficulty is arising. On the question whether it should be supplied to the wholesalers or whether it should be supplied to the Civil Supplies Department of the State itself...

SHRI G.G. SWELL : To the retailers directly from the FCI.

SHRI P. SHIV SHANKER : It is not possible for the FCI to directly supply it to the retailers. This becomes very difficult. In fact, one of the methods that we are following is to supply to the Civil Supplies Department of the State so that through that process it moves on to the retailers. In the absence of that, of course, the wholesalers were being dealt with. The suggestion made by the hon. Member is a very relevant suggestion. That matter can be considered but it cannot be resolved overnight. It will certainly take time.

SHRI G.G. SWELL : If you had only acknowledged my letter, this problem would not have arisen.

SHRI P. SHIV SHANKER : You give me some time to go into it and scrutinize it,

SHRI G.G. SWELL : At least, you acknowledge it.

[*Translation*]

SHRI V. TULSIRAM : Mr. Speaker, Sir, from the figures just given by the hon. Minister, it is quite clear that the foodgrains are rotting there. You must have also been satisfied... (*Interruptions*)

PROF. MADHU DANDAVATE : Not satisfied but dissatisfied.

SHRI V. TULSIRAM : What I am saying is that the foodgrains are rotting there, is the hon. Speaker satisfied with it ?

But, Sir, had there been some private party in place of this Government agency, this thing would not have happened. You are a Minister in the Government and your position in the Government intact. Had the damage to foodgrains been there, the hon. Minister would have been dropped by Shri Rajiv Gandhi. But it has not happened and consequently the Government are suffering loss. If you do not take action to make up this loss, we too, shall be pained... (*Interruptions*)

MR. SPEAKER : You put your question.

SHRI V. TULSIRAM : Shri, I want to ask that hon. Minister should make it clear as to how much time he would take to undertake protective measures, be it two, three, four, five, six or seven months...

(*Interruptions*)

MR. SPEAKER : That is enough. Now don't make it over-clear.

[*English*]

SHRI P. SHIV SHANKER : The question is slightly involved. But I assure the hon. Member that if this House or any of the Member finds that something has gone wrong because of my mistake, I will not continue for a day as Minister. But the point is that there are historical factors in various departments and various institutions. This is going on for quite a long time and, in fact, I am myself agitated over it. I and my colleagues are going into the review of the whole thing. If the hon. Members are

prepared to give any suggestions, I will certainly consider them.

SHRI SOMNATH CHATTERJEE : I have a suggestion.

MR. SPEAKER : You can send it to him. You are always welcome to his office any time.

SHRI P. SHIV SHANKER : I can give credit to the hon. Member for his legal suggestions, but want practical suggestions...

(*Interruptions*)

These are matters which are to be gone into. As I submitted, I am myself a little concerned over the various aspects of the Food Corporation of India. We will take the required measures, but it is not possible to indicate whether we will do it within six months or eight months. One has got to work it out ; it takes time.

[*Translation*]

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, I want to know from the hon. Minister at what price you procure wheat from the farmers and at what price is it issued to the fair price shops ? How much expenditure you incur on one quintal of wheat and how much profit or loss do you make accordingly ?

[*English*]

SHRI A.K. PANJA : I have got the details with me, right from the Mandi charges upto how much is required for procurement. It is a big chart; I can lay it on the Table of the House.

[*Translation*]

MR. SPEAKER : Agreed.

SHRI BANWARI LAL PUROHIT : Mr. Speaker, Sir, I want the hon. Minister to tell how much expenditure is incurred per kilogram ?

Smuggling of Goods from Nepal

*292. **PROF. CHANDRA BHANU DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that despite

consistent efforts, goods are being smuggled into India through Nepal on a big scale;

(b) the value of smuggled goods seized during the last three years; and

(c) the further steps proposed to be taken by Government to check smuggling in this area ?

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

Statement

(a) Reports received by the Government and seizures made indicate that Indo-Nepal border continues to be vulnerable to smuggling activities.

(b) The total value of contraband goods seized in the Indo-Nepal border region during the years 1983, 1984 and 1985 is given below :

Year	Value (Rs. in crores)
1983	1.93
1984	1.80
1985	6.08 (provisional)

(c) The anti-smuggling drive in general has been intensified in the Indo-Nepal border region. The trends in smuggling and seizures made are kept under constant review for taking appropriate remedial action as warranted in close co-ordination with the concerned Central and State Government agencies.

PROF. CHANDRA BHANU DEVI : I want to know what goods are smuggled into India through the Indo-Nepal border ? Has any study on the reasons for smuggling been made so that steps to check it could be taken ?

SHRI VISHWANATH PRATAP SINGH : As per the information available with us, the main items are—*Ganja*, Gold, currency, goat-skin, electronic goods, torches, textiles and watches,

AN HON. MEMBER : How much is 'ganja' in it ?

SHRI VISHWANATH PRATAP SINGH : Smuggling of *ganja* is on the increase; I am sure, the hon. Member is not much interested in it.

One of the main reasons is that we have about 1735 kilometres of border with Nepal adjoining four states and there is no restriction on movement on the border. Therefore, there are some political and historical reasons also and we do not want to put restrictions thereon. As compared to other countries, difficulty is certainly felt in putting restrictions. The steps taken in this regard include increasing of man-power and stepping up vigilance and as a result of these measures, more goods have been seized as compared to the past.

PROF. CHANDRA BHANU DEVI : Are the Government aware that the custom officials posted at Indo-Nepal border are facing a great deal of difficulty in the matter of residential accommodation and as a result of that their morale remains very low ? Do the Government propose to provide them with suitable residential accommodation after conducting an inquiry into it ?

SHRI VISHWANATH PRATAP SINGH : It is true, our custom officers are facing shortage of residential accommodation and, therefore, we are taking up this matter with the Minister of Works and Housing.

SHRI RAJ KUMAR RAI : The question is that their morale has gone down,

SHRI VISHWANATH PRATAP SINGH : Their morale is not low, they are working under difficult conditions.

MR. SPEAKER : They are affected by frost during the night

PROF. MADHU DANDAVATE : A house collapsed.

SHRI KALI PRASAD PANDEY : West Champaran in Bihar and Deoria and Gopalganj in Uttar Pradesh are the bordering districts with the Nepal border. Smuggling on a large scale is taking place there because of two or three rivers which flow through that area and also because there is no adequate arrangement for checking. I

want to know whether Government propose to set up some special force to check smuggling through the riverine area ?

SHRI VISHWANATH PRATAP SINGH : No, not a special force, we are increasing the man-power.

SHRI KALI PRASAD PANDEY : I want to know whether Gopalganj.....

MR. SPEAKER : Send him there.

SHRIMATI KRISHNA SAHI : The hon. Minister has said that the morale of the custom officers is very high. He has rightly said that their morale is high. You go to Champaran in Bihar and make purchases from any of the shops there. You need not bring those goods with you, the custom officials will do it for you and your goods will reach wherever you want.

MR. SPEAKER : Then there is no question of the morale going down.

SHRIMATI KRISHNA SAHI : That is why I want to know—I had asked a supplementary in the last session also—that in view of the fact that the custom officials have to check an area of more than 1000 kms., will the Government arrange to plug the river route by deploying motor launches and whether Government propose to set up a special force for this purpose ? Will some action be taken against such officials who connive in smuggling, as pointed out by me above.

SHRI VISHWANATH PRATAP SINGH : I do not agree that there are such officials. There are also officers who do very good work. Whenever we have received any information that some officer has indulged in such activities, we have taken action and would continue to do so in future as well. So far as question of launches is concerned, I have noted down this suggestion.

[English]

Import and Export of Rice

*293. SHRI CHINTAMANI JENA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantity of rice imported during 1983-84 and 1984-85 and likely to be imported during 1985-86 to meet the demand in the country;

(b) the agency through which it has been imported and from which countries and at what rate;

(c) the foreign exchange involved therein;

(d) whether it is a fact that rice is being exported; if so, the quantity exported during the said period indicating the names of the countries and rates thereof; and

(e) whether Government propose to review their export policy in regard to rice for the year 1986-87 ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (c). A statement indicating the required information is given below (Statement-I). There is no proposal to go in for import of rice at present.

(d) Yes, Sir. A statement indicating the information in regard to export of rice is laid on the Table of the Sabha (Statement-II).

(e) Policy for export of rice is reviewed from time to time.

Statement—I

Statement indicating details of imports of rice on Government account through Food Corporation of India. since 1983-84

Year	Source	Quantity contracted for purchase (in lakh tonnes)	Overall average FOB price per tonne (US \$)	Estimated FOB Value (Million US \$)
1983-84	Thailand	3.70	224.46	83.050
	Burma	3.50	194.00	67.900
1984-85	—	—	—	—
1985-86 (till date)	—	—	—	—

Statement—II

Statement showing Quantity and Value of Rice (Basmati) exported during 1983-84, 1984-85 and 1985-86 (April-December, 1985)

Year	Quantity (Tonnes)	Value (Rs. crores)
1983-84	141664	96.12
1984-85	241785	163.03
1985-86 (April-Dec. '85) (Provisional)	183667	132.64

The main markets for exports of Basmati rice are USSR and Gulf countries.

Export of non-basmati rice has been allowed with effect from 18-2-1986 within a limited ceiling subject to the minimum export price of Rs. 4,000/- par tonne F.O.B. during the year 1985-86.

SHRI CHINTAMANI JENA : Sir, while replying to Part 'e' of my question, the Hon. Minister has stated that "Policy of export of rice is reviewed from time to time." So, May I know from the hon. Minister, whether the Government has

reviewed its export policy on non-basmati rice recently? If so, when, and the conditions imposed on exporting those rice to foreign countries and the countries which are expecting non-basmati rice from us and what is the foreign exchange earning by it and how much of quantity of non-basmati rice will be exported in the current year-1986-87?

SHRI A.K. PANJA : Sir, the question in fact has three parts. So, far as the change of policy and the review of non-basmati rice is concerned, the change took place on 18th February, 1986 for export of non-basmati rice, within a limited ceiling on "the first come first served" basis, subject to minimum export price of Rs. 4,000 per tonne 'FOB' against 100 per cent confirmed irrevocable letter of credit.

So far as the export of non-basmati rice is concerned, we find major markets for non-basmati rice in USSR, Gulf countries and U.K.

SHRI CHINTAMANI JENA : What about the foreign exchange earnings? That was my last part of the question.

SHRI A.K. PANJA : The actual foreign exchange earnings at this stage, we cannot say. It started on 18th February, 1986. I have quoted the price.

SHRI CHINTAMANI JENA : What is the quantity to be imported ?

SHRI A.K. PANJA : The quantity to be exported is 5 lakh tonnes. But it depends on the availability also.

SHRI CHINTAMANI JENA : So far as the first supplementary is concerned, he has already replied it. Now, I want to put my second supplementary. May I know whether it is a fact that this export of non-basmati rice may have some effect on the open market price of non-basmati rice ? And if so, what are the measures proposed to be taken by the Government to check such rise in prices of non-basmati rice in the open market ?

SHRI A.K. PANJA : Sir, there would be no effect on this because we are thinking of reviewing the policy of export on the basis of non-basmati rice available with us. After meeting the entire requirement for the public distribution system and also open market availability then the export policy is decided.

SYED SHAHABUDDIN : Mr. Speaker, Sir, the hon. Minister has quoted the USSR and the Gulf region as the major markets for Indian rice. Now, I have no information about the CIF price in the Soviet Union. But as far as the Gulf region is concerned, I have the information that the price received by our competitors is higher than the price that the hon. Minister has just quoted i.e. Rs. 4,000 'FOB' Bombay in fact FOB price is a bit deceptive. The real price that ought to be taken into consideration is the price of CIF Gulf port. I would like, therefore, to know from the hon. Minister, whether between the C.I.F. price of, say, Pakistani rice and the C.I.F. rice of Indian rice there is any differential.

SHRI A.K. PANJA : This is a point which has to be considered by us.

SYED SHAHABUDDIN : I am asking for facts.

SHRI A.K. PANJA : The hon. Member has stated that some other countries have made more money; but this is the minimum price fixed by us.

SYED SHAHABUDDIN : But how do you fix it ?

SHRI A.K. PANJA : If there is any other country doing so, if the hon. Member given us the information, we will enquire and let the House know.

SYED SHAHABUDDIN : Was the price fixed without considering the prices in the market ?

MR. SPEAKER : They do it according to their own statistics available....

SYED SHAHABUDDIN : Then it should have been the factual information about the market, price received by various suppliers.

MR. SPEAKER : How can they do it without consulting those things ?

SHRI A.K. PANJA : The minimum export price I have already stated; but the hon. Member is saying that our price is low. But immediately, right now I do not have the record about the difference. How the price was fixed I will lay on the Table of the House.

MR. SPEAKER : Question 294— Mr. Harihar Soren absent. Then Question No. 295 Mr. Sarfaraz Ahmad—not present. Now Question 296—Mr. Manphool Singh Chaudhary.

[*Translation*]

Net Gain from Income Tax Raids

*296. **SHRI MANPHOOL SINGH CHAUDHARY :** Will the Minister of FINANCE be pleased to state :

(a) the value of unaccounted assets seized by the officers of the Income Tax Department during raids conducted in the months of November, 1985, December, 1985 and January, 1986;

(b) whether besides usual allowances admissible under the rules these officials have been given some reward in cash or kind on the basis of value of assets seized; if so, the details thereof; and

(c) the net gain from these raids after

deducting the expenditure incurred on conducting these raids ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH)

(a) to (c). A statement is given below.

Statement

(a) The value of, prima-facie, unaccounted assets seized by the Income-tax Department during the searches conducted in the months of November, 1985, December, 1985 and January, 1986 is as under :—

Month	Value of assets seized (Rs. in lakhs)
November, 1985	376.87
December, 1985	643.28
January, 1986	643.81

(b) No reward has been given so far to the officials in respect of searches mentioned in (a) above.

(c) Net gain to the revenue shall be known only after completion of relevant assessments for which normal statutory time limit is two years from the end of the relevant assessment year and the disposal of consequential appellate proceedings.

SHRI MANPHOOL SINGH CHAUDHARY : Mr. Speaker, Sir, my intention behind asking this question was that though you have promptly ordered raids, yet during the course of these raids some Income Tax Officers indulge in bungling. We have come to learn that unaccounted money worth crores of rupees was seized during a raid conducted on a millionaire of Bombay. The Income Tax Officer in connivance with the millionaire got announced that only Rs. one crore (unaccounted) were seized thereby entitling the officials for reward well as causing a large saving to the millionaire. Therefore, I want that the hon. Minister should take action to check such underhand dealings.

SHRI VISHWANATH PRATAP SINGH : This is the endeavour of our Government to check all such things. If

you give information, we shall get it investigated.

[English]

Export of Agricultural Products

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***297. SHRI AMARSINH RATHAWA :
SHRI MOHAN BHAI PATEL**

Will the Minister of COMMERCE be pleased to state :

(a) the value of the agricultural products exported during the last three years, year-wise;

(b) the particulars of agricultural products exported;

(c) the countries to which these were being exported and the agencies through which exported;

(d) whether it is a fact that there is a great demand for Indian agricultural products in foreign countries; and

(e) the steps being taken to increase the export and the details of incentives being given to the exporters ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P.SHIV SHANKER) : (a) to (e). A Statement is given below.

Statement

(a) The value of India's exports of agricultural products excluding plantation products according to provisional statistics for the last three years are as follows :

Year	Value in Rs. Crores
1982-83	1350
1983-84	1400
1984-85	1450

(b) While a large number of agricultural items are exported from India, the overall exports of major agricultural items

are as follows :—

(Value : Rs. Crores)

S. No.	Items	1982-83	1983-84	1984-85
1.	Oil cakes	148.59	146.29	132.81
2.	Tobacco unmanufactured & tobacco refuse	214.44	149.61	148.63
3.	Cashew kernels	135.36	156.62	174.48
4.	Spices	94.44	109.26	174.06
5.	Sugar & Sugar Preparations	67.44	139.86	21.74
6.	Rice	217.90	147.13	121.68
7.	Fruits & Vegetables (Other than cashew kernels)	153.59	155.16	161.78
8.	Cotton Raw	107.76	148.95	56.80
9.	Meat & Meat Preparations	80.48	68.32	75.98

(Figures from 1983-84 onwards are provisional/preliminary and subject to revision.

Source : DGCI&S, Calcutta).

(c) The major markets for exports of agricultural items from India are West Asia, USSR, EFC and the USA.

Bulk of our exports of agricultural items is carried out by private trade. Only a few items in the agricultural sector are at present canalised for purposes of export.

(d) Agricultural products are exported by a large number of countries including India. The export demand for these products from India at any point of time depends on the comparative position of domestic and international prices.

(e) The Government has taken a number of measures to increase exports such as Cash Compensatory Support, Import Replenishment to registered exporters, facility of duty draw-back, assistance for market development, encouragement to exports in value added packs, periodic discussions with States for increasing the production of exportable agricultural products etc. For the promotion of exports of agricultural items and products, the

institutional infrastructure has been strengthened with the setting up of the Agricultural and Processed Food Products Export Development Authority (APFDA). The Spices Act has also been passed recently during the current session of Parliament which will enable us to set up the Spices Board aiming at the development of exports of spices, particularly in value added form.

[Translation]

SHRI AMARSINH RATHAWA : Sir, it is clear from the statement laid on the Table of the House by the hon. Minister that export of cotton has declined sharply in 1985 as compared to the export in 1984. As a result, it has caused great concern in the country, especially in Gujarat as the cotton is not being exported. Therefore, I want to know whether the hon. Minister is exploring new markets for cotton exports ?

SHRI P. SHIV SHANKER : So far as the question of the hon. Member is concerned, I have already given details in part

(e) of my reply. I shall read it out for you if you so desire :

[English]

"The Government has taken a number of measures to increase exports such as Cash Compensatory Support, Import Replenishment to registered exporters, facility of duty drawback, assistance for market development, encouragement to exports in value added packs, periodic discussions with States for increasing the production of exportable agricultural products etc. For the promotion of exports of agricultural items and products, the institutional infrastructure has been strengthened....

"...with the setting up of the Agricultural and Processed Food Products Export Development Authority (APFDA). The Spices Act has also been passed recently during the current session of Parliament which will enable us to set up the Spices Board aiming at the development of exports of spices, particularly in value added form."

These are various measures which have been taken for the purpose of giving impetus to export of the agricultural commodities.

MR. SPEAKER : The Question Hour is over.

WRITTEN ANSWER TO QUESTIONS

[English]

Export of Engineering Goods

*285. SHRI B. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) the value of engineering goods exported in 1985 and the foreign exchange earned thereby; and

(b) the countries to which engineering goods from India are exported ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Export of engineering goods during April-December, 1985 is provisionally estimated at Rs. 775 crores.

(b) India is exporting engineering goods to more than 100 countries. Of these, major importing countries of Indian engineering goods are :

Bangladesh, Egypt, Iran, Iraq, Saudi Arabia, Sri Lanka, UAE, U.K., U.S.A. and U.S.S.R.

Expansion of Retail Network through Super Bazars in Delhi

*286. SHRI RADHAKANTA DIGAL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have a proposal to expand the retail network through Super Bazars in the Union Territory of Delhi;

(b) if so, the number of new branches of Super Bazars proposed to be opened in 1986-87; and

(c) the details of the retail network proposed to be expanded in the above financial year ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The Cooperative Store Limited, New Delhi, popularly known as Super Bazar, proposes to open 15 new branches during the year 1986-87.

(c) A statement is given below.

Statement

The Super Bazar propose to open 15 new branches at the following places in Delhi during the year 1986-87 :—

1. 'C' Block, Kalkaji.
2. Nehru Nagar Shopping Centre.
3. Garhi Village C-Block (East of Kailash).

4. Raghbir Nagar.
5. Tilak Vihar.
6. Basant Enclave SF Group.
7. Panchsheel near RBI colony.
8. Pitampura Pocket 'R'.
9. Mayur Vihar Pocket-II.
10. Bodella C.G.C. Housing Society.
11. Bodella (Vikaspuri) 'J' Block Pocket JG-II.
12. Swasthya Vihar.
13. Safdarjung Enclave.
14. Yamuna Vihar.
15. Punjabi Bagh Extension.

**Fall in Exports due to Exchange Rate
Policy**

*289. DR. K.G. ADIYODI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the decline in exports is due to the existing exchange rate policy; and

(b) if so, the steps taken to overcome this deficiency ?

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

(b) Does not arise.

**Supply of Rice and Wheat to Orissa for
Public Distribution System**

*290. SHRI JAGANNATH PATTHAIK : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total yearly demand of Government of Orissa for rice and wheat separately, for their Public Distribution System; and

(b) the total allocation and actual supply of rice and wheat by Union Government to Government of Orissa during 1983, 1984 and 1985 and in January, 1986 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). A statement showing demand, allotment and offtake of rice and wheat for Public Distribution System in respect of Orissa during 1983, 1984, 1985 and in January, 1986 is given below.

Statement

Statement showing demand, allotment and offtake of rice and wheat from Central Pool for public distribution system in respect of Orissa during the year 1983, 1984 and 1985 and in January, 1986.

(In '000 tonnes)

Year	Demand		Allotment		Offtake	
	Rice	Wheat	Rice	Wheat	Rice	Wheat
1983	477.0	282.0	190.0	225.0	153.3	203.4
1984	228.0	278.0	75.0	221.0	42.9	146.1
1985	540.0	480.0	157.0	276.0	73.2	75.5
1986	5.0	30.0	20.0	23.0	1.9	2.7

(January)

Sale Centres for Supply of Foodgrains at Cheap Rates in Adivasi Areas.

*294. SHRI HARIHAR SOREN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have opened sale centres for supply of foodgrains at cheap rates in the Adivasi areas in some States;

(b) if so, the names of the States where such centres have been opened; and

(c) what are the Governmental agencies engaged in supplying foodgrains at cheap rates ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) A statement indicating names of the States/Union Territories having Integrated Tribal Development Project areas and tribal majority covered by the scheme is given below.

(c) While Food Corporation of India supplies foodgrains to the various States/Union Territories at specially subsidized rates, retail distribution thereof to the beneficiaries is arranged by the respective State Government/Union Territories through their public distribution system outlets and local agencies like cooperatives and Large-Sized Multi-purpose Societies.

Statement

Statement icrea ing the names of the States Unton Terrtories having ITDP arer and Tribal Majority State.

Sl. No.	Name of State/Union Territory ITDP States/Union Territories
1.	Andhra Pradesh
2.	Assam
3.	Bihar
4.	Gujarat

5. Himachal Pradesh
6. Karnataka
7. Kerala
8. Madhya Pradesh
9. Maharashtra
10. Manipur
11. Orissa
12. Rajasthan
13. Sikkim
14. Tamil Nadu
15. Tripura
16. Uttar Pradesh
17. West Bengal
18. Andaman and Nicobar Islands
19. Goa, Daman and Diu

TRIBAL MAJORITY STATES/UNION TERRITORIES

20. Arunachal Pradesh
21. Meghalaya
22. Mizoram
23. Nagaland
24. Dadra and Nagar Haveli
25. Lakshadweep

Proposal to set up a Coordinating Committee for Stepping up Exports :

*295 SHRI SARFARAZ AHMAD
SHRI B.V. DESAI :

Will the Minister of COMMERCE be pleased to state :

(a) whether Federation of Indian Export Organisations has called for setting up of a coordinating committee comprising representatives of the Ministries of Commerce and Finance and export organisations for a coordinated approach towards stepping up exports;

(b) whether any memorandum has

been submitted by Federation to him in this regard; and

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

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Yes, Sir.

(c) There are several committees and avenues for coordinated approach to export promotion. It does not appear necessary to have another Committee as suggested.

Liberalisation of Import Policy and Balance of Payment Situation

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

(a) whether the recent policy regarding liberalisation of imports and incentives provided for export has led to the expected increased export earnings for the country leading to a more favourable balance of payment situation; and

(b) if so, the specific performance in this respect in electronics and chemical sectors ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Exports and balance of payment situation are 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.

(b) According to the provisional DGCI and S data available for the first six months of the current financial year, the exports of Chemical and Allied Products amounted to Rs. 157.77 crores during April-September, 1986. According to the figures available from the Engineering Export Promotion Council, the export of

Electronics amounted to Rs. 75 crores during April-December, 1985.

New Godowns of Central Warehousing Corporation

***299. SHRI PRIYA RANJAN DAS MUNSI :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of new godowns of Central Warehousing Corporation proposed to be opened during the Seventh Five Year Plan period; and

(b) what would be the approximate storage capacity of these godowns ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). During the Seventh Five Year Plan, the Central Warehousing Corporation proposes to construct storage capacity of 20.00 lakh tonnes. Of this capacity, up to 31-1-1986 a capacity of 3.04 lakh tonnes has been constructed at 40 warehouses. A capacity of 2.88 lakh tonnes is under construction at 30 warehouses. The Corporation is in the process of determining the number of warehouses at which the remaining capacity would be constructed.

Export of Handlooms and Textiles

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

(a) whether it is a fact that export of handlooms and textile goods has increased more than 10 per cent this year as compared to the last year;

(b) if so, the items which showed an upward trend;

(c) the share of Andhra Pradesh in the export of handloom and textile goods indicating their value; and

(d) the incentives Government propose to provide to Andhra Pradesh for boosting the export of handlooms and textile goods from that State ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The exports of textiles and clothing including handlooms in 1985 were higher than in 1984 by more than 10%.

(b) The items which showed an upward trend include garments, made-ups and certain handloom products.

(c) The statistics of State-wise textile exports are not maintained.

(d) The export incentives are not provided State-wise. A statement of export incentives offered is given below.

Statement

The following measures have been taken to boost textiles exports :—

(a) Soft loan scheme is available for modernisation of the textile products.

(b) Sophisticated textile machines not manufactured indigenously are allowed to be imported on OGL.

(c) Wide width shuttleless looms and rotor spinning machines are allowed to be imported to concessional import duty linked with export obligation.

(d) CCS rates have substantially increased with effect from 1st January, 1984. These rates were continued during 1985. These rates have been extended upto 31st December, 1986 subject to review to be completed by March, 1986.

(e) Import entitlements under REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-88. Some items of raw material/fabrics are permitted to be imported under the Advance Licensing Scheme and Duty Free REP Scheme vide Appendices 19 and 21 of Import-Export Policy for 1985-88.

(f) Under the 100% Export Oriented Units and Free Trade Zone Schemes, facilities for liberal import of capital goods and raw materials along with many other concessions are given with necessary export obligation.

(g) Foreign Collaboration is allowed to modernise indigenously textile machinery to enable exporters to have access to modern machinery. Sophisticated machines not manufactured indigenously are allowed to be imported on OGL. As many as 114 machines necessary for garment and hosiery manufactures have been placed under the OGL, 97 of them enjoying concessional import duty vide Appendix 1 part B Import-Export Policy for 1985-88.

(h) Government has announced introduction of new Import-Export Pass Book Scheme for manufacturer-exporters under the new Import-Export Policy.

(i) Government has decided to set up a Fashion Technology Institute in Delhi for education, research, service and training in the areas of fashion design especially for the garment trade.

(j) Government has been giving additional assistance for new products and new markets. 10% higher REP is given for new products and new markets.

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

(l) Duty draw back rates for garments have been liberalised.

Administrative Overheads of FCI

***301. SHRIMATI KISHORI SINHA :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have seen the charges made by the Federation of Indian Chambers of Commerce and Industry (FICCI) against the Food Corporation of India regarding administrative overheads of the Corporation;

(b) whether the Corporation's loss is about Rs. 1100 crores as made out by the Federation; and

(c) if not, what are the overhead costs of FCI for handling foodgrains including

storage and transportation and how these compare with private sector trade ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Government have been Press reports in this regard.

(b) No, Sir. The Food Corporation of India procures and issues foodgrains on 'no-profit-no-loss' basis as per prices fixed by the Government. The difference between its operational cost and the issue prices is reimbursed to the Food Corporation of India in the form of subsidy. The subsidy paid by the Government to the Food Corporation of India in 1984-85 was Rs. 1,100 crores.

(c) The procurement incidentals in 1984 were Rs. 26.31 per quintal for wheat and Rs. 17.32 per quintal for rice. The distribution cost was Rs. 51.89 per quintal in respect of both wheat and rice.

The operations of Food Corporation of India are not comparable with those of private sector trade.

Concessional Loan from Japan

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

(a) whether Japan has agreed to give a concessional loan of Rs. 200 crore to India;

(b) if so, whether any agreement in this regard was signed in February, 1986;

(c) if so, the details and conditions of the loan; and

(d) the names of the projects that will be financed by this loan ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (d) An Inter Governmental agreement with the Government of Japan was signed on the 18th February, 1986 regarding the Assam Gas Turbine Power Station and Transmission Line Construction Project. The Government of Japan is extending a

special loan of yen 30 billion equivalent to Rs. 206 crores approximately, for this project. The loan is repayable semi annually over a period of 30 years including a grace period of 10 years and carries an interest rate of 4.25% per annum.

Leakage of Revenue on Account of Excise Duty

***303. SHRI SATYENDRA NARAYAN SINHA :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have carried out any study to find out whether the collections from excise duties are adequate in terms of total industrial output in the country; and

(b) if so, whether steps are proposed to be taken to see that there is no leakage of revenue on account of excise duty ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) The Government regularly compared growth in industrial production with the progress in realisation of Centre Excise revenue during the financial year. Budget estimates also, inter-alia, take into account the past and future growth in production of important revenue yielding commodities. The collections from excise duties during 1985-86 so far suggest that the revenue estimates will be exceeded by several hundred crores for the full financial year.

(b) Steps taken to prevent evasion of excise duty is a continuous process and various steps including legislative, procedural and administrative continue to be taken from time to time to plug the loophole and leakage of revenue in excise duty collection.

Proposal to Rationalise Income-Tax Structure

2746. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have any latest assessment about the percentage of income from industrial sector, agricultural

sector, salaried class, trade and business and income from land and buildings which is assessed to income tax and what percentage is beyond the pale of income tax; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b), Government have no latest assessment about the percentage of income from various sectors of economy which is assessed to income-tax. Department of Income-tax, however, brings out annually a publication called "All India Income-tax Statistics" which indicates the position (other than that of agricultural income which is outside the purview of income-tax levied by the Union Government) in the financial year 1982-83 as under :—

Salary income.....	18.88%
Income from house property...	00.59%
Income from business or profession ...	70.91%
(including from industrial sector)	
Other incomes	9.62%
(capital gains, dividends etc.).	

Over-Subscription of Public Issues

2747. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether recently there has been a sharp rise in over-subscription of public issues and besides creating procedural delays in completing the various formalities, it also plays a major role in the substantial un-official premia; and

(b) if so, the steps Government propose to take to keep the painstakingly-built equity cult intact and make it obligatory for companies not to send rights, dividends, interest for bonus to the registered shareholder who may have sold the scrips but which have not been received by the buyer ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SARI JANARDHANA POOJARY) : (a) There has been an increase in over-subscription in the recent past in respect of some public issues of capital. Over-subscription of public issues of capital has created additional work in regard to processing of applications, finalisation of the basis of allotment and issue of allotment of letter/refund orders. It is not possible to establish any direct relationship between over-subscription and the existence of un-official premia.

(b) Government are considering certain proposals for amendment of the Companies Act, 1956, including suggestions for payment of dividends, rights and bonus shares, to the actual holders of shares.

Import of Oilseeds, Pulses and Sugar

2748. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the oilseeds, pulses and sugar are being imported in the country at present;

(b) if so, the quantity of each item imported during 1985;

(c) the names of those countries wherefrom the imports were made; and

(d) the proposal of Government in this regard for the year 1986 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c) Statistics relating to quantity of import of various items and the names of the countries from where the imports were made, have been compiled so far upto 1982-83. Data relating to imports of oilseeds, pulses and sugar during 1985 are not available.

(d) The policy for import of these commodities is under constant review in consultation with concerned Ministries keeping in view of the demand and supply position.

Extracting of Rice Bran Oil in Rice Mills

2749. SHRI SANAT KUMAR MANDAL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether his Ministry has undertaken any project to assess feasibility of extracting rice bran oil in the rice mills installed in West Bengal and in other rice-producing States;

(b) if so, the details thereof; and

(c) the achievements in the field of edible output ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) An inter-Ministerial Coordination Committee on production of rice bran oil has been constituted in the Department of Civil Supplies for an integrated approach linking rice mills, solvent extraction units and oil processing units. In terms of a decision of the Committee a survey regarding production of quality rice bran from rice mills was made in West Bengal and other rice producing States.

Further, a Committee of technical experts constituted by the Government has also visited a number of rice mills in West Bengal and Tamil Nadu for evaluation of technology for upgradation/modification of huller rice mills for the purpose of obtaining quality rice bran suitable for recovery of oil by solvent extraction process economically.

(c) The achievements in the field of production of edible rice bran oil over the past five years are given below :—

Year	(Quantity in tonnes)	
	Rice Bran Produced Edible	Total
1	2	3
1981-82	10,000	1,50,000

1	2	3
1982-83	26,000	1,45,000
1983-84	23,000	1,83,000
1984-85	19,200	2,02,000
1985-86	30,000	2,50,000
	(Estimated)	(Estimated)

Payment of Cane Growers' Dues by Sugar Factories

2750. DR. A. K. PATEL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total sugarcane dues outstanding against each sugar factory in Uttar Pradesh, Bihar and Maharashtra to the cane growers as after the 1984-85 crushing, season at the beginning of crushing of 1985-86 and on 31-12-1985, factory-wise; and

(b) the steps being taken to ensure that this due amount is paid to cane-growers with interest at the earliest ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Statement giving sugarcane dues outstanding against individual sugar factories in Uttar Pradesh, Bihar and Maharashtra at the beginning of the 1985-86 crushing season (i.e. on 1.10.1985) and on 31.12.85 is given below.

(b) Ensuring payment of cane price arrears and interest on delayed payments is the responsibility of the State Governments, who have the necessary field organisations and powers to enforce such payments. The Central Government monitors the position and requests the State Governments from time to time for ensuring expeditious clearance of the cane price. The Central Government, on its part, have taken various measures in the recent past to improve the liquidity position of the industry to enable it to make quicker payments. As a result of the efforts of the Central and State Governments, out of the total cane price of about Rs. 1270 crore

for 1984-85 season for the country as a whole, about Rs. 2.23 crores remain outstanding as on 31st January, 1986. Per-

centage wise, the arrears for last season are only 0.17%.

Statement

Statements showing arrears of sugarcane Price in U.P., Bihar and Maharashtra.

(Figures in Lakh Rupees)

Name of the Factory	Arrears of sugarcane price					Remarks
	As on 1-10-85 for		As on 31-12-85 for			
	984 85 season	1983-84 & prior seasons	1985-86 season	1984-85 season	1983-84 and prior seasons	
1	2	3	4	5	6	7
Uttar Pradesh						
1. Mohinddinpur	—	6.18	27.73	—	6.18	
2. Sakhotitanda	98.93	0.28	—	28.93	0.28	
3. Chhata	—	—	30.05	—	—	
4. Bagpat	31.99	—	74.98	—	—	
5. Anoopshahr	1.09	0.98	37.36	0.25	0.98	
6. Sarasawa	—	—	39.36	—	—	
7. Harduaganj	26.64	2.40	79.65	1.31	2.40	
8. Ramala	0.96	1.31	97.23*	0.95*	1.31*	*as on 22-12-85
9. Nanauta	—	—	119.83	—	—	
10. Morna	—	—	33.62	—	—	
11. Modinagar	—	—	39.81	—	—	
12. Meerut *15-9-85	25.66*	0.13*	10.40	18.00	0.13	
13. Daurala	—	—	18.14	—	—	
14. Mawana	—	—	—	—	—	
15. Simbhaoli	—	—	17.48	—	—	
16. Khatauli	—	—	78.45	—	—	
17. Mansurpur	21.21	—	54.53	—	—	
18. Rohnakalan	34.96	—	40.08	—	—	
19. Shamli	—	—	48.90	—	—	
20. Bulandshahr	49.85	—	27.01	4.86	—	
21. Deoband	26.80	—	67.05	—	—	

1	2	3	4	5	6	7
22. Sabaranpur		5.54	—	56.33	3.54	—
23. Iqbalpur		81.40	—	89.33	—	—
24. Lhaksar		—	13.83	99.47	—	13.83
25. Doiwala		—	—	19.92	—	—
26. Bijnor		16.54	7.58	23.71	—	7.58
27. Chandpur		—	—	24.65	—	—
28. Amroha		61.43	12.90	13.53	4.93	14.91
29. Raza Buland		—	9.72	37.48	—	9.72
30. Kichha		—	—	30.86	—	—
31. Experimental		—	—	—	—	—
32. Bilaspur		—	—	29.26	—	—
33. Bazpur		—	—	36.86	—	—
34. Bisalpur		17.68	—	51.12	—	—
35. Majhola		63.55	—	53.50	—	—
36. Kaimganj		17.97	7.35	60.34	0.37	6.94
37. Nadehi		2.40	—	108.08	0.84	— as on
38. Badaun		—	—	15.61	—	— 22-12-85
39. Tilhar		31.87	—	53.81	3.23	—
40. Belrayan		—	—	34.58	—	—
41. Gajraula		1.68	—	60.68	—	—
42. Sitarganj		0.57	—	12.31	0.27	—
43. Semikhera		3.99	—	32.67	—	—
44. Sampurannagar		—	—	5.86	—	—
45. Dhampur		—	—	88.76	—	—
46. Seohara		—	—	56.01	—	—
47. Ajudhia		—	9.04	53.59	—	9.04
48. Bareilly		34.93	—	24.39	12.70	—
49. Baheri		—	—	20.02	—	—
50. Rosa		—	—	25.88	—	—
51. Kashipur		20.47	—	55.25	—	—
52. Pilibhit		20.44	7.56	91.42	9.59	5.51
53. Neolj		20.63	—	52.72	0.10	—

1	2	3	4	5	6	7
54. Gola	—	—	24.95	—	—	
55. Aira	—	—	3.54	—	—	
56. Hargaon	—	—	15.37	—	—	
57. Maholi	—	—	3.24	—	—	
58. Hardoi	23.35	177.01	19.44	—	177.01	
59. Paliakalan *22/5	2.67*	—	16.83	—	—	
60. Barabanki	45.43	—	17.89	5.36	—	
61. Burhwal	2.60	—	25.99	—	—	
62. Jarwal Road	5.37	7.82	11.64	—	7.82	
63. Diamond	22.11	—	13.51	7.55	—	
64. Khadda	—	2.94	43.74*	—	2.94	*as on 22-12-85
65. Lakshmaniganj	—	—	30.92	—	—	
66. Ramkola (MK)	—	—	17.96	—	—	
67. Bhatni	5.92	—	15.81	—	—	
68. Nandganj	19.25	0.68	13.77	3.82	0.59	
69. Daryapur	22.70	00.3	39.33	0.17	0.03	
70. Kashi	0.56	0.39	24.33	0.07	0.39	
71. Rasra	25.53	0.41	14.42	1.47	0.51	
72. Azamgarh	22.26	2.08	39.24	22.09	1.98	
73. Sultanpur	0.79	0.03	did not start	0.79	0.03	
74. Mahmudabad	11.99	—	57.44	1.00	—	as on
75. Ghosi	0.10	—	14.22	1.07	—	22-12-85
76. Nanpara	—	—	27.72	—	—	
77. Ratna	24.04	—	—	24.04	—	
78. Masoda	—	—	did not start	50.60	—	
79. Balrampur	0.39	—	64.89	—	—	
80. Tulsipur	—	—	31.61	—	—	
81. Nawabganj	36.78	—	21.85	34.28	—	
82. Walterganj	—	—	did not start	—	—	
83. Basti	—	—	47.73	—	—	
84. Munderwa	7.95	—	8.53	—	—	
85. Khalilabad	29.06	—	did not start	28.94	—	
86. Anandnagar	0.81	—	20.42	—	—	

1	2	3	4	5	6	7
87. Sardarnagar	—	0.10	40.25	—	0.10	
88. Ghughli	21.07	—	34.68	—	—	
89. Siswabazar	—	11.60	52.26	—	11.60	
90. Chhittauni	—	3.98	15.90	—	3.99	
91. Chaptaingaj	—	—	28.55	—	—	
92. Ramkola (Pb)	—	—	78.19	—	—	
93. Padrauna	41.54	—	78.19	—	—	
94. Katbkuiyan	7.95	0.26	41.41	—	0.26	
95. Seorahi	8.82	—	41.87	—	—	
96. Babhnan	—	0.11	37.32	—	0.11	
97. Baitalpur	—	—	11.17	—	—	
98. Deoria	—	—	18.45	—	—	
99. Gauribazar	6.04	—	16.68	—	—	
100. Partappur	—	—	16.00	—	—	
101. Biswan	—	—	19.16	—	—	
BIHAR						
102. Sitalpur	9-96	0.43	12 75	0.50	0.43	
103. Ryam	7.32	3.29	did not start	0.19	3.29	
104. Lohat	7.42	0.43	—	3.56	0.84	
105. Sakri	4.17	0.57	6.49	0.13	0.55	
106. Samastipur	13.27	0.17	14.30	0.39	0.14	
107. Banamankhi	6.97	0.71	2.98	0.86	0.47	
108. Bihta	2.85	1.08	did not start	0.12	1.04	
109. Warisaliganj	7.16	1.41	N.A.	0.56	1.05	
110. Garuru	2.27	2.17	did not start	0.05	0.91	
111. Bagaha	70.20	84.10	48.58	21.14	0.20	
112. Harinagar	1.86	0.38	108.16	0.42	0.36	
113. Narkatiaganj	2.57	0.14	61.15	1.77	—	
114. Barachakia	20.52	1.62	55.43	1.90	1.51	
115. Lauriya	—	332 80	34.06	—	167.70	as on 22-12-85
116. Majhaulia	0.59	1.12	81.33	0.29	1.12	

1	2	3	4	5	6	7
117. Sugauli	--	159.03	25.99	—	89.43	
118. Motibari	0.86	1.16	74.86	0.27	—	
119. Chanpatia	13.51	—	61.78	0.84	—	
120. Righa	1.00	0.45	46.21	0.78	0.45	
121. Motipur	13.75	3.65	did not start	0.49	1.80	
122. Hassanpur	0.26	—	41.44	—	—	
123. Sasamusa	1.32	—	75.15	0.45	—	
124. Gopalganj	1.53	0.04	70.46	0.08	0.02	as do. 7-1-86
125. Hathua	—	366.81	N.A.	—	375.58	
126. Sidhwalia	1.38	—	37.29	0.61	—	
127. Marhowrah	22.19	0.97	19.26	—	—	
128. New Savan	10.87	2.88	0.82	0.46	5.02	
129. Pachrukhi	—	11.82	did not work	—	11.82	
130. SKG Siwan	—	81.09	did not work	—	81.09	
MAHARASHTRA						
131. Girna	—	—	—	—	—	
132. Niphad	—	—	106.42	—	—	
133. Sanjivani	—	—	—	—	—	
134. Kopergaon	13.92	—	98.46	—	—	
135. Ganeshnagar	—	16.53	—	—	13.53	
136. Ashoknagar	—	—	—	—	—	
137. Pravarnagar	—	—	—	—	—	
138. Rahuri	—	—	50.24	—	—	
139. Shrigonda	—	0.14	62.03	—	0.14	
140. Gangapur	—	—	42.53	—	—	
141. Nira	0.69	5.42	38.33	0.15	5.35	
142. Malegaon	—	—	74.86	—	—	
143. Sansar	—	—	—	—	—	
144. Akluj	—	—	—	—	—	
145. Shriram (P)	—	—	64.70	—	—	
146. Karad	—	—	239.19	—	—	

1	2	3	4	5	6	7
147. Sangli	—	—	219.59	—	—	—
148. Warana	—	—	—	—	—	—
149. Ichalkaranji	21.93	—	236.01	5.06	—	—
150. Bhogawati	18.15	—	12.36	18.15	—	—
151. Kumbhikesari	—	—	95.48	—	—	—
152. Terana	—	—	116.64	—	—	—
153. Sangamner	—	—	—	—	—	—
154. Bidri	—	—	—	—	—	—
155. Kalambar	0.03	1.62	33.91	0.03	1.58	—
156. Theur	—	—	43.91	—	—	—
157. Sadashivnagar	—	—	74.20	—	—	—
158. Panzarkhon	3.87	—	52.56	—	—	—
159. Walwa	—	—	—	—	—	—
160. Bhuinj	0.14	0.61	47.76	0.26	0.60	—
161. Vishwas	—	—	did not start	—	—	—
162. Shirol	—	—	—	—	—	—
163. Jijamata	—	0.05	26.23	—	0.05	—
164. Vasant	—	—	44.06	—	—	—
165. Kumathe	—	—	—	—	—	—
166. Marali	—	—	—	—	—	—
167. Satpuda	—	—	71.07	—	—	—
168. Killari	—	0.05	37.46	—	0.05	—
169. Sillod	—	0.65	45.93	—	0.65	—
170. Dongarkhada	—	—	18.21	—	—	—
171. Sahyadri	—	—	181.43	—	—	—
172. Kannad	—	—	52.88	—	—	—
173. Parsoda	—	—	46.21	—	—	—
174. Bhende	—	—	47.16	—	—	—
175. Ambajogai	0.02	0.08	48.97	0.02	0.09	—
176. Kasoda	—	—	46.73	—	—	—
177. Daulat	0.45	0.70	2.52	0.63	0.73	—
178. Faizpur	—	0.07	70.26	—	0.07	—
179. Georai	—	—	48.72	—	—	—

1	2	3	4	5	6	7
180. Bhoras	—	—	—	—	—	—
181. Pimpalgaon	—	—	52.59	—	—	—
182. Jagdamba	—	—	35.05	—	—	—
183. Karamveer	—	—	46.45	—	—	—
184. Kadwa	—	—	24.82	—	—	—
185. Bhadrakali	3.20	—	46.01	—	—	—
186. Sonai	9.06	—	50.70	—	—	—
187. Kada	—	—	38.42	—	—	—
188. Gadhinglaj	2.74	—	57.94	2.00	3.44	—
189. Vithal	6.67	—	101.59	—	—	—
190. Patas	—	—	66.48	—	—	—
191. Paithan	—	—	—	—	—	—
192. Vairag	—	—	45.89	—	—	—
193. Kagal	—	—	—	—	—	—
194. Bhima	—	8.59	15.07	—	—	4.45
195. Pathari	—	—	99.58	—	—	—
196. Shankarnagar	—	0.06	32.97	—	—	0.06
197. Basmathnagar	0.04	0.04	51.34	0.05	00.04	—
198. Hutatma	—	—	54.97	—	—	—
199. Vijayanagar	—	—	14.70	—	—	—
200. Shendre 31/8	24.26	—	149.58	—	—	—
201. Vithewadi	—	—	38.18	—	—	—
202. Junnar	—	—	19.07	—	—	—
203. Shirpur	—	—	22.69	—	—	—
204. Parner	—	—	13.78	—	—	—
205. Samrath	—	—	50.38	—	—	—
206. Nagewadi	0.03	—	21.09	0.03	—	—
207. Nalegaon	—	—	19.65	—	—	—
208. Mahankali	—	—	35.29	—	—	—
209. Asrule	—	—	Did not work	—	—	—
210. Ravalgaon 31/8/85	0.15	—	11.15	—	—	—
211. Sakarwadi	—	—	Did not work	—	—	—
212. Lakshmiwadi	—	—	Did not work	—	—	—

1	2	3	4	5	6	7
213. Puntamba	—	—	Did not work	—	—	—
214. Belapur	—	—	82.79	—	—	—
215. Tilaknagar	42.66	1.25	111.81	0.10	0.93	—
216. Walchandnagar	22.58	—	62.89	—	—	—
217. Malinagar	—	—	21.34	—	—	—
218. B. Maharashtra	—	74.37	23.05	35.71	56.83	—
219. Phaltan	—	—	144.87	—	—	—
220. Kolhapur	8.12	0.55	—	8.68	—	—

Problems of Jute Industry Due to synthetic Sector

2751. SHRI LAKSHMAN MALLICK : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have made any study and found imbalance in jute goods industry despite a bumper jute harvest this season and the industry continues to be plagued by many problems;

(b) if so, the details regarding the problems being experienced; and

(c) the steps being taken by his Ministry and Planning Commission to face the thread posed to the jute industry particularly from the synthetic bags ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b) No study has been made by the Government recently about the imbalance in jute industry as referred to in this question. At present, there is hardly any imbalance between demand and supply of jute goods in the country as inspite of larger production, off take has also kept pace with production.

(c) The problem of threat to jute industry from the synthetic woven sacks was discussed in several inter-Ministerial meetings including the Steering Committee on Jute Industry. In the Union Budget for 1986—87, it has been proposed to impose excise duty on HDPE woven sacks in order to protect the interest of jute industry on

which the livelihood of millions of farmers and factory workers are dependent.

Overseas Construction Projects Cleared by Working Group of Export-Import Bank

2753. SHRI K.S. RAO : Will the Minister of FINANCE be pleased to state :

(a) the value of the bids for overseas construction projects cleared by the working group of Export-Import Bank in 1983, 1984 and 1985 for each country separately :

(b) the value of bids which resulted in contracts for each of the years 1983, 1984 and 1985 and for each country separately;

(c) whether it is a fact that the success ratio is very low and if so, the reasons therefor; and

(d) the general criteria applied by the working group for the clearance of the construction project bids and the changes in norms, if any, in the case of Iraq and Libya ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The details of total value of bids of overseas construction projects cleared by the Working Group of the Export-Import Bank of India and the contracts secured out of bids cleared during the years 1983, 1984 and 1985 are set out in Statement-I

and II given below. The main reason of low success ratio is that the largest number of bids by the Indian companies have been for projects in the Gulf region wherein construction activity has reportedly slowed down, resulting in fewer tenders coupled with difficult payment situation. The capacity of Indian contractors to contend with payment difficulties is limited. Further, the general recession of economic activity in developed countries has made the companies in those countries to look for openings in Gulf/African countries which has resulted in stiff competition for the Indian companies from European and Japanese companies.

(d) The Working Group follows the guidelines laid down by Reserve Bank of India which include--

- (i) consideration of financial status of exporter.

(ii) financial and technical viability of projects.

(iii) payment terms.

(iv) security for payments.

(v) protective clauses.

(vi) parameters such as financial facility required.

(vii) exposure limits of each country and of each company.

(viii) credit insurance and country rating assessed by ECGC.

In the case of construction projects in Libya, no change in the norms has been made. As regards construction projects in Iraq the Indian contractors have been enabled to offer deferred terms so as to maintain their competitiveness in relation to international competition.

Statement—I

Statement showing value of bids of overseas Construction Projects cleared by the Working Group of Export-Import Bank of India.

(Rs. in Crores)

	1983	1984	1985
1	2	3	4
			5
1. Algeria	724	607	400
2. A.R.E.	—	30	—
3. Djibouti	—	10	—
4. Ethiopia	—	45	—
5. Libya	14	403	28
6. Mozambique	—	44	—
7. Seychelles	—	17	—
8. Tunisia	—	16	—
9. Uganda	—	14	—
10. Zimbabwe	—	21	—
11. Bangladesh	47	42	—
12. Indonesia	17	4	—
13. Maldives	—	11	30

1	2	3	4	5
14. Nepal		53	47	77
15. Srilanka		34	28	7
16. Thailand		88	12	—
17. Bahrain		—	96	—
18. Iraq		164	940	1953
19. Jordan		20	24	35
20. Kuwait		120	15	233
21. Oman		60	29	—
22. Qatar		—	13	81
23. Saudia Arabia		79	244	13
24. YAR		294	463	31
25. Solomon Island		—	—	10
26. South Yemen		—	—	11
27. Madgascar		—	—	25
28. Iran		669	—	314
29. Mauritius		—	—	7
30. Hongkong		—	—	34
31. Laos		—	—	3
32. Kenya		33	—	23
33. Brunei		27	—	—
34. Tanzania		11	—	—
35. Malaysia		94	—	—
36. Syria		313	—	—
TOTAL		2861	3175	3315

Statement—II

Statement showing value of contract secured out of bids cleared by the Working Groups of Exim Bank

(Rs. in crores)

S. No.	Country	1983	1984	1985
1	2	3	4	5
1.	Algeria	81	—	—
2.	Iraq	34	335	214
3.	Jordan	—	—	17

1	2	3	4	5
4. Kuwati		58	—	3
5. Libya		5	17	—
6. Nepal		7	—	—
7. Qatar		—	—	3
8. Saudi Arabia		33	—	—
9. Srilanka		7	2	—
10. YAR		26	14	—
TOTAL :		251	368	237

Consumption of Imported Liquor in I.T.D.C. Hotels in Delhi/New Delhi

2754. SHRI MOOL CHAND DAGA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the details of consumption of imported liquor and indigenous liquor in the hotels run by India Tourism Development Corporation at Delhi/New Delhi during the last three years showing yearly consumption and the kind of liquor consumed in each hotel ;

(b) what has been the total yearly cost of imported liquor in each case for that period ;

(c) whether any steps have ever been taken to discourage the consumption of imported liquor to save foreign exchange; if so, when, how and with what results; and

(d) is imported-liquor served to foreign guests only or to all the guests in these hotels ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) and (b). Details of consumption of liquor in I.T.D.C. hotels in Delhi are as under :—

Year	Imported	Indigenous	Cost of imported liquor
	(Litres in lakhs)		(Rs. in lakhs)
1982-83	0.08	1.35	14.24
1983-84	0.07	1.33	14.20
1984-85	0.08	1.55	18.78

(c) Under the Foreign Exchange Incentive Quota scheme, Department of Tourism has prescribed ceilings to import liquor by approved hotels including ITDC Hotels. This measure serves as a discouraging factor on the consumption of imported liquor.

(d) Imported liquor is served to all guests on request, subject to availability,

Recovery of Loans Granted to Denotified Sugar Factories

2755. PROF. NARAIN CHAND PARASHAR : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact the sugar undertakings taken over the Sugar Undertakings (Taking over of Management) Act, 1978 have been denotified;

(b) if so, whether the owners have taken possession of all the undertakings so denotified;

(c) if not, the status of the undertakings and who is operating such undertakings at present; and

(d) the steps taken to ensure recovery of loans granted Union by the Government to these factories ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir.

(b) and (c). Out of the eight, the

owners of three sugar mills have taken possession of their undertakings and another two mills, which happen to be in cooperative sector, have been handed over to the respective State Governments. The owners of Deoria, and Shree Sitaram Sugar Mills have refused to take back the mills on the terms offered. The ex-Custodian has, therefore, been asked to continue to safeguard mills' property till legally authorised persons take possession of the mills. The owners of Seksaria Sugar Mills have recently informed that they are seriously considering taking back their undertaking. However, since they have not actually taken possession of the factory, the ex-Custodian has been instructed as in the case of the other two factories.

(d) Powers are available to the Government under Section 15 of the Sugar Undertakings (Taking Over of Management) Act, 1978, under which loan dues to Central Government have priority on all other debts. However, wherever the owners are coming forward to take possession of the denotified mills, agreements entered into with them fully protect the financial interests of the Government.

Export by National Textile Corporation

2756. SHRI VIJAY N. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) the details of the export orders secured by National Textile Corporation in 1984-85 and today;

(b) the name of countries that have placed orders with the National Textile Corporation; and

(c) the terms of the contracts, quality and price in negotiating the deals ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The details of the export orders secured by NTC during the year 1984-85 and 1985-86 (upto January, 1986) are given below :

	Quantity (million mitters)		Value (Rs. crores)	
	1984-85	1985-86 upto Jan. '86	1984-85	1985-86 Jan. '86
Fabrics	107.43	91 11	61.60	56.10
Made-ups	—	—	4.08	4.02
Yarn	—	—	0.92	0.22
Total	107.43	91.11	66.60	60.34

(b) NTC has obtained orders for exports mainly to United Kingdom, U.S.A., U.S.S.R., France, Italy, West Germany, Bangladesh, Tanzania.

(c) NTC exports its products largely through merchant exporters. The exports to U.S.S.R. are done on standard terms and conditions which are approved by TEXPROCIL.

In case of all other countries, prices are negotiated for each contract, according to the quality/specifications and in the circumstances of the customers need/market opportunity.

Proposal to Create Buffer Stock of Cotton

2757. DR. B.L. SHAILESH :

DR. CHINTA MOHAN :

Will the minister of TEXTILES be pleased to state :

(a) whether Government have decided to create a buffer stock of cotton and cotton yarn as in the case of jute;

(b) if so, its broad outlines; and

(c) the initial capital outlay involved ?

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

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

Export of Garment for 1985 and 1986

2759. SHRI SRIBALLAV PANIGRAHI : Will the Minister of TEXTILES be pleased to state :

(a) the targets fixed for garment export for 1985;

(b) to what extent the performance has been satisfactory;

(c) whether the targets fixed for 1985 have been achieved; and

(d) the targets Government have fixed for 1986 ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Export targets are fixed on financial year basis. The targeted for export of garments for 1985-86 is Rs. 1000 crores and the achievement during the first 9 months (April-December, 1985) has been Rs. 674.10 crores. Considering the trend, it is anticipated that the target for 1985-86 would be achieved.

(d) The target for 1986-87 have not yet been fixed.

Rise in Domestic Demand for Good Tea

2760. SHRI PIYUS TIRAKY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the domestic demand for good tea is steadily rising resulting in a fall of exportable surplus;

(b) the steps taken to enhance the production level;

(c) whether it is also a fact that increasing domestic demands have tempted the tea trading companies to adulteration in selling packet tea to consumers; and

(d) if so, the steps taken to check adulteration and ensure quality of tea sold to domestic consumers ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Domestic consumption of tea is increasing. However, with the simultaneous increase in production, exports of tea from India during the past four years have shown a consistent increase.

(b) Measures envisaged for increasing tea production include short term measures like optimization of inputs, medium term measures like irrigation and drainage, infilling and rejuvenation of tea bushes and long term measures like extension planting and replanting.

(c) and (d). No such instances of adulteration by the major packeters have been referred to Government in the recent past. However, specific complaints would normally be dealt with by the enforcement agencies of the State Governments under the provisions of the Prevention of Food Adulteration Act.

Non-Payment of Gratuity to Restwhile Employees of Textile Mills Taken Over by N.T.C.

2762. PROF. MADHU DANDAVATE : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the employees who have left services from the textile mills taken over by the National Textile Corporation following the prolonged textile strike in Bombay, have not been paid the amount of gratuity as per the recent amendment to the Payment of Gratuity Act raising the ceiling of monthly wages from Rs. 1000 to Rs. 1600;

(b) if so, the reasons for the non-payment of gratuity; and

(c) when the gratuity will be paid ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The ceiling of monthly wages from Rs. 1,000 to Rs. 1,600 was raised in the Payment of Gratuity Act vide Act 25 of 1984, effective from 1-7-1984. Employees, who

became eligible for payment of gratuity prior to 1-7-1984 are paid gratuity as per the Payment of Gratuity Act, as it stood before the said amendment of the Act. Employees who became eligible for gratuity on and after 1-7-1984 are paid gratuity as per Payment of Gratuity Act as amended vide Act 25 of 1984.

Employees of milks in Bombay under National Textile Corporation are being regulated accordingly in respect of their gratuity as and when due to them.

Agreement with Export-Import Bank of USA for Joint Indo-US Projects

2763. SHRI INDRJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether an agreement is likely to be entered into with the Export Import Bank of USA for financing import into India of high technical components and for joint Indo-US projects in third countries;

(b) if so, details of the proposal under consideration and the sectors aimed at; and

(c) the Indian parties to the negotiations ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Exim Bank offers financing of purchases made from US sources. Therefore various Indian parties may have approached it for financing their import requirements from USA.

Government have no proposal under considerations to enter directly into any agreement with US Exim Bank either for high tech items or for Joint Indo-US Projects in third countries.

Shifting of Office by M/s Ashok Tours and Travels in Kerala

2764. SHRI SURESH KURUP : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that Ashok

Tours and Travels have shifted office from Kovalam in Kerala; and

(b) if so, the reasons thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) No, Sir.

(b) Does not arise.

Casual Employees in Food Corporation of India

2765. SHRI KALI PRASAD PANDEY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that the Food Corporation of India has been keeping thousands of casual employees without regularisation for a number of years;

(b) if so, the region-wise details of the casual/part-time employees; and

(c) the action being taken to regularise their services ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (c). The information is being collected and will be laid on the table of the Sabha.

Fall in Exports of Garments to EEC

2766. DR. SUDHIR ROY : Will the Minister of TEXTILES be pleased to state :

(a) whether 32 per cent of the export quota of Indian garments for EEC countries is getting lapsed annually because Indian exporters are outpriced;

(b) whether 10 to 12 per cent of export shipments come back as rejected; and

(c) whether late shipment of goods is one of the causes of rejection ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The utilisation of annual garment quota to

European Economic Community has been progressively increasing. The utilisation was 69% in 1985 compared to 54% in 1983.

(b) and (c). No such information is brought to the notice of the Ministry of Textiles.

Modernisation of Equipments by NTC.

2767. SHRI SHIVENDRA BAHADUR SINGH : Will the Minister of TEXTILES be pleased to state :

(a) the year-wise loss suffered by National Textile Corporation after nationalisation;

(b) the amount spent per year on modernisation;

(c) whether all the equipments purchased for modernisation are being utilised or are lying idle;

(d) whether the gain out of modernisation will be commensurate with the amount spent on modernisation; and

(e) the action proposed to be taken against top level officials for their failure in respect of modernisation of National Textile Corporation Mills ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The year-wise losses suffered by nationalised NTC mills after nationalisation are given below :—

Year	Profit/Loss Nationalised mills
1	2
1974-75	— 29.99
1975-76	— 59.85
1976-77	— 51.53
1977-78	— 47.81
1978-79	— 18.31

1	2
1979-80	— 16.74
1980-81	— 18.56
1981-82	— 71.23
1982-83	— 78.05
1983-84	— 137.36
1984-85	— 172.36
1985-86	— 77.91

(April to Nov.85)

(Provisional)

(b) The year-wise amount spent on modernisation of 101 nationalised NTC mills is given below :—

As on 1974	Amount (Rs. in crores)
As on 1974	9.20
1974-75	7.31
1975-76	10.30
1976-77	22.35
1977-78	19.72
1978-79	15.24
1979-80	16.24
1980-81	44.48
1981-82	63.00
1982-83	48.78
1983-84	23.42
1984-85	20.37

(c) Most of the equipments purchased for modernisation of mills are being utilised.

(d) and (e). At the time of takeover, these mills were having old and out-moded plant and machinery with the result hardly 50% of the installed capacity could be commissioned. The productivity was also barely 49 gms. per spindle/shift in terms of the conversion. However, as a result of the

selective modernisation carried out by the NTC, the capacity utilisation of these mills has gone up to about 77% and the productivity to nearly 64.1 gms. per spindle/shift in terms of 40s conversion. After modernisation, production, production value and sales realisation etc. have registered significant increases. Implementation on modernisation is closely monitored and suitable action taken wherever necessary.

Smuggling of Video Cassette Recorders

2768. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether any reports on large scale smuggling of Video Cassette Recorders have been received from Cochin in Kerala;

(b) the estimated number and value of V.C.Rs. smuggled through Cochin since 1st January, 1986; and

(c) whether any arrests have been made in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government and seizures made indicate that video cassette recorders continue to be sensitive to smuggling into India, including through Cochin Port.

(b) Smuggling being a clandestine activity, no reasonable estimate of the quantity and value of video cassette recorders smuggled through Cochin, is feasible. However, during the period from 1st

January, 1986 to 28th February, 1986, 73 video cassette recorders and 1 video cassette player collectively valued at Rs. 9.93 lakhs were seized.

(c) No, Sir.

[Translation]

Self-Employment Scheme for Educated Unemployed

2769. SHRI K.N. PRADHAN : Will the Minister of FINANCE be pleased to state :

(a) the State-wise targets fixed under the self-employment scheme for educated unemployed youths so far, year-wise; and

(b) the amount of loans sanctioned therefor bank-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The State-wise targets fixed under the self-employment scheme for educated unemployed youths for the years 1983-84, 1984-85 and 1985-86 is given in the statement given below.

(b) Reserve Bank of India has reported that the bank-wise figures for each State/ Union Territory are not collected by it, under the existing data reporting system. However the banks have sanctioned loans amounting to Rs. 401.54 crores for the year 1983-84 and Rs. 429.53 crores for the year 1984-85.

Statement

Sl. No.	Name of the States/ Union Territories	Targets 1983-84	Targets 1984-85	Targets 1985-86
1	2	3	4	5
1.	Andhra Pradesh	20,000	15,100	17,300
2.	Assam	6,700	8,200	6,200
3.	Bihar	29,000	14,500	29,600
4.	Gujarat	11,200	10,700	10,700
5.	Haryana	5,300	6,300	4,600

1	2	3	4	5
6.	Himachal Pradesh	2,000	2,500	1,600
7.	Jammu & Kashmir	1,800	1,400	1,400
8.	Kerala	15,100	13,300	13,000
9.	Madhya Pradesh	17,500	19,100	17,600
10.	Karnataka	12,100	12,500	12,400
11.	Maharashtra	20,800	25,000	15,500
12.	Manipur	1,000	1,200	1,500
13.	Meghalaya	400	400	300
14.	Nagaland	250	200	200
15.	Orissa	8,600	7,000	9,300
16.	Punjab	6,700	12,000	15,000
17.	Rajasthan	10,000	15,000	10,300
18.	Sikkim	100	50	100
19.	Tamil Nadu	17,500	21,700	18,100
20.	Uttar Pradesh	36,000	37,600	31,300
21.	West Bengal	25,500	24,100	24,300
22.	Andaman & Nicobar Islands	100	100	100
23.	Tripura	900	700	900
24.	Arunachal Pradesh	200	50	100
25.	Chandigarh	500	300	500
26.	Dadra & Nagar Haveli	100	100	500
27.	Goa, Daman & Diu	—	300	350
28.	Mizoram	200	200	200
29.	Pondicherry	450	400	450
TOTAL		2,50,000	2,50,000	2,43,000*

*Balance of 7000 was not yet allotted.

[English]

Search for Diamonds

2770. DR. (MRS.) T. KALPANA DEVI : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a new boom in diamond industry as reported in the 'Economic Times' of 18 February, 1986;

(b) if so, whether Government propose to ensure that the artisans and the industry are provided sufficient incentives to maintain and improve this situation over the coming years through better tools, training and technology;

(c) if so, the details thereof; and

(d) whether search for diamonds in areas such as Andhra Pradesh is proposed to be intensified ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) There is no particular boom in the diamond industry.

(b) and (c). Import of machinery, equipment, tools and implements under OGL with a concessional rate of duty of 25%, apart from training of artisans in different aspects of diamond cutting and polishing, has been facilitated for productivity not only to sustain but also to improve export production of cut and polished diamonds.

(d) Search for diamonds in areas such as Andhra Pradesh continues.

Safer Alarm System for Banks

2771. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether 'safer alarm system for banks' has been invented by the Research and development Wing on bank robberies in the Reserve Bank of India as reported in the 'Times of India' of 19 February, 1986;

(b) if so, the detail thereof;

(c) whether this system will now expose neighbours to danger and save bank employees;

(d) the reasons for failure of the present alarm system; and

(e) whether the inventors of safer alarm system have been suitably rewarded ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India has reported that it has no information regarding development of a safer alarm system for banks.

(c) and (e). Does not arise.

(d) In individual cases of failure of the alarm system installed, it has been noticed that maintenance of the equipment had been adversely affected by firms of suppliers of such equipment going rapidly out of business. In order to ensure functional efficiency of the alarm systems installed, banks have been instructed to ensure that the alarm system in each branch is checked periodically. They have also been instructed to review the service contracts with firms of suppliers of alarm systems and to black-list such firms as are not responsive.

Exemption of Floor Area from Wealth Tax

2772. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of Government to set up a high power committee to look into the slab system for exemption of floor area from Wealth Tax in the case of a dwelling unit; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. There is no such proposal under the consideration of Government.

(b) Does not arise.

[*Translation*]

Raids on Offices and Houses of Businessmen in Patna (Bihar)

2773. SHRI ABDUL HANNAN ANSARI : Will the Minister of FINANCE be pleased to state :

(a) the number of businessmen in district Patna in Bihar whose offices and houses were raided by the Income Tax Department during the period from January, 1985 to 31st December, 1985; and

(b) the amount of black money recovered from their premises and the number and particulars of the persons against whom prosecutions have been launched ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). During the calendar year 1985, Income-Tax Department conducted searches in the cases of ten businessmen in district Patna in Bihar and seized, prima-facie, unaccounted assets worth Rs. 34.32 lakhs approximately. No prosecutions have been launched, so far, by the department against these businessmen.

[*English*]

Norms for Supply of Controlled Cloth by N.T.C.

2774. SHRIMATI D.K. BHANDARI : Will the Minister of TEXTILES be pleased to state :

(a) whether his Ministry is aware that the overall supplies of controlled cloth as allocated to Sikkim were mis-appropriated by dealers in the past years;

(b) whether there are any norms for the regulation of supply and distribution of such goods by the National Textile Corporation; and

(c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KAURSHID ALAM KHAN) : (a) to (c). Distribution of controlled cloth is primarily

the responsibility of State Governments. As per report from the Government of Sikkim, the Sikkim Consumer Co-operative Society Ltd., Sikkim, the authorised dealers of controlled cloth through multi-purpose cooperative societies in the State failed to distribute it properly. The matter is being investigated by the Government of Sikkim. Pending investigation, further allotment to the Society has been stopped.

At present the controlled cloth is being allocated to various States/Union Territories on the basis of a composite criteria given 2/3rd weightage for the total population and 1/3rd for the population below the poverty line.

Proposal to Construct Yatri Niwas during Seventh Five Year Plan

2775. SHRI GURUDAS KAMAT : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether a proposal to construct Yatri Niwas during the Seventh Plan is under consideration of Government;

(b) if so, the details thereof; and

(c) the number of such Yatri Niwas proposed to be constructed in Maharashtra and the locations thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) Yes, Sir.

(b) During the Seventh Plan period Department of Tourism has initiated a scheme for construction of Yatri Niwas to provide accommodation to low/middle income group tourists. In the first phase at least one Yatri Niwas is proposed to be constructed in each State/Union Territory. This is a joint-venture scheme under which the State Government would provide a developed piece of land and other ancillary facilities while the construction cost will be met by the Central Department of Tourism.

The accommodation will consist of around 60 beds in the form of double bedrooms and 4-6 bedded dormitories. The

tariff is expected to range between Rs. 15/- for a bed in Dormitory to Rs. 60/- for a double room. There will also be provision of multi-purpose hall, Cafeteria, Kitchen, Reception areas, Staff quarters etc.

(c) Government of Maharashtra has proposed to construct Yatri Niwases in Bombay, Pune and Shegaon (Buldhana). Details plans/estimates from the State Government are awaited.

Loan from Bank of Tokyo for Implementation of Projects

2776. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have a proposal to take loan from Bank of Tokyo to implement some projects in the country as the rate of interest is lower in that Bank;

(b) whether any 'yen' loan package is proposed to be obtained from Japan; and

(c) if so, the details thereof ?

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

(b) and (c). Every year Japan extends bilateral aid to India through the Overseas Economic Cooperation Fund (OECF) of Japan on a Government to Government basis. This loan is denominated in Yen. The normal terms and conditions of the OECF loans are as follows :—

(i) Repayment period of 30 years including a grace period of 10 years; and

(ii) Interest rate of 3.25 percent per annum for infrastructure projects and 3.75 percent per annum for industrial projects.

Proposal to Register Powerlooms

2777. SHRI BANWARI LAL PUROHIT : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have a proposal to register all the powerlooms in the country;

(b) if so, whether the Union Government have issued directions to the State Government to report about all the powerlooms of their respect States;

(c) the date upto which the Union Government have asked for report about the powerlooms; and

(d) the extent to which the powerlooms will be benefited after getting these registered with the Union Government ?

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

(b) and (c). The Union Government have not issued any such directions to the State Governments. The owners of existing powerlooms without valid permits are required to file applications with the concerned regional office of the Textile Commissioner on or before 30-4-86. The applications should be certified by the concerned State Government authority to the effect that the powerlooms were in existence on or before 31-1-1986.

(d) The provision regarding compulsory registration is continued in the present policy with a view to getting the required data, considered essential for healthy development and regulation of powerlooms.

Rejection of Indian Goods by Importers

2778. DR. G.S. RAJHANS : Will the Minister of COMMERCE be pleased to state :

(a) the details of different items of exports alongwith their value and quantum which were rejected by various importers of Indian goods during 1985 and upto February, 1986; and

(b) the steps being taken by Government to ensure that only goods of quality matching with the approved samples are exported ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Usually acceptance or refusal of goods is a matter between exporters and importers and this

Ministry comes to know of such cases only when the parties approach it with their complaints. Thus complete information as asked for is not available with this Ministry.

(b) For items covered under the purview of Compulsory Quality Control and Preshipment Inspection under the Export (Quality Control & Inspection) Act, 1963 and which are exported on the basis of the approved samples, the Inspection Agencies recognised by the Government are empowered to carry out preshipment inspection, and to ensure that the consignments offered by exporters conform to the approved samples and its technical characteristics, Certain items involving safety and health hazards are not allowed to be exported unless these items conform to minimum safety standards also.

Response to Announcement for Suggestion for Budget

2779. SHRI SRIHARI ROA : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of suggestions have been made in response to his announcement for suggestions for Budget to reduce waste and improve revenue ;

(b) if so, the broad nature of these suggestions ; and

(c) the date when the prize will be announced ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Yes, Sir, The response of the public has been very good and a large number of suggestions have been received. These cover almost all aspects of the Budget. Suggestions which, after screening, are found to be useful will be considered for the award of Rs. 5,000/- in due course.

Financial Assistance for Construction of Five Star Hotels in Private Sector in Kerala

2780. SHRI K. KUNJAMBU : Will the

Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether financial assistance is being given by the Union Government for construction of five star hotels in the private sector at the tourist centred in different parts of the country ;

(b) if so, the total amount of assistance given to Kerala during 1985 ; and

(c) the number of such hotels constructed in that State ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) The Union Government does not grant any financial assistance for the construction of hotels now. The Department of tourism however, gives interest subsidy on loans for hotels granted by the Industrial Finance Corporation of India.

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

Stocking of low-cost drugs in Super Bazar Co-op. Stores

2781. DR. G. VIJAYA RAMA RAO : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state whether low-cost anti-TB and other similar drugs would be stocked at all Super Bazars and other Government Co-operative outlets ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : All the 16 drug stores of Co-operative Stores Limited (Super Bazar) Delhi are selling low-cost anti-TB and other similar drugs. A number of large departmental stores in the co-operative sector functioning in various States are running drug stores dealing in such drugs.

Disbursement of Funds under IRDP

2782. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state whether it is a fact that even after sanctioning the Integrated Rural Development

Programme Schemes and obtaining the required subsidy amount from District Rural Development Agency, banks are not disbursing fund for implementation of the scheme for a pretty long time and in this way banks are utilising deposited subsidy for other purposes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : In terms of procedure prescribed for administration of subsidy under the Integrated Rural Development Programme (IRDP), the District Rural Development Agencies (DRDAs) are required to open Savings Bank Accounts with the main branches of banks or such other branches in the District as are considered necessary and deposit subsidy amount in these accounts. These accounts maintained with the banks by DRDAs earn the normal rate of interest prescribed for the saving banks accounts, These funds cannot be utilised for any purpose except for adjustment of subsidy portion in respect of loans sanctioned under IRDP. In the circumstances the question of banks utilising deposited subsidy for other purposes does not arise.

Purchase of Jute by Jute Corporation of India

2783. SHRI SATYAGOPAL MISRA : Will the Minister of TEXTILES be pleased to state :

(a) the total quantity of jute purchased by the Jute Corporation of India during 1984-85 indicating the rate at which purchased and the total amount spent thereon ; and

(b) the total quantity of jute purchased by Jute Corporation of India during 1985-86 indicating the rate at which purchased and the total amount spent thereon ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The total quantity of raw jute/mesta purchased by Jute Corporation of India during 1984-85 was about 10.16 lakhs bales valued at Rs. 147.40 crores. The range of procurement price was as under :—

State	Principal Variety	Range of Procurement Price (Rs. / Qntl.)	
		Min	Max
Assam	W-5	575	920
Bihar	W-5	600	910
Meghalaya	MESTA BOT	650	820
Orissa	W-5	595	965
Tripura	MESTA BOT	400	800
U.P.	W-5	800	800
West Bengal	TD-5	612	980
A.P.	BIMLI BOT	570	800

(b) The total quantity of raw jute/mesta purchased by Jute Corporation of India during the current jute season up to 4th March, 1986 is about 27.32 lakh bales valued

Rs. 115.59 crores. The range of procurement price is as under :—

State	Principal Variety	Range of Procurement Price (Rs. / Qntl.)	
		Min	Max
Assam	W-5	215	240
Bihar	W-5	225.50	251
Meghalaya	MESTA BOT	189	189
Orissa	W-5	231	256
Tripura	MESTA BOT	195.50	195.50
U.P.	W-5	230.50	230.50
West Bengal	TD-5	235.50	273
A.P.	BIMLI BOT	201	201

Note :—The minimum price is also the minimum Statutory price fixed by the Govt. for 1985-86 jute season.

Import of Edible Oils and Production of Palmolein Oil

2784. SHRI S. JAIPAL REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the steps taken to minimise import of edible oils ;

(b) whether any plan for substantial increase in production of Palmolein oil has been prepared ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The Government have taken a number of measures to minimise import of edible oils as follows :—

- (i) Allocation of imported edible oils to State/Union Territories under Public Distribution System/Scheme of small packs and to vanaspati industry has been drastically reduced. The total allocation of imported oils for the period November, 1985 to March, 1986 was 4.43 lakh tonnes as compared

to 8.70 lakh tonnes in the corresponding period in last oil year.

- (ii) The issue price of imported edible oils supplied to vanaspati has been raised so that the use of indigenous oils in manufacture of vanaspati can be increased.

- (iii) Use of expeller mustared oil in the manufacture of vanaspati has been permitted upto 30% and solvent extracted oil upto 10% of the requirement of the industry and some excise duty rebate has been allowed on the use of minor oil.

- (iv) Sal fat to the extent of 10% has been allowed in the manufacturer of vanaspati.

The Government has also taken/is taking a number of measures to increase the production of oilseeds and oils as follows :—

- (i) Implementation of the National Oilseeds Development Project, covering special project on groundnut, rapeseed/mustard, soyabean sunflower besides intensive development work on other oilseeds.

The programme, inter-alia, aims at the development of non-traditional oilseeds, increase in areas under irrigated crops, particularly groundnut in rabi/summer season, basic inputs and free distribution of seed-cum-fertiliser mini-kits on a large scale.

- (ii) National Dairy Development Board's Oilseeds Project: State level co-operative oilseeds growers' federation have been formed in seven States under the project for restructuring of edible oils and oilseeds production and marketing through National Dairy Development Board.
- (iii) Better incentive to producers through fixation of minimum support prices.
- (iv) Intensification of research efforts for increasing the productivity of oilseeds.
- (v) Increase in area under non-traditional oilseed crop like soyabean and sunflower and exploitation of oilseeds of tree and forest origin, rice bran, etc.
- (vi) Setting up of necessary processing and infrastructural facilities to keep pace with production programme of oilseeds.

(b) and (c) Palmolein oil is produced from oil palm. At present a total area of 3705 hectare has been planted by Oil Palm India Ltd. Company registered under the Companies Act, 1956, in which the Government of Kerala and the Government of India have contributed share capital. In Andaman and Nicobar Islands, an area of about 1300 hectares has been planted by plantation and Forest Development Corporation of Andaman and Nicobar Islands. A sum of Rs. 8 crores has been allocated in the Seventh Plan for further development of oil palm under Oil Palm India Ltd.

[Translation]

Losses Suffered by State Governments in Procurement of Paddy at Support Price

2785. SHRI DILEEP SINGH BHURIA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether State Governments have to suffer losses on purchase of paddy on support price through the Public Distribution System ;

(b) whether the Government of Madhya Pradesh have suggested to Union Government that paddy should be purchased by the Food Corporation of India on support price and the institutions of the State Government should act as agents of Food Corporation of India so that the State Government has not to suffer loss on this account ;

(c) whether Union Government is in agreement with the suggestion of the Government of Madhya Pradesh ; and

(d) if not, whether the Union Government propose to compensate the loss suffered by State Governments in procurement of paddy at support price ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES : (SHRI A.K. PANJA) : (a) to (d). The Government of Madhya Pradesh have suggested that the Food Corporation of India should purchase paddy under price support and the institutions of the State Government should act as agents of the Food Corporation of India.

To protect the Interests of farmers, the State Governments organise price support operations by opening purchase centres and the Food Corporation of India operates at those centres allotted to it by the State Governments. The Government of India reimburses the State Government agencies all reasonable costs of incidentals incurred on paddy procurement operations. All reasonable custom milling expenses incurred in the conversion of paddy into rice for the public distribution system are also reimbursed,

[English]

Need to Increase Bank Credit to Farm Sector

2786. SHRI BHATTAM SRIRAMA-MURTY : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government are convinced of the need for accentuating the flow of credit to the farm sector by the bank ;

(b) the present credit extended to the farm sector by the bank ;

(c) whether Government contemplate to increase the availability of credit to the farm sector ;

(d) if so, the extent of increase in percentage ; and

(e) whether this increase is likely to meet substantially the demand of credit by the farm sector ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Credit for agriculture is treated as priority sector lending and banks have been given therefore, targets for lending to direct agriculture.

(b) to (e). The total advances of commercial banks to agriculture, outstanding as on the last Friday of September, 1985, was Rs. 8174 crores. Direct advances to agriculture outstanding as on that date was Rs. 6799 crores constituting 15.1% of the total advances. Bank have been advised that the percentage of direct agricultural advances to total advances should reach a level of 16% by March, 1987 so as to meet the demand of the farm sector.

Increase in Price of Sugarcane

2787. SHRI CHIRANJI LAL
SHARMA :
SHRI RANJIT SINGH
GAEKWAD :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether farmers organisations

have demanded on increase in prices of sugarcane in the country ;

(b) whether Government have accepted those demands ; and

(c) if so, price increase per quintal ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The farmers organisations have been demanding a price ranging from Rs. 28/- to Rs. 50/- per quintal of sugarcane.

(b) and (c). The Central Government have fixed the statutory minimum price of sugarcane payable by sugar factories for the 1985-86 season at Rs. 16.50 per quintal linked to 8.5 percent recovery, with proportionate premium for recoveries higher than 8.5%. This price is Rs. 2.50 per quintal more than the statutory minimum price fixed for the 1984-85 season.

[Translation]

Purchase of Sugarcane from Nepal

2788. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that Government are purchasing sugarcane from Nepal ;

(b) if so, the value of sugarcane being purchased annually from Nepal ;

(c) whether it is also a fact that farmers living near Nepal border face difficulties in selling their sugarcane ;

(d) if so, whether Government propose to take any steps to purchase their sugarcane ;

(e) if so, when and the details thereof ; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The Central Government are not purchasing any sugarcane from Nepal,

(b) In view of reply to (a) does not arise.

(c) Farmers living near Nepal border have not so far represented their difficulties in selling their sugarcane to Government of India.

(d) to (f). In view of reply to (c), do not arise.

[English]

Export of Cotton from Andhra Pradesh

2789. SHRI V. TULSIRAM : Will the Minister of TEXTILES be pleased to state :

(a) whether in view of the bumper cotton crop, Government are considering to export it to foreign countries ;

(b) if so, the details of quality and quantity of cotton to be exported from Andhra Pradesh and to which countries together with State-wise break up thereof; and

(c) the amount of foreign exchange likely to be earned thereby ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Government of India have already released 10.00 lakh bales of long and extra long cotton, 52,000 bales of Bengal Deshi and 25,000 bales of yellow pickings for export during the current cotton year. Export quotas are not released State-wise. Various agencies are engaged in export of cotton which purchase cotton from different places for export.

(c) It is difficult to indicate the foreign exchange likely to be earned until the cotton is actually exported.

Personal Accident Social Security Scheme

2790. SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a centrally

sponsored Personal Accident Social Security Scheme for poor families has been introduced in all the States to provide relief in the event of accidental death of the earning member in the family ;

(b) if so, the details thereof ;

(c) if not, the reasons therefor and names of the States where it has so far not been introduced ; and

(d) the steps Government propose to take in this regards ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). A new Personal Accident Insurance Social Security Scheme for Poor Families has been introduced in 1985-86. The Scheme was announced by the Finance Minister in his 1985 Budget Speech for 100 districts in the country. The Scheme has already been extended to 91 districts in 19 States and 9 Union Territories, keeping the recommendations of the State Governments/Union Territories regarding selection of Districts, in view. The Scheme covers all persons in the age group of 18 to 55 years who are earning members of poor families and whose total annual family income from all sources does not exceed Rs. 5,000/- and who meet fatal accidents in the specified districts. The entire insurance premium for the Scheme is borne by the Government of India. The Scheme could not be implemented so far in 9 districts out of 100 districts announced—in Tamil Nadu (7), Tripura (1) and Nagaland (1). Recommendations of the Government of Tamil Nadu regarding selection of districts have only now been received on March 10, 1986 ; recommendations from the Government of Tripura have also been received very late while the same are still being awaited from Government of Nagaland. Government is taking further necessary action in the matter and pursuing with the Government of Nagaland for expediting their recommendations for extension of the Scheme to the residual 9 districts.

In his Budget proposals for 1986-87, Finance Minister has since announced a proposal to extend the Scheme to 100 more Districts in the country.

Import of Newsprint to Meet Domestic Demand

2791. SHRI MURLIDHAR MANE : Will the Minister of COMMERCE be pleased to state :

(a) whether the price of indigenous newsprint is the highest in the world ;

(b) if so, the reasons therefor; and

(c) whether Government propose to import newsprint to meet the domestic demand which would be cheaper as well ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The price of indigenous newsprint is higher than the price of imported newsprint.

(d) Reasons for higher cost of domestic newsprint are :—

(i) Higher capital investment per tonne of installed capacity and higher input costs per tonne of the indigenous manufacturers ;

(ii) Scale of operation and difference in raw material-mix between newsprint manufacturers in India and abroad.

(c) Domestic demand is sought to be met by domestic production and import of newsprint.

Export of Wheat and Rice

2792. SHRI K. RAMACHANDRA REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether India is in a position to export wheat and rice ;

(b) the ability of India to compete at the prevailing rates in international markets; and

(c) the quantum of wheat and rice expected to be exported and the amount of money that is likely to be realised by these exports ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) and (c). The international prices of wheat and rice are ruling low and there is stiff competition in the international market to our export. The quantum and value of wheat and rice that the trade would be able to export would depend on price and other conditions prevailing in the international market.

Smuggling of Sugarcane from Bihar to Nepal Border

2793. SHRIMATI PRABHAWATI GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that the sugarcane is being smuggled from Bihar to Nepal border ; and

(b) if so, the steps taken to stop this smuggling ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reports received by the Government indicate that no case of smuggling of sugarcane has so far been detected on the Indo-Nepal border. However, intelligence report has been received about possible diversion of sugarcane from India to Nepal via Balmiki Nagar. Appropriate preventive measures are being taken by the Customs authorities in this regard.

Procurement of Wheat

2794. SHRI MANVENDRA SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have formulated any scheme for wheat procurement; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Yes, Sir,

(b) Under the scheme, wheat offered for sale by farmers at appointed purchase centres and conforming to the prescribed specifications, is bought by the State Governments and/or their agencies and the Food Corporation of India at the support price fixed by the Central Government.

[Translation]

Development of Handloom Industry

2795. SHRI VIRDHI CHANDER JAIN : Will the Minister of TEXTILES be pleased to state :

(a) the achievement during the Sixth Five Year Plan in regard to development of handloom industry and for economic upliftment of poor families engaged in this vocation ;

(b) the programme for the development of the said industry during the Seventh Five Year Plan ;

(c) the number of persons proposed to be provided with financial assistance under this programme during the Seventh Five Year Plan by the Union Government through State Governments ; and

(d) the target set for providing employment to persons in Handloom sector during the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Government's commitment to the development of Handloom sector is reflected in the fact that the outlay for Handloom industry

has been going up in successive Five Year Plans. The outlay which was a meagre of Rs. 11.10 crores during the First Five Year Plan went upto Rs. 120 crores during the Sixth Plan in the Central sector. Besides an outlay of about Rs. 190.00 crores was provided in the State sector. The production in the handloom sector went up from 3100 million metres in 1980-81 to 3600 million metres in 1984-85. The achievements under the various handloom schemes are enclosed in the statement given below. The physical achievements have been compiled on the basis of information supplied by the State Government.

(b) Besides the on-going schemes enumerated in the statement, it has been decided to implement a few new schemes such as Workshed-cum-Housing Scheme, Thrift Fund Scheme, Hill area development projects, National Institute of Fashion Technology etc. A sum of Rs. 168.00 crores has been earmarked in the central sector for the scheme to be implemented during the VII Five Year Plan.

(c) Since most of the schemes are implemented on a matching basis. With the State Governments, the coverage will depend on the funds allocated by the State Governments, However, for two welfare schemes; the following coverage during the 7th Plan is proposed :

THRIFT FUND SCHEME : 4 lakh weavers

WORKSHED-CUM-HOUSING :

10,000 Rural workshed-cum-Houses

5,000 Urban workshed-cum-Houses

35,000 worksheds.

(d) 98 lakhs.

Statement

Sl. No.	Name of the scheme	Achievement Financial (Rs. in lakhs)	Physical
1	2	3	
1.	Share capital assistance to State Handloom Corporations.	1062 23	Turnover — ; 120.16 crores No. of retail 574 outlets

1	2	4
2.	Share capital assistance to primary cooperative societies.	1461.42 Cooperative coverage : 58%
3.	Share capital assistance to apex societies.	1130.63 Sales turnover : Rs. 300 crores
4.	Managerial subsidy	204.02 No. of Managers appointed } 10150
5.	Modernisation	476.32 No. of looms modernised } 1.15 lakhs
6.	Processing facilities	914.43 Processing Houses set up in the States of Tamil Nadu, Andhra Pradesh, Uttar Pradesh, West Bengal, Orissa, Punjab etc.
7.	Intensive Handloom Development Project.	Transferred to States to 1979-80 Looms covered : 1.72 Lakhs
8.	Export Production Projects	309.90 Looms covered : 22,689.
9.	Setting up of Weavers cooperative spinning mills.	3480.00 No. of new mills assisted. Assisted for expansion } 20 6 mills No. of additional spindles likely to be set up } 5.841 lakhs
10.	National Handloom Development Corporation (NHDC)	213.53 (given as equity by Govt. of India) Regional offices set up in Guwahati, Bombay & Coimbatore. Yarn depots set up in Guwahati, Biharshariff and Bhagalpur. Direct supplies of yarn to several states was also taken up. Value of yarn supplied. 1984-85— $\frac{1}{2}$ Rs 92.44 lakhs.

[English]

Repatriation of Profit by Foreign Companies

2796. SHRI M. RAGHUMA REDDY :
SHRI DHARAM PAL SINGH
MALIK :

SHRI MANIK REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether the repatriation of profit

by foreign companies is mounting over the years; and

(b) the steps being taken by Government to set right the anomalous situation which is obstructing the Indian companies ?

THE MINISTER OF STATE IN THE
MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) A
statement showing the current profit remit-
tances of branches of foreign companies as
well as dividend remittances of rupee

(Indian) companies for the period 1980-81 to 1983-84 is given below. It will be seen therefrom that the profit and dividend remittances during 1983-84, for which latest balance of payment data are available,

show a decline over the previous year although somewhat higher than in 1980-81 and 1981-82.

(b) Does not arise.

Statement

	(Rupees in Crores)			
	1980-81	1981-82	1982-83	1983-84
1. Current Profits Remitted Branches of Foreign Companies	5.3	6.4	18.1	15.8
2. Dividends Remitted by				
(a) Foreign Controlled Rupee Companies	30.3	33.1	25.8	33.5
(b) Non-Foreign Controlled Rupee Companies	25.6	25.8	44.5	28.6
Total :	61.2	65.3	88.4	77.9

Increase in Price and Savings during Sixth Five Year Plan

2797. PROF. P. J. KURIEN :
SHRI SURESH KURUP

Will the Minister of FINANCE be pleased to state :

(a) the rate at which prices increased during each year of Sixth Five Year Plan as against the estimate; and

(b) the rate of increase in the public savings anticipated and achieved during each year of the Sixth Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Sixth Five Year Plan did not contain any estimate of price increase. However, the annual rise in Wholesale Price Index (1970-71=100) during the Sixth Plan period has been as under :

Year	Percentage change in Wholesale Price Index (1970-71=100) (on point to point basis)
1	2
1980-81	16.7

	1	2
1981-82		2.4
1982-83		7.3
1983-84		8.2
1984-85		7.6

(b) The Sixth Five Year Plan has not estimated the annual figures of public savings. However, according to the concept used in the Long Term Fiscal Policy (LTFP) document, the Centre's actual public savings have been as under :—

Centre's Public Savings
as percentage of Gross
Domestic Product (GDP)

Year	% of GDP
1980-81	1.7
1981-82	2.8
1982-83	3.2
1984-84	3.2
1984-85 (RE)	3.0

Effect of Foreign Loans on Economy

2798. DR. CHINTA MOHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the present unprecedented hike in prices of petroleum and gas has been necessitated by repayment of debts and interest thereon as reported in the Times of India of 1 February, 1986;

(b) whether the dangers of taking foreign loans by India has been brought to the notice of the successive Finance Ministers in the past from time to time by Members of Parliament and other leaders; and

(c) if so, Government's policy regarding taking any more loans till the present ones are fully paid up ?

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

(b) and (c). Our basic objective is to attain self-sustained growth through self-reliance. However, in the case of a low-income developing country like India, the gap between investment requirements and internal resources availability has to be bridged by inflow of capital from abroad. It is always ensured that such inflow should, to the maximum extent possible, be in the form of concessional external assistance. It is also ensured that foreign aid flowing into the country is in conformity with our national plan priorities and does not in any manner impinge upon our freedom in the matter of choice of development strategies and policy formulation. Government have been following a cautious policy of external borrowings. The overall external debt position at the moment is within prudent limits. The level of country's external indebtedness and the likely burden of debt servicing are being constantly kept in review to ensure that they remain within manageable limits.

Smuggling of Drugs from Across Indo-Pak Border.

2799. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there is substantial increase in the flow of opium, heroin and other narcotics into the country from across the Pakistan border;

(b) if so, the quantity (with value) of opium, heroin and other narcotics seized on the Indo-Pak Border at the end of 1985 and since the beginning of 1986 and how does the figure compare with the quantity of narcotics seized at the end of 1984;

(c) the number of arrests, if any, made in this connection and what links in the country have been established regarding such illegal trade of narcotics; and

(d) the measures taken by Government to plug the loopholes to prevent the smuggling of drugs from across the Indo-Pak border ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government indicate that narcotic drugs and psychotropic substances continue to be sensitive to smuggling across the Indo-Pakistan border.

(b) The quantity of various drugs seized on the Indo-Pak border during the years 1984, 1985 and 1986 (upto February) is given below :—

Drugs seized (in kgs)				
Year	Opium	Hashish	Heroin	Ganja
1984	3118	1541	100	2
1985	882	527	520	49
1986	—	5	349	—
(upto February)				

(Figures for 1986 are provisional)

Value of the drugs seized varies widely depending on time and place of seizure, purity of local drugs, demand and supply position, etc. and as such drug seizures are not accounted for the terms of value.

(c) As per the statistics readily available, number of persons arrested in this connection is given below :—

Year	Number of persons arrested
1984	89
1985	46
1986 (upto Febuary)	3

Cases of seizures of narcotic drugs are thoroughly investigated and appropriate action under law is taken. In suitable cases persons involved are also detained under provisions of COFEPOSA Act.

(a) The anti-smuggling drive in the Indo-Pak border region has been intensified. The trends in smuggling and seizures made in the region are kept under constant review for taking appropriate remedial action in close co-ordination with the concerned Central and State Government agents in the region.

Release of Foreign Exchange for Medical Treatment Abroad

2800. SHRIMATI BASAVARAJESWARI : Will the Minister of F NANCE be pleased to state :

(a) whether it has come to the notice of Government that the procedure regarding release of foreign exchange for medical treatment abroad is very difficult;

(b) the present procedures for obtaining foreign exchange;

(c) whether Government propose to liberalise the procedure; and

(d) if so, the details thereof ?

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

(b) All applications for the release of foreign exchange for medical treatment abroad are examined in the Reserve Bank of India in accordance with the prescribed guidelines of this subject. Persons who wish to proceed abroad for medical treatment or for reasons of health are required to apply to the Reserve Bank of India in the prescribed form. Such applications are to be accompanied by a certificate in the prescribed form from the treating physician or surgeon or the presidency surgeon of the area in which the applicant resides. The certificate should indicate that the ailment from which the patient suffers is such as to require treatment abroad and the treatment of a high standard is available in the country which the patient proposes to visit and should give an estimate, if possible, of the cost of treatment, besides stating whether any attendant will be required to accompany the patient. This certificate is also required to be endorsed by the Chief Administrative Medical Officer of the State concerned in the prescribed manner. Recently, Government have agreed to the waiver of recommendation from State Chief Administrative Medical Officer in those cases where the medical treatment is recommended by the Directors of All India Institute of Medical Sciences, New Delhi, Post-graduate Institute, Chandigarh and Tata Memorial Hospital, Bombay. As a measure of further liberalisation, Heads of all Medical Colleges/Institutions recognised by the Medical Council of India have also been empowered to recommend of the RBI the release of foreign exchange for medical treatment abroad.

Normally, where the estimates of expenditure of medical treatment are not indicated by the applicant, a maximum of USS. 5,000/- is initially released by the RBI. In cases, however, where the estimates are produced either from the overseas hospital or from the recognised competent authorities mentioned above, foreign exchange is released as per the estimates produced without any ceiling, subject, of-course, to the rendering of accounts in due course to the RBI.

If the application for medical treatment abroad is complete in all respect, foreign exchange is released by the RBI generally on the same day on which it is received.

In emergency cases, however, where any delay is liable to endanger the life of the patient, officers in charge in the RBI at their discretion are allowed to release exchange even without production of the certificate from the prescribed medical officer.

(c) No, Sir.

(d) Does not arise.

Implementation of Recommendations of Eighth Finance Commission

2801. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that some of the recommendations of the Eighth Finance Commission have so far not been implemented; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The substantive recommendations of the 8th Finance Commission contained in the final Report have been implemented from 1985-86. The recommendation regarding grant-in-aid in lieu of repealed tax on railway passenger fares is awaiting consideration of the Railway Convention Committee of Parliament.

The 8th Finance Commission which was also requested to examine the scope for raising revenues under Article 268 and 269 of the Constitution indicated that there was some scope for raising the rates of Stamp Duties in respect of policies of general insurance and for levy of tax on advertisements published in newspapers and journals. It is not considered appropriate to disturb the status quo for the present in this regard.

Production of Janata Cloth By Handloom Sector

2802. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of TEXTILES be pleased to state :

(a) the total production of Janata

cloth by handloom sector during 1985-86 (upto 31 December 1985) and target for the whole year;

(b) the increase in production as compared to 1984-85;

(c) whether Government have formulated a costing-based input prices scheme for supply of raw materials to weavers safeguarding them against price fluctuations; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The total production of janata cloth by handloom sector during 1985-86 (upto 31st December, 1985) is provisionally estimated at 280 million square metres as against the target of 420 million square metres for the entire year.

(b) The increase in production in 1985-86 (upto 31st December, 1985) as compared to the corresponding period of 1984-85, is about 68 million square metres.

(c) No, Sir. However, the selling prices as well as the subsidy on janata cloth has been increased from time to time in the context of escalation in the cost of production.

(d) Does not arise.

Expansion of Super Bazar Network

2803. SHRI P.R. KUMARAMANGALAM : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether 15 new super bazars are being opened in Delhi in view of the high profits earned by Super Bazar since its inception;

(b) whether at the recent FICCI symposium held at Delhi on 11 February, 1986 a suggestion was put forward for extending Super Bazar network speedily and extensively and without any sizeable investments by a concessionaire system; and

(c) Government's reaction to the suggestion ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The main objective of the Cooperative Stores Limited (Super Bazar), New Delhi is to make available consumer articles of good quality to the consumers at reasonable prices. Towards this end, the Super Bazar, New Delhi proposes to open 15 new branches in different parts of the city during 1986-87.

(b) and (c) The Super Bazar has informed that the suggestion made at the recent FICCI symposium held at Delhi on 11 February, 1986 to run various outlets of Super Bazar on a concessionaire system has been considered by them and not found feasible.

Benefit to Small Rubber Growers

2804. SHRI GEORGE JOSEPH MUNDACKAL : Will the Minister of COMMERCE be pleased to state :

(a) whether Rubber Board makes purchase of rubber from small growers to relieve them from making distress sale;

(b) if not, the reasons therefor, especially when the enabling provision exists in the Rubber Act; and

(c) whether the Rubber Board now proposes to make purchase and sale of rubber in the interest of small rubber growers ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). The Rubber Board neither purchases nor intends purchasing rubber from the small growers, in view of the fact that the rubber prices are ruling at a remunerative level.

Incentive to Non-Resident Indians for Setting in India

2805. SHRI CHITTA MAHATA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to give further incentive to Non-Resident Indians to enable to them settle in India;

(b) if so, details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). In the Finance Bill 1986, it has been proposed that moneys or assets brought by Non-Resident Indians into India or the value of assets acquired by such Non-resident Indians out of such moneys brought into India within one year immediately proceeding the date of his return and at any time thereafter shall be exempted under the Wealth-tax Act for a period of seven assessment years. Further, any amount of moneys standing to the credit of a Non-resident Indian residing in a foreign country who has returned to India with an intention of permanently residing therein, on the date of his return to India, shall be deemed to be the moneys brought by him in India on that day and hence shall be exempted from Wealth-tax.

Scheme of Consumers Protection from Adulteration and High Prices

2806. SHRI P.M. SAYEED : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government are actively considering stringent measures to protect consumers from adulteration as well as from high prices ;

(b) the specific consumable articles that are likely to be covered under the proposed steps to be taken ; and

(c) the details of the scheme and the approximately time by which the scheme is likely to be applicable ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (c). A legislation called prevention of Food Adulteration Act, 1954 has been enacted to protect consumers from adulteration of food articles. The Act already provides stringent punishments against offenders selling adulterated articles of food. The Act has been reviewed and is proposed to be amended for providing better protection to the consumer. In order to check the prices, the main thrust of the Government policy continues to be to increase the production of essential commodities, particularly the commodities which are in short

supply. The Public Distribution System is being streamlined and expanded. Some of the essential commodities are imported, if so required, to supplement the domestic supply. The export of some essential commodities is banned and/or regulated. Action is being taken by the State Governments against blackmarketeers and profiteers under the essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980. The rural poor will continue to get supplies of rice and wheat at cheaper prices under various special programmes.

Support Price for Tobacco

2807. SHRI C. SAMBU : Will the Minister of COMMERCE be pleased to state :

(a) the reasons for not announcing the minimum support price for tobacco for the year 1985-86 before the showing operation commenced ;

(b) whether Government propose to take into consideration the plight of tobacco growers, where the produce has been less than 3 quintals per hectare ; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). In the case of tobacco, the minimum support price is fixed only for Flue Cured Virginia tobacco to be offered by the Tobacco Board for purchases of left over tobaccos at the auction platforms set up by the Board. These prices are announced ordinarily before the marketing season because while the price for the main grades is fixed on the recommendations of the Commission for Agricultural Costs and Prices, the prices of other grades is fixed in the light of the normal market price differentials. For the 1986 Marketing season in Andhra Pradesh, the prices have been fixed at Rs. 12.00 per kg. for L-2 grade and Rs 9.75 per kg. for F-2 grade. This includes Rs. 0.25 per kg. as the cost of transport and Rs. 0.25 per kg. as the cost for grading incurred by the farmers, keeping in view

the interest of small producers who may have to incur extra cost on grading and transportation.

Effect on Price Hike on States Economy

2808. SHRI VIJAY KUMAR MISHRA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the recent hike in the administered prices of various commodities will have adverse effect on the economy of States ;

(b) whether the recent increase in the excise duty has affected the resource mobilisation capacity of the States ; and

(c) whether it is proposed to give a share of the additional revenue to the States ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE : (SHRI JANARDHANA POOJARY) (a) It is difficult to indicate the effect of changes in administered prices on the economy of the States as this would depend on the increase in their expenditure and revenues as well as their fiscal management.

(b) The net increase in excise duties as a result of the budget proposals is not likely to have any adverse impact on the States' capacity to mobilise resources. Moreover, the States would also gain by a higher devolution of excise duties out of the increased collections.

(c) States are entitled to their share in the total revenues collected from union excise duties as per the existing formula. The States will also benefit from the measures taken by the Centre to improve the collections from the union excise duties.

Deposit of a False Cheque in Indian Overseas Bank Branch, Rourkela

2809. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a case of depositing a false cheque in Rourkela

Branch of Indian Overseas Bank to the tune of Rs. 35 lakhs was reported to the police on 27th December, 1985;

(b) if so, the details thereof; and

(c) whether another bank—United Commercial Bank is also involved in this transaction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Indian Overseas Bank has reported that a case of depositing a fake cheque for 35,24,647.61 was reported by its Rourkela Branch to the police on 31-12-85. The bank has further reported that the Central Bureau of Investigation have since taken over the case for investigation and registered an FIR dated 3-1-86.

(b) and (c). Indian Overseas Bank has reported that on 5-12-85 a person, purported to be Shri M. K. Saxena, opened a current account in the name of M/s. M.K. Enterprises at its Rourkela Branch. On 27-12-85 Shri Saxena requested the Branch to purchase a cheque for Rs. 35,24,647.61 dated 24-12-85 purported to have been drawn by Central Coal Fields Ltd. on UCO Bank, Dhera Branch, favouring Indian Overseas Bank, Rourkela, account M/s. M.K. Enterprises. The branch purchased the cheque and credited the amount to the current account of Shri M.K. Saxena. However, when the branch deputed one of its officers for collection of the cheque, the branch came to know on 31-12-85 that the impugned cheque had not been issued by Central Coal Fields Ltd. but had been issued on a cheque leaf from a Cheque Book issued by UCO Bank, Dhera Branch to M/s. M.K. Enterprises who maintained a current account in the said branch. IOB has placed the Branch Manager, who had purchased the cheque in question, under suspension.

[Translation]

Export of Cotton and Cotton Cloth

2810. SHRI K.D. SULTANPURI : Will the Minister of TEXTILES be pleased to state :

(a) the names of the countries to which

cotton cloth and cotton are being exported by Government ;

(b) the total quantity of cotton cloth and cotton exported during the past one year ; and

(c) the amount of foreign exchange earned thereby ?

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

Statement

Cotton Cloth (Including cotton handloom fabrics) exported during 1985

Quantity (Million Sq. Mtrs)	Value (Rs. Crores)	Major importing Countries
541.90	428.90	USSR, EEC, USA, Bangla- Desh etc.

Export of cotton during cotton year (September, 1984 to August, 1985)

Quantity (Lakh Bales)	Value (Rs. crores)	Major importing Countries
1.79	63.79	South Korea, Japan, Hong- Kong, Taiwan Romania, Poland, West Germany etc.

[English]

Work Done by Grievances Committee for Exporters

2811. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) the composition and terms of references of the Committee formed by Central Licensing Authority for speedy redressal of grievances and to sort out various problems of exporters ;

(b) whether this Committee has met any time after its constitution and the nature of grievances that have been resolved; and

(c) the quantum of increase in exports that has been achieved so far by this arrangement?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES : (SHRI P. SHIV SHANKER) : (a) to (c) A statement is given below :

Statements

1. Composition and terms of reference of Grievance Committee set-up in the office of the Jt. Chief Controller of Imports & Exports (Central Licensing Area), New Delhi is as under :—

COMPOSITION

- (i) Jt. Chief Controller of Imports and Exports (Central Licensing Area) —Chairman
- (ii) Dy. Chief Controller of Imports and Exports (Central Licensing Area) —Member
- (iii) Chairman (NR) Federation of Indian Export Organisations. —Member
- (iv) Dy. Chief Controller of Imports & Export (Central Licensing Area). —Member Secy.

TERMS OF REFERENCE

- (i) To look into the reasons for pendency of (a) Import Licence applications, (b) CCS applications beyond the prescribed time-limit in cases of complaints brought before the Committee.
- (ii) To look into the nature and essentiality of deficiencies pointed out by the office in respect of applications pending beyond time-limit in cases of complaints brought before the committee.
- (iii) To consider and comment upon suggestions for improvement in procedural matters.

(iv) The committee shall meet once in a quarter.

(v) The Committee shall decided its modalities for its smooth functioning.

2. The first meeting of the Grievance Committee was held on 7-3-1986. In all 7 cases of grievances were received through Federation of Indian Export Organisations. As regards the nature of grievances, some of them related to modification of policy provisions/classification, delay, in disposal of pending cases pertaining to Advance Licences for extension in Export Obligation period. The case and cases relating to 5 applications of Cash Compensatory Support has been resolved.

3. As the basic objective of setting up the Grievance Committee is to look into the reasons for pendency and to cut short delays in the disposal of Import-Export Applications, any direct co-relation between the quantum increase in exports and the grievances resolved will not be possible. However, it is felt that the institution of Grievance Committee will certainly help to increase exports by speedy redressal of grievances and sorting out various cases/problems of exporting community.

[Translation]

Procurement of Sugarcane by Private Sugar Factories at Higher Price

2812. SHRI RAM NAGINA MISHRA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether he is aware that the price of sugarcane fixed by Government in Uttar Pradesh is Rs. 23 and Rs. 24 per quintal but some private sugar factories were paying Rs. 27 and Rs. 28 per quintal; and

(b) if so, the names of these factories which are paying more than the price fixed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) and (b) The Central Government fixes, under the Sugarcane (Control) Order 1966, only

the statutory minimum price of sugarcane payable by the sugar factories. However, some State Governments advise the sugar factories to pay a price higher than the statutory minimum. It is understood that the Uttar Pradesh Government has advised the sugar factories in Central and Western Uttar Pradesh to pay a price of Rs. 24/- per quintal and those for Eastern Uttar Pradesh, a price of Rs. 23/- per quintal. As per the information available with the Central Government, sugar factories in Uttar Pradesh are paying a price of Rs. 23-Rs. 24/- per quintal. However, one factory namely Daurala Sugar Works has reported that it is paying Rs. 27/- per quintal for a special sugar-rich variety of sugarcane viz COJ 64.

[English]

Stamping dates of Manufacturer/Expiry on Articles

2813. DR. D.N. REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that on many food items such as long life milk, cheese, butter, yeast powder, etc. neither date of manufacture nor expiry date is being indicated or stamped ; and

(b) if so, whether Government propose to ensure that this is done by the concerned manufacturers ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Under the Standard of Weights and Measures (Packaged Commodities) Rules, 1977, no declaration as to month and year of manufacturing/packing is required to be made on certain food items such as liquids milk in bottles or pouches, and cheese, butter or other like commodity in uncanned packages.

(b) No, Sir.

Proposal to Exempt Grant-in-Aid from Income Tax

2814. SHRI THAMPAN THOMOS : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to exempt from income-tax grant-in-aid given to registered societies, public welfare trusts and educational bodies ;

(b) whether any such exemption was given to some industries in Maharashtra ;

(c) if so, the details thereof ;

(d) whether the exemption given to film industry in Maharashtra has been withdrawn and

(e) if so, the reasons therefor ?

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

(b) No, Sir.

(c) Does not arise.

(d) and (e). From the question, it is not clear as to which exemption given to film industry in Maharashtra the Hon'ble Member has in mind. If the Hon'ble Member refers to the grant-in-aid received by the film producers, the same is liable to income-tax. In view of the aforesaid position, the question of withdrawing exemption does not arise.

Undercutting of Service Charges by Banks for Attracting Deposits

2815. SHRI H.M. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has issued notices to the nationalised banks to show cause for undercutting service charges for attracting deposits ;

(b) if so, the details thereof ;

(c) the names of the banks which have violated the directives of the Reserve Bank of India ; and

(d) the effect thereof on the profitability of the banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India has not issued any show cause notice to any of the nationalised banks for undercutting service charges for attracting deposits as no directives prescribing such charges have been issued by it. Recovery of charges is to be effected by the branches according to the schedule of charges adopted by their banks. Any deviations therefrom would affect incomes of the banks and are therefore followed up by the banks themselves as also by the Reserve Bank whenever such deviations come to their notice.

Restoration of Concession to Disabled Ex-Servicemen by Banks

2816. SHRI AJAY MUSHRAN : Will the Minister of FINANCE be pleased to state :

(a) the concessions and facilities given to the ex-servicemen by the nationalised banks;

(b) whether Government are aware that a number of these concessions and facilities have been gradually withdrawn by some banks;

(c) if so, the reasons therefor ; and

(d) whether his Ministry proposes to ask the banks particularly Central Bank of India to restore the concessions given earlier to the disabled ex-servicemen, for example, interest-free loans and exemption from service charges and Bank commission ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Public Sector banks are expected to extend certain concessions/facilities like benefits of pay fixation, weightage for past service

in availment of housing or conveyance loans etc. as per the guidelines issued by the Government. There are no reports of any public sector banks withdrawing/denying these concessions or facilities.

Other facilities/concessions, if any, are extended by banks according to their commercial judgment keeping in view Reserve Bank's directives on various aspects of bank's operations, including rates of interest on advances etc. In respect of service charges also banks are expected to determine their charges separately. Recently all public sector banks have adopted uniform schedules of charges. No directives are proposed to be issued to the banks in these areas of their operations.

Congress Centenary Exhibition in Bombay

2817. SHRI THAMPAN THOMAS : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry had issued any directives to the nationalised banks and public sector undertakings all over the country to hire more area for pavilions of Congress Centenary Exhibition in Bombay on 16 December, 1985 ;

(b) if so, the details thereof ; and

(c) the total amount advanced by these units by way of buying the space in the Exhibition and at what rate ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Ministry of Finance had not issued any directives to the banks, financial institutions and other undertakings under its administrative control in regard to participation in Congress Centenary Exhibition at Bombay. However, they were permitted to take decisions in the matter in the light of their own commercial judgement.

(c) According to information readily available the Joint Publicity Committee (JPC), on behalf of all of the public sector banks, and the Life Insurance Corporation and the General Insurance Corporation had each set up a stall of 1000 sq. ft. for their

commercial publicity at a cost of Rs. 1.5 lakhs each in Centenary Industrial Exhibition held in Bombay in December 1985/January 1986.

Proposal for Reviewing Import Policy

2818. SHRI BASUDEB ACHARIA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have decided to review its present import policy in view of decline in export in first five months by 3.4 per cent and increase in import by 25 per cent ; and

(b) if so, when ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). There is a standing arrangement to review import and export policy, without changing its basis structure, with a view to encourage indigenous production as well as to increase exports.

Spurt in Imports of High Technology Items from United States of America

2820. SHRI G.M. BANATWALLA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a significant spurt in Indian imports of high technology items from the United States of America ;

(b) if so, the items which are included in these high technology imports;

(c) the extent of increase in the import of high technology items;

(d) whether conditions are imposed by the United States of America on sale of these high technology items specially super computer to India; and

(e) if so, details of these conditions ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). After the conclusion of the Memorandum

of Understanding (MOU) on Technology transfer between the Government of India and the USA in November 1984, there has been an increase in flow from USA of higher technology items such as advance computer systems.

Separate statistics of import of high technology items are not maintained.

(d) and (e) The sale of high technology items under the MOU is subject to certain conditions which relate mainly to actual use and non-transferability.

Alleged Fraud of Rupees 10 Lakhs by an Import Firm

2821. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Cargo Customs Officials have uncovered alleged fraud by an import firm getting release of goods after presenting a forged bank guarantee of Rs. 10 lakhs to the Central Warehousing godowns;

(b) whether Government have investigated into this fraud; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). In a case relating to the import of components of sports shoes in November, 1985 by M/s. Dimple Industrial Corporation Pvt. Ltd., Nangloi, New Delhi, who sought clearance of the goods free of duty against an alleged recommendatory letter from the Office of the Joint Chief Controller of Imports and Exports regarding issue of an advance licence produced two bank guarantees for Rs. 6 lakhs and Rs. 4 lakhs respectively purported to have been issued by the Janpath branch of Canara Bank. After the clearance of the cargo, on suspicion, these guarantees were verified with the issuing bank and found to be forged.

The Customs authorities have investigated the case under the Customs and other allied laws and issued a formal show cause notice to M/s. Dimple Industrial Corporation Private Limited, Nangoli, New Delhi,

The case relating to forgery has been referred to the CBI for investigation and suitable action against the firm.

Recognition of Exclusive Agricultural Export House for Boosting Export of Farm Products

2822. SHRI VIJAY N. PATIL : Will the Minister of COMMERCE be pleased to state :

(a) The number of export houses dealing only in export of agricultural products;

(b) whether Government propose to recognise the exclusive agricultural export houses to boost the export of farm products; and

(c) if so, whether Government propose to give powers to big agricultural export houses to bargaining international markets to boost export of agricultural products ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The number of export houses dealing in export of agricultural products as on date is 15.

(b) No, Sir.

(c) Under the present Export Policy, export houses are free to bargain in the international markets for boosting agricultural products.

Rural Banks in Orissa

2823. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) the number of rural banks in Orissa functioning at present;

(b) the amount of loans disbursed by these banks during the last three years;

(c) the recovery position of these loans during the above period; and

(d) the number of small farmers who have availed of these loans during the said period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) At present there are nine Regional Rural Banks functioning in the State of Orissa.

(b) and (d). The present date reporting system does not give the information of annual disbursements. However the amount of out standing advances as at the end of June, 1983, 1984 and, 1985 is indicated below :

As at the end of	Amount of outstanding loans/advances (Rs. in crores)
June 1983	66.52
June 1984	87.83
June 1985	105.83

The number of borrowal accounts in respect of agricultural advances which are availed of by small/marginal farmers is given below :

As at the end of	No. of borrowal accounts pertaining to agricultural advance
June 1983	285255
June 1984	337338
June 1985	384799

(c) The recovery position for the years ending June 1983, 1984 and 1985 is indicated below :

	%age of collection to demand
1. June 1983	44%
2. June 1984	39%
3. June 1985	37%

Spinning Mills in Andhra Pradesh.

2824. SHRI V. SOBHANADREESWARA RAO : Will the Minister of TEXTILES be pleased to state :

(a) the number of spinning mills given licences in Andhra Pradesh so far;

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

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

(d) the steps taken to deal with the excess/shortage of cotton production from that State ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Total number of Licences/letter of Intent/Registration Certificates issued for setting up of Cotton Spinning Mills in Andhra Pradesh is 73. Out of this, 11 are in Co-operative Sector.

(c) and (d). The cotton produced is sufficient to meet the requirements of cotton textile mills all over the country including those of Andhra Pradesh. The quantity surplus to our domestic requirements is allowed for export from time to time. During the current cotton season (1985-86) Government have already released for export 10.00 lakh bales of long and extra-long stapal cotton, 52,000 bales, of Bengal Deshi and 25,000 bales of yellow pickings.

Outstanding Debt from World Bank, I.M.F. and other International Financial Institutions

2825. SHRI H.A. DORA : Will the Minister of FINANCE be pleased to state :

(a) the extent of outstanding external debt from the World Banks, I.M.F. and other international financial Institutions;

(b) the extent of annual debt servicing charges on the amounts;

(c) the extent of outstanding internal debt from various field with necessary details; and

(d) the extent of annual debt servicing charges on these amounts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Information is given in the Statement I and II given below.

Statement-I

Statement showing the outstanding liability as on 31-12-85, estimated repayment of principal and payment of Interest during 1985-86 in respect of International Organisations (on Government account only)

Rs. crores

Sl. No.	Name of the Institution	Amount of loan outstanding as on 31-12-85	Estimated Repayment of principal during 1985-86	Estimated Payment of Interest during 1985-86
1	2	3	4	5
1.	International Development Association (IDA)	10724.24	65.97	90.14*
2.	International Bank for Reconstruction and Development (IBRD)	2004.09	50.92	203.43

1	2	3	4	5
3. International Monetary Fund (Trust Fund,		730.35	66.20	3.25
4. International Fund for Agricultural Development (IFAD)		114.86	—	0.90
5. International Sugar Organisation		4.77	—	—

2. In addition, India had outstanding obligation of the order of Rs. 4735.35 crores as on 31-12-1985 in respect of drawings made under Extended Fund Facility of the IMF. The repayments and charges paid under EFF during 1985-86 amount to Rs. 162.49 crores and Rs. 417.18 crores respectively.

* The IDA credit bears no interest. But a service charge at the rate of 0.75 per cent per annum is payable on the amount withdrawn from the IDA credit account and outstanding from time to time. A commitment charge at the rate of 0.5% is payable per annum on the principal amounts of IDA credit not withdrawn from time to time.

Statement II

Statement showing details of internal debt outstanding and interest payment thereon as on 1985-86 (Estimates)

	(Rs. crores)
Internal Dept	1985-86 (R.E.)
1. Market loans	35460 18
2. Market loans in course of repayment	34.03
3. Special Bearer Bonds	964.26
4. Treasury Bills	25133.31
5. Compensation and other Bonds	562.96
6. Special floating and other loans	3086.24
7. Special Securities issued to RBI	5187.00

Total :	70,427.98

The estimated interest payment on Internal Debt during 1985-86 is of the order of Rs. 3856.43 crores.

Inclusion of Export Earnings of Agricultural Products under Cash Compensatory Scheme

2826. PROF. K. V. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the export earnings from the export of the agricultural products are proposed to be included in the ambit of cash compensatory scheme; and

(b) whether the export of the agricultural products is proposed to be decanalised ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Selected agricultural export products are already covered under the Cash Compensatory Support Scheme.

(b) Most of the agricultural items are already decanalised for purpose of exports. Canalisation of exports of agricultural items is being followed only in the case of a few selected products.

Outcome of Nationalisation of Fwe Mills in Bombay

2827. SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the textile

industry in the city of Bombay has not been restored to its original position after the prolonged textile strike in Bombay;

(b) the steps proposed to be taken by Union Government to bring back the textile industry in Bombay to its original position;

(c) the outcome of nationalisation of few mills in Bombay; and

(d) the achievement of National Textile Corporation in its activities in mills run by it ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) All the cotton textile units in the Bombay area were affected by textile strike. While there has been some decline in the level of employment in the industry, the monthly cloth production has crossed 70% of the pre-strike cloth production.

(b) the policy measure announced in the new Textile Policy for textile unit throughout the country will also be applicable to the textile unit in Bombay.

(c) and (d). In October 1983, the Government took over the management of 13 textile undertakings pending nationalisation. At the time of take over, only 5 units were in partial production. After the NTC was made custodian of these units, all 13 units are in production, providing employment to about 24,000 persons.

All 12 nationalised units of NTC in Bombay are maintaining production and employment.

Ratio of National Debt to Gross National Product

2828. SHRI DIGVIJAY SINGH : Will the Minister of FINANCE be pleased to state :

(a) the percentage ratio of national debt to gross national product spread over a period of the last five years;

(b) the impact this has made on the rate of inflation and balance of payment during the same period ; and

(c) whether the national debt percentage ratio is anticipated to be higher in the 1986-87 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Central Government's public debt, comprising of internal and external debt, as a percentage of gross national product (at factor cost) was as follows during the last five years :

Year	Central Government Public Debt as % of GNP
1980-81	37.0
1981-82	36.7
1982-83	41.8
1983-84	38.2
1984-85	39.9

(b) There is no direct relationship between the public debt and the rate of inflation and the balance of payment.

(c) The ratio for 1986-87 is not possible to work out, as the GNP data for that year are not available.

Reported Financial Problems of Coffee Board

2829. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Coffee Board is facing financial problems;

(b) if so, the nature of the problems ;

(c) whether Government of Karnataka have demanded the arrears of purchase tax from the Coffee Board;

(d) if so, the amount arrears due to that Government; and

(e) the steps that are being taken to assist the Board in order to overcome the financial problems being faced by it ?

THE MINISTER OF COMMERCE
FOOD AND CIVIL SUPPLIES (SHRI P.
SHIV SHANKER) : (a) and (b). No, Sir.

(c) and (d). Purchase Tax claims raised by the State Government after re-opening past assessments, have been contested by the Coffee Board in the Supreme Court.

Inadequate Bank Aid for Midnapore

2830. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item captioned 'Bank aid for Midnapore inadequate' appearing in the statesman (Calcutta) of 10 February, 1986;

(b) whether against the target of Rs. 40.73 crores only Rs. 23.84 crores was invested by the Commercial Banks in 1985 and that this was the lowest figure in the country ;

(c) whether Rs. 34.41 crores was targetted for the agricultural sector but only Rs. 15.06 crores was sanctioned by the commercial banks during this period and out of Rs. 6.62 crores only Rs. 3.49 crores was sanctioned for the industrial sector;

(d) whether the banks earned a deposit of Rs. 215.8 crores but advanced only Rs. 62.91 crores in contravention of the direction to the commercial banks to invest 60 percent of their deposits to the priority sector; and

(a) the measures Government propose to take to rectify the wrong done to the people of Midnapur.

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

(b) and (c). Reserve Bank of India (RBI) has reported that as against credit target of Rs. 49.43 crores fixed under the Annual Action Plan, 1985 for Midnapore

district, achievements as at the end of September, 1985 were Rs. 23.85 crores. Details of targets under various segments of the Annual Action Plan, 1985 and achievements as at the end of September, 1985 for the District are indicated below :

Segment	Target (Rs. in crores)	Achievement (Rs. in crores)
1. Agriculture	34.42	15.08
2. Industry	6.62	3.49
3. Services	8.39	5.28
Total	49.43	23.85

As the above information relates to 9 months only and complete data has not been received so far from all the districts in the country, it would not be possible to indicate the relative position of the performance of Midnapore District in this respect.

(d) and (e). RBI has reported that according to data available upto 31.12.85 deposits in Midnapore district amounted to Rs. 246.36 crores and outstanding advances were Rs. 67.87 crores giving a credit-deposit ratio of 27.55 per cent. It was recognised that credit-deposit ratio, in the district was very low and needed improvement. In order to make an indepth study of the problems relating to low credit deposit ratio in various districts, including Midnapore district, in West Bengal, the State Level Bankers' Committee for West Bengal has appointed a Task Force consisting of senior officers of RBI, National Bank for Agriculture and Rural Development, State Bank of India, State Government etc. to try to step up the credit deposit ratio by 10 percentage points in a year. The State Government has also been advised to issue instructions to Government Departments and Agencies to ensure that package of schemes with all linkages are made available to the bankers so as to enable them to include such schemes in the Annual Action Plan for financing.

[Translation]

Amendments to Weights and Measures Rules, 1977

2831. SHRI UISHNU MODI :

SHRI SHANTI DHARIWAL :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether attention of Government has been drawn towards the difficulties being faced by trade as a result of amendments made by Government in Weights and Measures (Packed Goods) Rules, 1977;

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

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) and (c). The State Governments and Union Territory Administrations who enforce the Standards of Weights and Measures (Packaged Commodities) Rules, 1977 have been requested to send their view in the matter.

[English]

Opening of Regional Rural Bank Branches in Madhya Pradesh

2832. KUMARI PUSPA DEVI : Will

the Minister of FINANCE be pleased to state :

(a) the number of Regional Rural Bank branches opened in Madhya Pradesh so far and the locations thereof ;

(b) whether Government propose to open some more Regional Rural Bank branches in Madhya Pradesh during 1986-87; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The head-quarters and districts covered, along-with the number of branches of each of the 23 Regional Rural Banks located in Madhya Pradesh as on 30th June, 1985 are given in the Statement given below. The present data reporting system at all India level gives only the number of branches for each Regional Rural Bank. Since the time and energy spent on collective of information regarding location of each of the 1353 branches of Regional Rural Banks in Madhya Pradesh may not commensurate with the result, information regarding location of each bank branch is not being furnished.

(b) and (c). New branches are opened in accordance with the Reserve Bank of India's Branch licensing Policy. As on 30th September, 1985 the Regional Rural Banks in Madhya Pradesh had 33 pending licencs for opening new bank offices.

Statement

Statement showing the Regional Rural Banks with their Headquarters, Names of Districts covered, No. of Branches as on 30-6-1985

S. No.	Name of RBI	Location of Head Office	Districts Covered	No. of branches as on 30-6-85
1	2	3	4	5
1.	Kshetriya Gramin Bank	Hoshangabad	Hoshangabad	90
2.	Bilaspur Raipur Kshetriya Gramin Bank	Bilaspur	Bilaspur Raipur	150
3.	Rewa Sidhi Gramin Bank	Rewa	Rewa	77

1	2	3	4	5
4.	Bundelkhand Gramin Bank Kshetriya	Tikamgarh	Chattarpur Tikmgarh	80
5.	Sharda Gramin Bank	Satna	Satna	57
6.	Surguja Gramin Bank Kshetriya	Ambikapur	Surguja	82
7.	Bastar Gramin Bank Kshetriya	Jagadapur	Bastar	62
8.	Durg - Rajnandgaon Gramin Bank	Rajnandgaon	Durg Rajnandgaon	100
9.	Jhabua - Dhar Gramin Bank Kshetriya	Jhabua	Jhabua Dhar	82
10.	Raigarh Gramin Bank Kshetriya	Raigarh	Raigarh	65
11.	Shivpuri Guna Gramin Bank Kshetriya	Shivpuri	Shivpuri Guna	58
12.	Damoh Panna Sagar Gramin Bank Kshetriya	Damoh	Damoh Panna Sagar	70
13.	Dewas Shajapur Gramin Bank Kshetriya	Dewas	Dewas Shajapur	50
14.	Nimar Gramin Bank Kshetriya	Khargone	East Nimar West Nimar	70
15.	Mandla Balghat Gramin Bank Kshetriya	Mandla	Mandla Balghat	56
16.	Chhindwara Seoni Gramin Bank Kshetriya	Chhindwara	Chhindwara Seoni	63
17.	Rajgarh Gramin Bank Kshetriya	Biora	Rajgarh Sehore	40
18.	Sahdol Gramin Bank Kshetriya	Sahdol	Sahdol	29
19.	Ratlam - Mandsaur Gramin Bank Kshetriya	Mansaur	Ratlam Mandsaur	36
20.	Chambal Gramin Bank Kshetriya	Bhind	Bhind Morena	21
21.	Mahakaushal Gramin Bank Kshetriya	Narsinghpur	Narsinghpur Jabalpur	11
22.	Indore Ujjain Gramin Bank Kshetriya	Ujjain	Ujjain Jabalpur	4
23.	*Gwalior-Datia Gramin Bank Kshetriya	Datia	Gwalior Datia	*N.A.

[*Translation*]

Central assistance paid to Bihar for Supply of Essential Commodities

2833. SHRI RAMSWAROOP RAM : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the amount of Central assistance provided to Bihar for the supply of rice wheat, sugar, kerosene oil, vanaspati oil and other essential commodities, separately keeping in view the hike in the price of food articles ;

(b) whether keeping in view the population of the State the State Government have given any memorandum in regard to the above articles; and

(c) if so, the decision taken by the Union Government to meet their demand ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The Central Government has assumed responsibility for supply of seven key essential commodities viz. wheat, rice, sugar, imported edible oils, soft coke, controlled cloth and kerosene oil to the States/Union Territories for distribution through the network of Public Distribution System. Wheat and rice issued to State Governments at uniform prices already contain a heavy amount of subsidy. Levy sugar is supplied at a uniform end retail price of Rs. 4.80 per kg. throughout the country through the Public Distribution System, which is much below the prevailing open market price. Similarly, kerosene is supplied to States/Union Territories at a pre-determined price to ensure its availability to the common man at a reasonable rate through net work of the Public Distribution System. There is no scheme with the Central Government to provide assistance for increase in the prices of essential commodities. The Central Government has been advising the States/Union Territories from time to time to expand and strengthen the Public Distribution System, particularly in rural and for-flung areas the ensure supply of essential commodities to people at reasonable prices.

(b) No such Memorandum has been received from the Government of Bihar.

(c) Does not arise.

[*English*]

Terms and Conditions of World Bank Loan for Irrigation Projects

2834. SHRI D.B. PATIL : Will the Minister of FINANCE be pleased to state the terms and conditions of the World Bank credit for irrigation projects in particulars as regards rate of interest and mode of repayment ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : The World Bank group lending for Irrigation Projects consists of loans from the International Bank for Reconstruction and Development (IBRD) which carry interest at standard variable rates (it presently stands at 8.50%), and also credits/special fund credits from the International Development Association (IDA) which do not carry any interest but have a service charge of 0.75% per annum on the principal amount of the credit withdrawn and outstanding from time to time. In addition, IBRD loans and IDA Credits/IDA Special Fund Credits carry commitment charges of 0.75% and 0.5% per annum, respectively, on the principal amount of the loan credit/SF Credit not withdrawn from time to time. Repayment terms of IDA Credits are 50 years' maturity, which includes a grace period of 10 years; IBRD loans are repayable in 20 years, including 5 years grace period.

Foreign Exchange Earned by Export of Khadi, Cotton and Silk

2835. DR. PHULRENU GUHA : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of khadi, cotton and silk exported during 1983-84, 1984-85 and April 1985 to December 1985; and

(b) the foreign exchange earned there- by ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). With regard to cotton and silk a statement is given below. Regarding khadi details are being collected.

Statement

Exports of Cotton and Silk

Year	Cotton		Silk**	
	Quantity (Lakh bales)	Value (Rs. lakhs)	Quantity (Lakh Sq. Mtres.)	Value (Rs. lakhs)
1983-84	3.54@	9836@	144.08	9448
1984-85	1.72@	6379@	165.31	12288
April- December, 1985	0.53*	1275*	143.10	12134

* Figures relate to the period September, 1985 to 2nd week of February, 1986 (Cotton Season is September to August).

** Natural Silk goods (excluding mixed/blended silk goods and silk waste..)

@ Figures relate to Cotton Year from September to August.

[Translation]

Green Tea Produced at Pathini Tea Estate in Karimganj, Assam

2836. SHRI SUDARSHAN DAS : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Pathini Tea Estate in Karimganj District of Assam, a Union Government undertaking, managed by the Tea Trading Corporation of India mainly produces green tea for export to Morocco;

(b) whether it is also a fact that a large quantity of green tea is lying in factory godown and could not be disposed of

as the trade agreement with Morocco had not been renewed; and

(c) if so, the steps proposed to dispose of this huge quantity of green tea ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) and (c). Around 400 Tonnes of green tea could not be despatched by TTCI to Morocco due to delay in opening of letter of Credit as per agreed shipments schedule. The problem has now been solved and shipments would be made from April, 1986 onwards.

[English]

Fall in Prices of Cardamom and Loss of Export Markets

2837. SHRI K.P. UNNIKRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry is aware of the steep fall in prices of different export varieties of cardamom;

(b) if so, the steps that have been taken by the Board and his Ministry to arrest this drift in this valuable foreign exchange earning export commodity;

(c) whether his Ministry is also aware of the unhealthy trade practices indulged in by our competitors in the West Asian markets; and

(d) whether his Ministry proposes to set up a study team for an indepth study and reasons for this fall in prices and loss of markets ?

THE MINISTER OF COMMERCE AND FOOD CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Prices which had risen sharply in the past three years, on account of short supply as a result of drought, have now returned to levels comparable to those prevalent with normal level of production. The bulk of exportable surplus has already been exported and there is a likelihood of achieving a new

record in 1985-86 in terms of volume of cardamom exported from India.

(c) and (d). No, Sir.

Raids to Unearth Black Money

2838. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether residences of petty businessmen in Delhi/New Delhi/Cantonment were raided during the last six months; and

(b) if so, the details thereof together with outcome of the raids ?

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

(b) Does not arise.

Setting up of New Roller Flour Mills in Orissa

2839. SHRIMATI JAYANTI PATNAIK : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have a proposal to set up some new roller flour mills in Orissa;

(b) if so, the name of the places in Orissa where those new roller flour mills are proposed to be set up;

(c) whether licences have been granted for setting up of those new roller flour mills; and

(d) if so, the capacity of each of those rolling flour mills ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (d). Government have decided to permit a limited number of new units of capacity upto 30 MTs per day, to be set up in various States and Union Territories, depending upon the capacity already existing, the present level of utilisation and

proposed location in Districts which do not have mills, proximity of consumption centres, the likely demand in future and other relating factors. The State Governments/UTs have been advised to obtain applications from entrepreneurs for setting up of new roller flour mills and to forward them to Central Government before 30-4-1986 for further consideration. The requests received for establishment of new units in Orissa and other States/UTs will be considered after this date, keeping in view the guidelines mentioned above.

Export of Jute and Jute Products

2840. SHRI CHINTAMANI JENA : Will the Minister of TEXTILES be pleased to state :

(a) the value of jute and jute products exported during 1982-83, 1983-84 and 1984-85;

(b) whether there is a decline in regard to the export of jute and jute products;

(c) if so, the main reasons therefor;

(d) the approximate value of jute and jute products likely to be exported during 1985-86; and

(e) the efforts being made by Government to increase the export of jute and jute products during 1986-87 ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Value-wise export of jute goods during 1982-83, 1983-84 and 1984-85 is given below :—

Year	Value (Rs./Crores)
1982-83	201.83
1983-84	163.71
1984-85	299.93

(b) and (c). India's exports of jute goods have been coming down over the years mainly due to stiff competition from synthetic substitutes and other jute producing countries, although, of late, the declining trend has been arrested.

(d) Value-wise target of export for jute goods is Rs. 250/275 Crores, which is likely to be reached.

(e) The Government have taken the following steps to boost export of jute goods :—

- (i) Formation of a STC jute industry consortium on 50:50 loss-sharing basis for export of carpet backing cloth to North America;
- (ii) Encouraging development of exportable products through R and D efforts;
- (iii) Participation in specialised trade fairs and exhibitions and sending of Government-industry delegations to identified markets abroad for promoting jute goods exports; and
- (iv) Constituting a new JMDC and jute fund out of proceeds of jute cess to give boost to R&D efforts and export promotion.

Steps taken for Modernisation of Handloom Industry

2841. SHRI CHINTAMANI JENA :
SHRI MOHANBHAI PATEL :

Will the Minister of TEXTILES be pleased to state :

(a) whether the production in handloom sector has decline;

(b) if so, whether any study has been made to know the causes thereof; and

(c) the steps being taken to modernise this industry ?

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

(b) Does not arise.

(c) A scheme to extend financial assistance for modernisation/renovation purchase of looms in the cooperative sector is

being implemented by the State Governments with machine assistance from the Central Government on 50:50 basis since 1980-81

Inter-Governmental Organisations under Ministry of Commerce

2842. SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state :

(a) the names of international inter-Governmental organisations in which his Ministry acts as the nodal Ministry on behalf of Government;

(b) the annual contribution by Government to each organisation and the expenditure incurred on participation during 1985;

(c) the particulars of permanent representatives accredited to such organisations; and

(d) the particulars of Indian nationals if any, in the permanent secretariat of these organisations at the highest or the second highest levels ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). A Statement is given below.

(c) Ambassador Extraordinary and Plenipotentiary Permanent Representative Geneva is accredited to both UNCTAD and ITC, which Ambassador and Deputy Permanent Representative Geneva is accredited to GATT. Ambassador in the Embassy of India, Bangkok is accredited to ESCAP. The Indian Missions at the headquarters of the remaining organisations act as coordinators in matters relating to these organisations.

(d) The post of Deputy Director General, GATT, is presently held by an Indian national,

Statement

(a) the names of international inter-Government organisation in which his Ministry acts as the nodal Ministry on behalf of Government.

(b) the annual contribution by Government to each organisation and the expenditure incurred on participation during 1985.

△⁴

		Annual contribution (approx.)	Expenditure in- curred on parti- cipation.
1	2	3	4
1.	United Nations Conference on Trade and Development. (UNCTAD), Geneva. △ ²	—	Rs. 37,474,55
2.	General Agreement on Tariffs and Trade (GATT), Geneva.	Rs. 18,08,991.00	Rs. 1,41,235.70
3.	International Trade Centre, Geneva. (ITC) △ ¹	Rs. 6,00,000.00	Nil
4.	International Tin Council, London.	Rs. 2,51,000.00	Nil
5.	International Coffee Organisation, London.	Rs. 24,02,266.40	Rs. 64,310.00
6.	International Customs Tariff Bureau, Brussels.	Rs. 59,946.00	Nil
7.	Association of Iron Ore Exporting Countries, Geneva.	Rs. 6,43,000.00	Rs. 23,000.00
8.	International Bauxite Association, Kingston.	Rs. 6,39,690.70	Nil
9.	Association of Natural Rubber producing Countries, Kuala Lumpur.	Rs. 1,37,466.00	Rs. 40,482.95
10.	Asian and Pacific Coconut Community, Jakarta.	Rs. 2,38,950.00	Nil
11.	International Pepper Community, Jakarta.	Rs. 3,00,640.00	Rs. 51,772.00
12.	International Rubber Study Group, London.	Rs. 1,38,752.00	Rs. 64,725.20
13.	Asia and Pacific Development Centre, Kuala Lumpur.	Rs. 9,00,000.00	Nil
14.	Economic and Social Commission for Asia and the Pacific, (ESCAP). △ ²	—	Rs. 54,420.00
15.	Commonwealth Regional Consultative Group on Trade. △ ²	—	Nil
16.	International Tropical Timber Organisation. △ ³	—	Nil

1	2	3	4
17. Asian and Pacific Centre for Transfer of Technology, Bangalore. (APCTT).		Rs. 10,00,000.00	Nil
18. Economic Commission for Africa.		—	Rs. 29,439.12
19. Statistical Institute for Asia and the Pacific, Tokyo. (SIAP).		Rs. 1,00,000.00	Nil
20. Regional Mineral Resources Development Centre, Bandung. (RMRDC).		Rs. 50,000.00	Nil
21. Regional Co-ordination Centre for Research and Development of Coarse Grains, Pulses, Roots and Tuber crops in the humid tropics of Asia and the Pacific, Indonesia, (CGPRT).		Rs. 50,000.00	Nil

∠¹ = India's contribution is to the Trust Fund of ITC. The Budget of ITC comes from UNCTAD/GATT.

∠² = There is no direct contribution to these organisations from Ministry of Commerce. The Budget of these organisations comes from a UN/Commonwealth Secretariat.

∠³ = India joined the International Tropical Timber Agreement only in February, 1986 and no contribution has been effected so far.

∠⁴ = Figures indicate the approx, expenditure involved in participation of the meetings. Expenditure incurred is from the Commerce Ministry's budget only and does not include expenditure on account of hotel accommodation. Whenever representatives of other Ministries/Departments attend meetings of these organisations expenditure is borne by the respective Ministry/Department.

Exemption of Gift Consignments from Customs Duty

2843. SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the particulars, including estimated values of gift consignments received by various associations: organisations, institutions or trusts in India during 1985 free of customs duty;

(b) the total customs duty so waived; and

(c) the procedure for obtaining such exemption from or waiver of customs duty for consignments to charitable institutions etc, for their own use or for distribution to the needy in the country ?

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

The information is being collected and will be laid on the Table of the House.

(c) Under a general exemption notification No. 85-Cus., dated 15th March, 1982, foodstuffs, medicines, etc. imported by charitable organisations engaged in relief work are exempted from customs duty subject to conditions specified therein. A copy of the notification is annexed.

[Placed in the Library. See No. LT-2338/86]

Further, Government is empowered under sub-section (2) to Section 25 of the Customs Act, 1962, in the public interest and under circumstances of an exceptional nature, to exempt by special order in each case any goods on which duty is payable. Each case is decided on its merit and charitable institutions could apply to Government for exemption under this provision, if notification No. 85-Cus. dated 15-3-1982 is found not applicable.

Cane Price dues of Sugar Factories Taken Over under Sugar Undertakings Act, 1978

2844. PROF. NARAIN CHAND PARASHAR : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the names of sugar factories whose managements were taken over under Sugar Undertakings (Taking Over of Management) Act, 1978 and the amount of cane price outstanding in respect of each factory at the time of take over;

(b) the dates on which the factories were returned to the owners and the amount of cane price due in respect of these factories on that date; and

(c) the steps Government have taken or propose to take for ensuring clearance of the cane price dues ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b). A Statement is given below.

(c) It would be seen from the Statement given below that the cane price arrears at the time of handing over/denotification was much less than the cane arrears as on the date of take-over. After the denotification of the mills, the Central Govt. has no direct responsibility of clearing the cane dues. Ensuring payment of cane price arrears is the direct responsibility of the State Governments, who have the necessary field organisations and powers to enforce such payments. However, the Central Govt. monitors the position and request the State Governments, from time to time, for expeditious clearance of the cane price arrears.

Statement

Statement Showing Cane Price Arrears as on the date of takeover and at the time of handing over/denotification of taken over Sugar Undertakings

Sl. No.	Name of the factory	Cane arrears as on the date of takeover (Rs., lakhs)	Date on which factory returned to owners/State Govt./Date of denotification	Cane arrears upon the date of handover/denotification for 1985-86. (Rs. lakhs)*
1	2	3	4	5
1.	The Ajudhia Sugar Mill, Raja-ka-Sahaspur, Moradabad (U.P.)	121.61	2-12-85	18.70 as on 30-11-85.
2.	The Deoria Sugar Mills, Deoria, Distt. Deoria (U.P.)	12.39	27-12-85	18.45 as on 31-12-85.
3.	Shree Sitaram Sugar Company Baitalpur, Distt. Deoria (U.P)	10.40	27-12-85	11.17 as on 31-12-85
4.	Shri Keshoraipatan S.S. Karkhana, Keshoraipatan, Distt. Bundi (Rajasthan)	44.54	12-12-85	Nil as on 15-12-85
5.	Jijamata S.S. Karkhana, Distt. Buldana (Maharashtra)	62.17	6-12-85	13.22 as on 7-12-85
6.	Cauvery Sugar and Chemicals, Pettaivayatalai, Distt. Trichy (Tamil Nadu)	7.78	15-10-85	Nil as on 15-10-75

1	2	3	4	5
7. The R. B. N. Singh Sugar Mills, Lhaksar, Distt. Saharanpur (U.P.)		203.03	1-2-86	† 189.36 as on 2-2-86.
8. The Seksaria Sugar Mills, P.O. Babbnan, Distt. Gonda (U.P.)		65.48	13-3-86	† 94.81 as on 22-2-86.

*Arrears are on or near the date of handover/denotification.

† There figures represent the position of the peak of the crushing season when cane dues tend to be on higher side but get cleared as the season tapers off. Besides, these two factories have recently been facing problems of cash credit limits

Vacant Posts of Heads of Public Undertakings

2845. PROF. NARAIN CHAND PARASHAR : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that a number of public sector undertakings under his Ministry are without any Chairman/Managing Director at present;

(b) if so, the names of such public sector undertakings;

(c) the reasons for not filling up these vacancies and the date with effect from which each one of them is lying vacant;

(d) the arrangements under which the undertakings are working at present; and

(e) when the vacancies are likely to be filled ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A K. PANJA) : (a) to (e). As at present, there is one vacancy of Managing Director in the Food Corporation of India which arose on 11-3-1986. Action to fill this vacancy has been initiated.

In the Central Warehousing Corporation, the post of Managing Director fell vacant on 28-1-1986. As an interim arrangement, the charge has been entrusted to an

officers of the Ministry in addition to his duties. A full-time Managing Director in expected to be appointed shortly.

There is no vacancy of Chairman or any other Managing Director in the undertakings under the Ministry of Food and Civil Supplies.

Indirect Taxes Affecting Common People

2846. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether it is fact that 82% of the total revenue from taxes including customs is collected through indirect taxes which have a direct impact on prices and affect the common man's budget; and

(b) the steps being taken to ensure that the burden of indirect taxes is reduced and common people get economic relief ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Collections from indirect taxes are estimated to be about 80% of the total revenue from Central taxes according to revised estimates for 1985-86. However, the effect of changes in indirect taxes on prices depends on a variety of factors, such as the type of commodities taxed, and the relative elasticity of demand and supply of specific commodities to prices etc.

(b) It has been the endeavour of the Government to keep the levy of indirect taxes in respect of essential articles for the

common man to the minimum possible. An important objective of the policy has also been to encourage increase in production and productivity specially of essential commodities. The budget for 1986-87 indicates several other steps which aim at improving the economic and social conditions of the common people.

Allocation for Promotion of Tourism in Himachal Pradesh During Seventh Plan

2847. PROF. NARAIN CHAND PARASHAR : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the percentage of the investment by the India Tourism Development Corporation in the promotion of tourism in Himachal Pradesh to the total investment in the country during the Sixth Five Year Plan;

(b) whether it is a fact that this percentage is extremely low and the investment has been far too inadequate as compared to the demand by the Himachal Pradesh Government in this regard;

(c) whether it is proposed to increase the allocations for the promotion of tourism in Himachal Pradesh during the Seventh Plan and accord a high priority for this purpose; and

(d) if so, the nature of priority and the total allocation for this purpose ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) to (d). Central Government normally takes up tourism schemes in consultation with the State Government, based on the potential of the scheme and inter-se priorities fixed by the Planning Commission. Since no allocation is made by the Department state-wise or region-wise, the question of low or inadequate investment in Himachal Pradesh does not arise. Even ITDC takes up project for accommodation, etc. as may be justified by market requirements. At present ITDC runs a Travellers' Lodge at Manali.

However, it has been agreed in principle to accord higher priority to development of tourism infrastructure in Himachal Pradesh during the 7th Plan. Central Government, have already sanctioned construction of trekkers huts in Sarhan at an approximate cost of Rs. 18.00 lakhs. The State Government, has been requested to formulate some more schemes including a Yatri Niwas which could be taken up within the overall parameters of the Central Government.

[Translation]

Steps for Increasing Export of Bidis

2848. SHRI R.M. BHOYE : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have taken any steps to export Indian bidis to 'foreign countries' in order to enhance exports of bidis;

(b) if so, the names of the countries where Indian bidis are liked; and

(c) the steps taken by Government to encourage this industry ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) UAE; Kuwait, Saudi Arabia; Qatar Oman, Bahrain, Malaysia, Singapore and Netherlands are some of the important countries importing Indian bidis.

(c) The measures taken by Government to encourage bidi industry through exports include :—

- (1) Market surveys in selected Middle East and Asian countries and West European countries;
- (2) Study up packaging of bidis;
- (3) Display of samples of Indian bidis at various International fairs,

[English]

**Measures of Overhauling Working of
Stock Exchanges**

2849. DR. B. L. SHAILESH :
SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether in the context of the recent spate of issues and the formulation of new financial instruments such as Cumulative Convertible Preference Share (CCP) linked issues and public sector bonds, the stock Exchange working has become very complicated and delays occur too often in share transfers, registration and allotment of shares in the case of new issues, owing to lack of experts on the boards or governing council of stock exchanges; and

(b) if so, the steps Government propose to take to overhaul the working of the Stock Exchanges even by amending the existing legislation, if necessary, and devise some fresh measures to speed up their working ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) With the increase in the number of public issues, the workload of the exchanges increases, but a more relevant factor affecting the workload in the exchange is the volume of trading on it. New issues or introduction of new instruments do not complicate the working of the exchanges. The transfer of shares, registration and allotment of share in the case of new issues are done by the companies and not by the Stock Exchanges.

(b) In view of answer to (a) above, the question does not arise.

Grants from Export Marketing Fund

2850. DR. B. L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether the norms for "grants" from out of the \$10 million Export Marketing Fund (EMF) have been finalised;

(b) if so, its broad outlines and when is

the EMF likely to be made operational and through which agency;

(c) the yardsticks, if any, laid down for selectively supporting the Indian Companies in the private sector through "grants" from this fund; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The broad norms for grants from EMF have been finalised. The Export Marketing Fund (EMF) will be administered by the Export-Import Banks of India and is expected to become operational during the quarter April-June 1986. EMF support will be concentrated on a select range of engineering products chosen for high export growth potential. EMF assistance will cover upto 50% of expenses relating to eligible export marketing activity with balance to be borne by exporter. Eligible activity will include strategic plans for export marketing covering market research, product adaptation, inspection services, training, travel and establishing overseas operations.

Purchase of Paddy by FCI in Orissa

2851. SHRI JAGANNATH PATTA-
NAIK : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantity of paddy brought by the farmers for sale in the markets of the country particularly in Orissa upto 30 November, 1985;

(b) the total quantity of paddy purchased by the Food Corporation of India from farmers upto 30 November, 1985; and

(c) whether satisfactory arrangements had been made for the movement of food-grains to other parts of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) Market arrivals of paddy are reported by Punjab and Haryana and the Union Territories of Chandigarh and Delhi only. The

total quantity of arrivals upto 30-11-85, as reported by these States and Union Territories, was 87.39 lakh tonnes. No reports are received in respect of Orissa.

(b) 18.90 lakh tonnes.

(c) Yes, Sir.

Distress Sale of Raw Jute in Orissa Village

2852. SHRI JAGANNATH PATNAIK :

SHRI LAKSHMAN MALLICK :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware of the distress sale of raw jute at the rate of Rs. 180 per quintal villages to private businessmen by the jute growers of Orissa as the Jute Corporation of India, Danpur Jute Marketing Co-operative Society, Orissa and Konark Jute Mills Limited do not purchase their jute ;

(b) if so, whether Government have received any representation from jute growers of Orissa in this regard; and

(c) if so, the steps Government have taken or propose to take in the matter ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). As a result of bumper jute crop in 1985-86, price of raw jute fell sharply from the high level of last year in all jute growing States including Orissa. In order to protect the interests of growers, Jute Corporation of India was directed to step up their procurement operations. In fact, JCI entered market in Orissa in Mid-September, 1985 and undertook commercial operation at a price range of Rs. 25/- per quintal above the statutory minima. Since mid-October 1985, JCI continued price support operation in Orissa through 38 centres run by them and Co-operatives and have procured about 1.02 lakh bales from Orissa so far.

Production and Export of Tea

2853. SHRI PIYUS TIRAKY : Will the Minister of COMMERCE be pleased to state :

(a) the steps being taken to compete

with the exporting countries to earn more foreign exchange ?

(b) whether the tea growers are finding any difficulties owing to Government controls and regulations on tea exports and marketing ;

(c) the details of the tea marketing plan for 1986-87 and the target of production for 1986-87; and

(d) the target fixed for export and the anticipated foreign exchange to be earned for 1986-87 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Measures to increase export of tea include assistance for brand promotion and warehousing abroad as well as cash compensatory support for value added teas. Tea Board also undertakes promotional campaign through its offices abroad.

(b) to (d). In view of comfortable supply position at home and abroad, it is not considered necessary to have a tea marketing plan based on export restrictions like quotas and Minimum Export Price. Such restrictions were dispensed with in 1985. Preliminary estimates of tea production in 1986 are placed at 677 M. Kgs. leaving a sufficient surplus to enable further improvement in export performance. Foreign exchange earnings will depend on behaviour of international prices.

Decline in Export of Tea to Poland

2854. SHRI PIYUS TIRAKY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Poland until 1983 was the fourth largest importer of Indian Tea ?

(b) whether the down turn is due to decline in consumption or due to comparatively inferior tea as compared to other countries like Taiwan and China; and

(c) the steps being taken to increase export of tea to Poland ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). Tea imports by Poland from India in the last ten years have fluctuated sharply varying from approximately 5 million kgs. in 1979 to 16 million kgs. in 1982. Recent reduction in imports from India may be on account of availability of cheaper teas elsewhere and reported constraints regarding balance of trade faced by Poland. Measures to increase export to Poland include bilateral negotiations, Long Term Trade Programme and grant of cash compensatory support on value added exports.

Export of Jute to USSR and Other Countries

2855. **SHRI PIYUS TIRAKY :** Will the Minister of TEXTILES be pleased to state :

(a) whether the U.S.S.R. is the major buyer of Indian jute;

(b) the quantity of raw jute to be exported to the U.S.S.R. by the Jute Corporation of India as per contracts signed for 1986-87;

(c) the names of the other countries with whom the J.C.I. has signed contracts for 1986-87;

(d) the foreign exchange earned by exporting raw jute year-wise since 1980 till date;

(e) whether Government propose to give bonus to the jute growers on the basis of their sale receipt from the J.C.I. out of the profit made by Government through foreign exchange; and

(f) if so, the percentage thereof and if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). U.S.S.R. purchases jute from India under Trade Plan provision depending upon their requirements. No contract has been signed with U.S.S.R. by Jute Corporation of India for export of jute under Trade Plan for 1986. However, a contract had

been entered into by Jute Corporation of India with U.S.S.R. for export of a total quantity of about 27,778 bales of raw jute valued at about Rs. 2.43 crores under the provision of Trade Plan 1985.

(c) No contract has been entered into by Jute Corporation of India with any country under 1986 Trade Plans. However, besides U.S.S.R. a contract has been entered into by Jute Corporation of India with Poland for export of a total quantity of about 23,372 bales of raw jute valued at about Rs. 2 crores and with free foreign exchange countries for export of a total quantity of about 7,575 bales of raw jute valued at about Rs. 0.48 crores.

(d) The quantity and value of raw jute exported by jute Corporation of India since 1980-81 is as under :—

Year	Quantity (in bales)	Value (Rs./lakhs)
1980-81	101881	653.24
1981-82	295736	1601.65
1982-83	72481	356.96
1983-84	Nil	Nil
1984-85	Nil	Nil
1985-86	22716	186.15
(upto 7-3-86)		

(e) and (f). Profits earned on export of raw jute by Jute Corporation of India being minimum and since export of raw jute is not made under any profit/loss sharing Scheme, the question of passing of profits on exports to growers does not arise.

Board for Industrial and Financial Reconstruction

2856. **SHRI SANAT KUMAR MANDAL :** Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of his Ministry to set up a Board for Industrial and Financial Reconstruction (BIFR);

(b) if so, what would be its functions and composition and the agency through which it will identify companies—large and medium--which are sick and need reconstruction; and

(c) the role proposed to be assigned to the Industrial Development Board of India (IDBI) and the financial institutions in identifying the sick and needy companies ?

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

(b) and (c). The Sick Industrial Companies (Special Provisions) Act, 1985 envisages setting up of a Board for Industrial and Financial Reconstruction. The Board shall consist of a Chairman and not less than two and not more than 14 other members to be appointed by the Central Government. The Board is empowered to make enquiries to ascertain if a company has become sick within the definition of the Act. If the Board is satisfied after making the enquiries that a company has become sick it can either allow time to the company to make its net-worth positive within a reasonable time or if the Board decides that it will not be practicable for the company to make its net-worth positive within a reasonable time then it can take the following measures :—

- (i) the reconstruction, revival or rehabilitation of the sick industrial company;
- (ii) the proper management of the sick industrial company by change in, or take-over of, management of the sick industrial company;
- (iii) the amalgamation of the sick industrial company with any other industrial company;
- (iv) the sale or lease of a part or whole of any industrial undertaking of the sick industrial company;
- (v) such other preventive, ameliorative and remedial measures as may be appropriate;
- (vi) such incidental, consequential or

supplemental measures as may be necessary or expedient in connection with or for the purposes of the measures specified in clauses (i) to (v).

While it has been made mandatory for the sick industrial company to make reference to the Board, the Central Government or the Reserve Bank or a State Government or a public financial institution, or a State Level institution or a scheduled bank may if it has sufficient reason, to believe that any industrial company has become for the purposes of the Act, a sick industrial company, make a reference in respect of such company to the Board for determination of the measures which may be adopted for such company.

Mushroom Growth Merchant Banking Companies

2857. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the steps Government propose to take to control and regulate through licensing the present mushroom growth of merchant banking companies; and

(b) the code of conduct to be evolved not only for merchant bankers but also for the financial press, which at times boosts their issues ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Regulation of merchant bankers would be considered along with other recommendations in the final report of the High Powered Committee on Stock Exchanges. It is desirable that the financial press evolves on its own a code of conduct and ensures an effective self-regulatory process.

Transfer of Production of Janata Cloth to the Handloom Sector

2858. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) whether the speed of transfer of Janata cloth to the handloom sector has

been very slow in the Sixth Five Year Plan and the sub-Group on handlooms for the Seventh Plan and recommended increased transfer of controlled cloth; and

(b) if so, the steps being taken by Government to step up the pace of transfer of the production of janata cloth to the handloom sector during the next four years with a view to activate the large number of dormant looms and to create additional employment for about 10 lakh weavers ?

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

(b) The pace of transfer of controlled cloth to handloom sector has already been speeded up as will be evident from the following statement :

(in million sq. metres)

Year	Total Target for controlled cloth/Janata cloth	Target of production	
		Janata control- Cloth	led Cloth
1984-85	650	360	290
1985-86	700	420	280
1986-87	700	500	200

It is expected that by the end of the VII Five Year Plan the entire target of 700 million square metres will be transferred to the handloom sector.

Development of Tourist Centres on Konkan Coast

2859. PROF. MADHU DANDAVATE : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that the coastal Sindhudurg and Ratnagiri districts of the Konkan region in Maharashtra provide beautiful sites for developing tourist centres with the assistance of Union Government;

(b) if so, whether Government propose

to allow either public or private sector shipping companies to provide infrastructure like hovercraft service on the Konkan coast to encourage tourism; and

(c) what concrete steps are proposed to build tourist centres on the Konkan coast ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) The Department in consultation with the Government of Maharashtra has identified a number of tourist centres in Maharashtra, some of these centres are in the Konkan region. These centres such as Janjira, Ganpatipule and Vengurla are to be developed in a phased manner with the combined resources of the State, the Centre and the private sector.

(b) and (c). In order to promote tourism in Konkan region, the Government of Maharashtra is encouraging private parties to create infrastructure facilities like Hovercraft service. A shipping service is already provided between Bombay and Panjim. The Maharashtra Tourism Development Corporation has provided 162 bed capacity accommodation and restaurant facilities at Ganpatipule and taken steps for developing Vengurla as a beach resort.

Transfer of Surplus Work of Audit from Ahmedabad to Rajkot

2860 SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that over one hundred Audit employees at Rajkot (Gujarat) are being kept without work, while work is being accumulated at Ahmedabad for lack of staff; and

(b) if so, whether the concerned authorities will be advised to transfer the surplus work from Ahmedabad to Rajkot as per the representations made by the Civil Audit and Accounts Association, Rajkot ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). It is not a fact that over one hundred audit employees at Rajkot are being kept without work. Staff have been allocated duties

either at Rajkot or on inspections of officer distributed all over Gujarat. It is, however, a fact that there are more Auditors in Rajkot than are required for Audit in the Saurashtra Region and less Auditors in Ahmedabad than are required in the remaining regions of Gujarat. This necessitates inspection work being undertaken by the Rajkot staff in areas other than the Saurashtra Region. The problem cannot be solved by transferring work from Ahmedabad to Rajkot, for the work is largely in the nature of local inspection of State Government offices distributed throughout the State. The Staff association at Rajkot has, however, demanded that some headquarters sections should be shifted from Ahmedabad to Rajkot. Apart from the administrative difficulties involved in such a transfer, this will account for only about 25 employees. The staff association at Ahmedabad are also strongly opposed to any such transfer of work. Consequently any such transfer of work is likely to result in considerable dislocation of work and staff agitation at Ahmedabad. The matter is under continuous discussion by the Accountants General concerned with both the Staff Associations for working out an amicable solution.

Assistance by Public Financial Institutions to Private Sector

2861. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the public financial institutions like IDBI, IFCI, ICICI, LIC, UTI, GIC, IRBI, etc. have given record assistance of over Rs. 5000 crores to the private sector in 1984-85;

(b) if so, the institution-wise share of the assistance given by way of loans and equity participation; and

(c) the shares of the public, joint and cooperative sectors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Industrial Development Bank of India has reported that assistance sanctioned during the period April 1984 to March 1985

by all financial institution aggregated Rs. 5624.4 crores. The institution-wise assistance is as given below :—

	(Rs. in crores)
Industrial Development Bank of India	2653.2
Industrial Finance Corporation of India	418.0
Industrial Credit and Investment Corporation of India Limited	513.5
Life Insurance Corporation of India	220.7
Unit Trust of India	357.3
General Insurance Corporation of India	144.1
Industrial Reconstruction Bank of India	105.8
State Financial Corporations	738.8
State Industrial Development Corporations	473.0

	Total : 5624.4

	(approximately)

The sector-wise assistance sanctioned is given below :—

	(Rs. crores)
Public	667.8
Joint	359.4
Cooperative	94.2
Private	4232.0

	5353.4

The sector-wise data excludes IDBI figures in respect of subscription to shares and bonds of financial institutions, seed capital and guarantees.

**Expenditure on Entertainment by Authorities
of Kovalam Beach Resort**

2862. SHRI SURESH KURUP : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the amount spent for entertainment by the authorities of the Kovalam Ashok Beach resort at Kovalam in Kerala between April, 1984 and November, 1985;

(b) whether this amount is within the limit and whether the authorities are empowered to spend that amount; and

(c) if not, action Government propose to take in the matter ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) The information is as under :—

Year	Expenditure incurred on account of entertainment
1984-85	Rs. 2775.50
1985-86 (Upto November 1985)	Rs. 4247 84

(b) Yes, Sir.

(c) Does not arise.

**Hotel Management Institutions Receiving
Aid from Government**

2863. SHRI LAKSHMAN MALLICK : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the names of the hotels including ITDC Hotels providing training in hotel management alongwith the capacity of trainees in the country;

(b) whether the hotel management institutions other than ITDC hotels are also receiving aids from the Union Government;

(c) if so, the names of such institutions along with the amount of aid given annually; and

(d) whether Union Government have any control over these Institutions to ensure the better utilisation of money sanctioned by Government ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) As per information available, ITDC and some other hotel chains such as ITC Ltd., and East India Hotels Ltd., provide hotel management in-service trainings to their own employees. The intake capacity of the Oberoi School of Hotel Management is reported to be approximately 120 trainees per year.

(b) Yes, Sir. The Hotel Management Institutions set up by the Government receive aid from the Union Government.

(c) Names of such Institutions are given in the statement enclosed. The quantum of aid given to the various Institutes of Hotel Management Catering Technology and Applied Nutrition varies from year to year depending upon their requirements. The amount of Grants-in-aid released to the Hotel Management Institutes during the last three year is as under :—

1982-83	—	Rs. 81,67,271
1983-84	—	Rs. 1,38,60,945
1984-85	—	Rs. 3,54,10,716

(d) Yes, Sir.

Statement

*Names of Institutes of Hotel Management
receiving aid from the Union Government*

- (1) Institute of Hotel Management, Catering and Nutrition, New Delhi.
- (2) Institute of Hotel Management, Technology and Applied Nutrition, Bombay.
- (3) Institute of Hotel Management, Catering Technology and Applied Nutrition, Madras.

- (4) Institute of Hotel Management, Catering Technology and Applied Nutrition, Calcutta.
- (5) Institute of Hotel Management, Catering Technology and Applied Nutrition, Srinagar.
- (6) Institute of Hotel Management, Catering Technology and Applied Nutrition, Bangalore
- (7) Institute of Hotel Management, Catering Technology and Applied Nutrition, Bhubaneswar.
- (8) Institute of Hotel Management, Catering and Nutrition Ahmedabad.
- (9) Institute of Hotel Management, Catering Technology and Applied Nutrition, Hyderabad.
- (10) Institute of Hotel Management, Catering Technology and Applied Nutrition, Goa.
- (11) Institute of Hotel Management, Catering Technology and Applied Nutrition, Lucknow.

Promotion of Tourism in Sunderban Area of West Bengal

2864. DR. SUDHIR ROY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether the Union Government have taken up any plan for promoting tourism in the Sunderban area of West Bengal; and

(b) if so, the projects undertaken so far and the funds earmarked for the purpose ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) and (b). The Government of West Bengal proposes to gradually open up the reserved forest area of the Sunderbans to regulated tourist traffic. A 60-bedded tourist lodge constructed and presently managed by the Government of West Bengal was commissioned in 1984 at Sajnekhali in the Sunderbans. The Cen-

tral Department of tourism has given to the State Government Rs. 16.50 lakhs in 1981-82 for acquisition of a motor launch for ferrying tourists to and from the Sunderbans, which is in operation. In 1984-85, an amount of Rs. 7 lakhs has been sanctioned for floating accommodation in Sunderbans out of which Rs. 3.50 lakhs has been released as an advance.

Buildings and Estates Taken Over for Misquoting Actual Price

2865. DR. K.G. ADIYODI : Will the Minister of FINANCE be pleased to state the number of buildings and estates taken over by Government for mis-quoting the actual price for evading stamp duty, registration fee, etc. during the last one year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : For misquoting the actual price with a view to evade stamp duty and registration fees there are no provisions under the Income-tax Act, for taking over land and building. However, Income-tax Act, provides for acquisition of properties in case it is established that the apparent sale consideration was less than the fair market value by a certain percentage.

In the last one year no property was taken over by the Government under the above provisions of the Income-tax Act.

Export of Rubber and Import of Rubber Products

2866. SHRI MULLAPALLY RAMCAHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of rubber during the past three years has been on the increase, if so, the quantity and value of rubber exported in 1983, 1984 and 1985;

(b) the rubber products being imported into India and their total annual value during the year 1983, 1984 and 1985;

(c) whether the said rubber products cannot be manufactured indigenously; and

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

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Statistics relating to quantity and value of imports/exports of various items have been compiled so far upto 1982-83. Data relating to export of rubber and import of rubber products during the years 1983, 1984 and 1985 are not available.

(c) As there are a large number of rubber products of different sizes, specifications and make, their indiginisation is being made on continued basis.

(d) Proposals are being encouraged for the manufacture of various rubber products indigenously.

Effect of Foreign Loans on the Economy of India

2867. **DR. T. KALPANA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether there has been progressive decrease of IDA loans and increase in IBRD loans and other commercial loans at higher interests;

(b) whether India's economy will buckle under such heavy debts as has happened to many other developing countries; and

(c) if so, corrective steps proposed to be taken ?

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

(b) No, Sir.

(c) Does not arise.

Sale of Vegetables and Fruits in Super Bazar

2868. **SHRI SRIHARI RAO :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Super Bazar also sell vegetables and fruits throughout the city;

(b) if so, whether consumer prices and quality of this organisation have been checked and evaluated by Government; and

(c) if so, the details thereof and the corrective steps taken/proposed to be taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Super Bazar sells vegetables and fruits through 4 static outlets (as Connaught Place, Patel Nagar, Vithal Bhai Patel House and South Avenue) and 21 mobile vans covering 60 localities in different parts of Delhi.

(b) and (c). The Main objective of selling vegetables and fruits by Super Bazar is to make available quality goods to the consumers at reasonable prices. The Super Bazar has reported that the scheme of sale of fruits and vegetables has been welcomed by the public and appreciated by the press. According to the market survey conducted by some newspapers, the prices of consumer goods including vegetables and fruits sold in the Super Bazar are lower than those in the open market for the comparable quality of goods. The working of Super Bazar is being reviewed by the Government from time to time.

Central Expenditure for 1986-87

2869. **SHRI INDRAJIT GUPTA :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the central expenditure for the year 1986-87 mentioned in the press release by the Finance Ministry was placed at Rs. 198-45 crores at current prices;

(b) at what rate the original outlay was increased in order to arrive at this figure;

(c) whether this rate represents the inflation rate during the year; and

(d) if so, how was the rate arrived at ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The reference is presumably to central plan

expenditure for 1986-87. In the Budget for 1986-87 central plan outlay has been placed at Rs. 22300 crores. The figures of Rs. 19845 crores referred to was derived earlier by adopting the total central plan outlay as provided in the seventh plan and phasing it in the manner projected in the long terms Fiscal Policy, assuming an annual price increase of 5%. This was an illustrative pre-Budget exercise for eliciting comments and suggestions and encouraging debate on important public issues. Actual inflation rate for the current year will be known only after the year is over.

Financial Performance of Corporate Sector

2870. SHRI SRIKANTA DATTA ;

NARASIMHARAJA WADIYAR :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any study on the financial performance of the corporate sector;

(b) if so, the years covered under the study; and

(c) the details of the performance of the corporate sector during the period under review ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No study on the financial performance of the corporate sector as a whole has been made by the Government.

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

Exploring New Markets for Export of Coir Goods

2871. SHRI K. KUNJAMBU : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have made any efforts to explore new markets in European countries for the Indian coir goods;

(b) if so, the details there of; and

(c) the steps being taken to make coir goods competitive in the international market ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). Almost all European Countries are already India's markets for coir and coir products. However, the Government have been taking a number of steps to improve the competitive strength of Indian coir which include sending trade delegations, conducting market studies and market research, releasing advertisement in foreign trade magazines, distribution of publicity material, participation in fairs, quality improvement and grant of export incentives.

[Translation]

Alleged Misappropriation by Selling Powerloom Cloth as Handloom Cloth at Expo.-86

2872. SHRI KALI PRASAD PANDEY : Will the Minister of TEXTILES be pleased to state :

(a) whether attention of Government has been drawn to the news item captioned "Powerloom Ko hastkargha banane ka tilsam yani Expo-86" (The magic of making powerloom as handloom i.e. Expo-86) appearing in the "Patliputra Times", Patna of 8th February, 1986 wherein it has been alleged that crores of rupees have been misappropriated by terming powerloom cloth as handloom;

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

(c) if no action has been taken, whether Government propose to order a high level inquiry into this case; and

(d) the details of the action taken against those officers of the Corporation as well as the various Unions who are involved ?

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

(b) The Central Government has requested Government of Bihar to conduct a

detailed inquiry into the matter, including technical tests on fabric construction.

(c) Does not arise.

(d) On completion of inquiry, Bihar Government will be suitably instructed to take action against those responsible for the irregularities if any.

Supply of Cheap Cloth to Poor People

2873. SHRI BANWARI LAL BAIRWA: Will the Minister of TEXTILES be pleased to state :

(a) the policy of Government, regarding export of textiles and making available cheap cloth to the poor people in the country; and

(b) whether it is a fact that the quality of this cloth was very inferior and if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF FINANCE (SHRI KHURSHID ALAM KHAN) : (a) and (b) Cotton cloth is freely allowed to be exported under open General Licence (OGL). However, in certain countries the import of cloth has been subjected to quantitative restraints under Bilateral Textile Agreements. In such cases the exports are regulated under the Export Entitlement Distribution Policy for fabrics announced every year.

The Textile Policy envisages an overall increase in the production of controlled cloth and Janata cloth in order to provide a large quantum of such cloth at affordable prices to the poorer sections of the population. The Policy also stipulates that the public distribution of controlled cloth would be strengthened and streamlined. Adequate measure will also be taken to improve the quality of such cloth.

Measures have been initiated by the National Textile Corporation to improve the quality of controlled cloth presently being produced and the same is being monitored by the Government in consultation with the Textiles Committee. However, no specific complaints have been received in this Ministry from the consumers about the quality of such cloth,

(English)

Procurement of Wheat by FCI in Haryana and Punjab

2874. SHRI CHIRANJI LAL SHARMA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total quantity of wheat purchased by Food Corporation of India in Haryana and Punjab so far; and

(b) the steps taken by Food Corporation of India to prevent distress sale in Haryana and Punjab ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) According to reports received, the Food Corporation of India has procured 22.73 lakh tonnes of wheat in Haryana and Punjab during the current rabi marketing season.

(b) Adequate number of purchase centres are opened by the Food Corporation of India and State agencies to extend price support of farmers.

Purchase of Paddy in Haryana and Punjab

2875. SHRI CHIRANJI LAL SHARMA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) total quantity of purchased from farmers in Haryana and Punjab;

(b) whether it is fact that due to delay in purchase the farmers had to sell their paddy at cheaper rates than the support price; and

(c) the steps to be taken to safeguard the interest of the farmers in future ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) According to reports received up to 7-3-86, the total quantity of paddy purchased from farmers in Haryana and Punjab, during the current kharif marketing season, by the State Governments and their agencies, the

Food Corporation of India and millers is 91.86 lakh tonnes.

(b) The Central Government has no information that paddy conforming to the prescribed specifications was sold by farmers at prices below the support prices.

(c) The State Governments and their agencies and the Food Corporation of India open an adequate number of purchase centres all over the country to undertake purchase of paddy from farmers at the support prices fixed by the Central Government.

Export of Iron Ore to South Korea and Japan

2876. SHRI V. TULSIRAM :

SHRI M. RAGHUMA REDDY :

SHRI DHARAM PAL SINGH MALIK :

SHRI MANIK REDDY :

SHRI SUBHASH YADAV :

Will the Minister of COMMERCE be pleased to state :

(a) whether a team from Minerals and Metals Trading Corporation recently visited South Korea and Japan for the settlement of iron ore export prices to those countries;

(b) if so, the break-up of export price of iron ore to each country;

(c) the details of the orders procured from each country by the the visiting team;

(d) the names of iron ore mines from which the iron ore will be exported to South Korea and Japan and the quantity of ore to be exported to each country; and

(e) the quantity of ore likely to be exported from the mines in Andhra Pradesh ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) and (c). Quantity and prices of

iron ore contract for 1986-87 were finalised by the MMTC delegation with Japan during the visit. With South Korea the discussions were inconclusive and export prices have been finalised subsequently during a visit of South Korean delegation to India.

Keeping in view the international trend in prices of iron ore during the current year, prices for 1986-87 with Japan has been fixed for Bailadilla fines at 24.95 US Cents and for Bailadilla lumps at 29.21 US Cents per 1% of F.O.B. per D.L.T. Prices of iron ore of all other grades and sectors for export to Japan and South Korea is derived from above prices.

Quantity contracted with Japan for 1986-87 is 10.5 million tonnes of iron ore and 2.5 million tonnes Kudremukh iron ore concentrates i.e., total of 13.0 million tonnes. Quantity contracted with South Korea for 1986-87 is 2.5 million tonnes of iron ore.

(d) Sector-wise breakup of exports of iron ore to Japan and South Korea is planned as under :—

Sector	Qty; in million tonnes Exports to	
	Japan	South Korea
Madhys Pradesh (Bailadilla Mines)	6.5	0.30
Karnata (Bellary-Hopet Mines, Including Denimalai)	2.5	2.20
Orissa/Bihat (Barajamda and Daitari Mines)	1.4	—
Karanataka (Kudremkh Mines)	2.5	—
Total :	13.0	2.50

(a) Annual procurement from mines in Andhra Pradesh is about 75,000 tonnes and the same is likely to be expoted during 1986-87.

Rejection of Application for Loans under IRDP

2877. DR. G. VIJAY RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that many of

the beneficiaries of Integrated Rural Development Programme (IRDP) have not been issued bank pass books;

(b) if so, the reasons therefor;

(c) whether it is also a fact that in many cases loan applications under IRDP were being rejected on flimsy grounds and without assigning any reasons therefor;

(d) what has been the highest and the lowest rejection rate in various districts; and

(e) whether it is also a fact that many banks do not have qualified professional staff ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) and (b). Some instances of loan pass-books not being issued to IRDP beneficiaries had come to the notice of the Government. Banks have been, therefore, advised by the Government as well as Reserve Bank of India to issue the pass-books to all IRDP beneficiaries.

(c) Some of the reasons for rejection of IRDP loan applications are ineligibility of the borrower, non-viability of the activities, lack of interest of the borrower to undertake the proposed activity; lack of skill on the part of the applicant; default on the part of the applicant in respect of earlier borrowings etc. Banks have been instructed that they should record the reasons for rejection of applications in writing while returning the applications. Cases of rejection of applications by the branches are also required to be verified subsequently by the Division/Regional Managers.

(d) From the District level data for the period 1980-81 to 1983-84 obtained for 19 selected districts under a Study conducted by NABARD it was observed that the lowest rate of rejection was 3.4% and the highest rate of rejection was 54% among the districts covered by the study.

(e) Recruitment to banks is done through the Banking Services Recruitment Boards on the basis of specified norms and

procedures. Appropriate inputs on job knowledge and attitudinal aspects for developmental financing in rural areas are given in agricultural banking for both officer and clerical staff. A large number of Agricultural Officers have also been recruited by banks. However, considering the rapid growth of the branch network, especially in rural areas, there may be inadequacies or deficiencies in certain areas/ regions.

'A' Class City Facilities in Kanpur

2879. V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) the names of the cities in the country which have so far been declared as 'A' Class Cities;

(b) whether all the 'A' Class city facilities are given to the employees of the Union Government in all those cities; and

(c) whether it is a fact that 'A' class city facilities are not given to the employees of Union Government in Kanpur which has been declared as 'A' class city ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANARDHANA POJARY) : (a) and (b). For grant of House Rent Allowance and Compensatory (City) Allowance, cities are classified as 'A' class in the population exceeds 16 lakhs and as 'B-1' class in the population does not exceed 16 lakhs but exceeds 8 lakhs. For H.R.A., the population of the named Corporation/Municipality is taken into account, while for the purposes of CCA, the population of the Urban Agglomeration is considered. However, if the named place is not an Urban Agglomeration, then for CCA also the population of the Corporation/Municipality is taken into account.

On the basis of the population figures of 1981 Census, the following cities have been classified as 'A' Class cities for payment of Compensatory (City) Allowance and House Rent Allowance to Central

Government employees posted there :—

For C.C.A.	For H.R.A.
Hyderabad U.A.	Hyderabad U.A.
Delhi U.A.	Delhi U.A.
Ahmedabad U.A.	Ahmedabad U.A.
Bangalore U.A.	Bangalore U.A.
Greater Bombay	Greater Bombay
Pune U.A.	Madras U.A.
Madras U.A.	Calcutta U.A.
Kanpur U.A.	
Calcutta U.A.	

The Central Government employees posted in all the above mentioned cities classified as 'A' are being allowed the facility for payment of House Rent Allowance and Compensatory (City) Allowance as admissible in 'A' Class cities according to the extant orders.

(c) On the the basis of population figures of 1981 Census Kanpur U.A. has been classified as 'A' Class City for the purposes of paymen of Compensatory (City) Allowance and as B-1 Class City for the purposes of payment of House Rent Allowance as the population of Kanpur U.A. (16,39,064) exceeds 16 lakhs while that of Kanpur M.C. (14,81,789) is less than 16 lakhs. However, there is no difference in the existing rates of HRA admissible in 'A', 'B-1', 'B-2' Class cities.

Reduction in Vanaspati Prices

2880. SHSI B.V. DESAI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Vanaspati Industry has been allowed to lift 10 per cent of the imported oil at commercial rate;

(b) whether this decision of Government will help in reducing the Vanaspati prices; and

(c) if so, to what extent ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) and (c). To maintain the normal production and availability of vanaspati in areas where there is constraint in the availability of permitted indigenous oils, Government have allowed the vanaspati industry to lift 10 per cent imported oil at commercial rates. The decision may not have direct impact on reducing vanaspati prices. However, such step would ease regional imbalance.

Financing of Super Thermal Stations by World Bank

2881. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has agreed to finance the Super Thermal Stations;

(b) if so, whether the Bank experts had in February, 1986 visited the country in this connection;

(c) if so, whether his Ministry and Planning Commission have assured the Department of Power that some of the new projects in the power sector will be posed to the Bank on a priority basis;

(d) whether his Ministry and the Planning Commission have also assured the Department of Power that bilateral assistance will also be sought for power sector;

(e) if so, the details thereof; and

(f) the projects that will be taken up during the first two years of the Seventh Five Year Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A list of Super Thermal Power Stations Currently under implementation with World Bank assistance is enclosed (Statement —I).

(b) A Bank team was in the country in February, 1986 on routine supervision of some of the on-going Bank assisted projects

and also to discuss possible projects which could be considered for financing by the Bank.

(c) to (e). Discussions are being held in consultation with Planning Commission and Department of Power to identify projects for multilateral and bilateral assistance.

However, finalization of projects for external funding would depend on the feasibility of projects and the availability of complementary internal resources.

(f) A list of projects tied up for external assistance so far in the Seventh Plan is enclosed (Statement—II).

Statement—I

List of on-Going Super Thermal Power Stations with World Bank Assistance

Sl. No.	Name of the Project with Loan/Credit No.	Amount of Assistance	
		IBRD	IDA (\$ Million)
1.	Korba Thermal Power (793-IN)	—	200.00
2.	Ramagundam Thermal Power (874-IN) (1648-IN)	— 50.00	200.00 —
3.	Second Singrauli Thermal Power (1027-IN)	—	300.00
4.	Farakka Thermal Power (1053-IN) (1887-IN)	— 25.00	225.00 —
5.	Second Ramagundam Thermal Power (2076-IN)	300.00	—
6.	Second Korba Thermal Power (1172-IN)	—	400.00
7.	Central Power Transmission (2283-IN)	250.700	—
8.	Second Farakka STPP (2442-IN)	300.800	—
9.	Rihand power Transmission Project (2555-IN)	250.00	—

Statement-II

List of Power Projects Taken up with External Assistance so far in Seventh Plan

Sl. No.	Source	Name of the Project	Date of Agreement	Amount
1	2	3	4	5
1.	Kuwait Fund	Kalinadi-IIHE Project (Karnataka)	12-2-1986	\$ 28 million
2.	U.S.S.R.	Kahalgaon STPP., NTPC	22-5-1985	Rs. 250-300 Crores (approx.)
3.	Japan	(i) Sardar Sarovar Project (Gujarat, Maharashtra and M.P.)	25-11-1985	Yen 2.85 Billion

1	2	3	4	5
	(ii)	Ujjani H.E. Project (Maharashtra)	25-11-1985	Yen 1.5 Million
4. IBRD/IDA	(i)	Sardar Sarovar Project (Power Component) (Gujarat, Maharashtra and M.P.)	10-5-1985	\$ 300 Million
	(ii)	Chandrapur Thermal Power Project (Maharashtra)	16-9-1985	\$ 300 Million
	(iii)	Kerala Power Project (Kerala)	5-12-1985	\$ 176 Million
	(iv)	Indira Sarovar H.E. Project (M.P.)	24-9-1985	SDRS 12.4 Million

Withdrawal of Investment Allowance

2882. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the industrialists are of the view that the withdrawal of investment allowance as proposed in the recently announced long-term fiscal policy will affect modernisation and expansion in industry;

(b) if so, the reasons therefor; and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per some of the representations received, the withdrawal of investment allowance will affect modernisation and expansion in the industry.

(b) The representations proceed generally on the line that deduction by way of investment allowance based on actual cost of new plant and machinery is beneficial to capital intensive industries which are not able to generate sufficient profits in the first few years.

(c) The Government recognises that the investment allowance has played a significant role in industrialisation of the Indian economy. However, it has also its own drawbacks. The drawbacks have been summarised in para 5.14 of the statement on

Long Term Fiscal Policy (LTFF) as under :—

"5.14 Experience has shown that the investment allowance has tended to favour the larger and more well-established enterprises, partly because such concerns can set off investment allowance against profits of old established units, without waiting for profits from fresh investment. The concession benefits not just, or even mainly, those who save out of profits, but also those who can command capital funds in general, a fact which again tends to favour established concerns with good access to the market for borrowed funds. Since the benefit is related to the cost of plant and machinery irrespective of how it is financed, the investment allowance has created distortions in the profitability of companies, depending on the extent to which they are able to find resources internally or through borrowing to acquire new plant."

The new provisions of investment deposit scheme, based on profits, proposed in the Finance Bill, 1986, retains the merits of investment allowance while removing its drawbacks. It benefits a wider category of taxpayers as compared to the present scheme of investment allowance. The proposed provision will be beneficial to both small and large industrial units and will also insulate the timing of investment decisions from tax considerations.

Import of Texhology for Basis Needs of Clothing

2883. SHRI AMAR ROYPRADHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have decided to import technology to satisfy the basic needs of clothing for the people; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Textile Policy announced by Government in June, 1985 has stressed the need for modernisation of the textile industry. As envisaged in the policy, the Government have already set up a Standing Advisory Committee to assess on a continuous basis the need and type of modernisation required by textile industry. Action has also been initiated to set up a Modernisation Fund as envisaged in the policy. These steps together with the scheme for liberalised import of sophisticated textile machinery should meet the requirement of technological upgradation in the textile industry.

[*Translation*]

Loan Advanced by Pithoragarh Regional Rural Bank Under IRDP

2884. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the total amount of loans advanced by Pithoragarh Regional Rural Bank under the Integrated Rural Development Programme during 1985-86:

(b) whether this amount is less than the target fixed for that year; and

(b) if so, the reasons for not achieving the target so fixed and the remedial steps Government propose to take in this regard ?

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

Pithoragarh Kshetriya Gramin Bank, had during 85-86 given loans amounting to Rs. 1,3 lakhs to 102 persons till December '85. The target for the whole year under IRDP is Rs. 5.58 lakhs to 306 beneficiaries. Short-fall in targets is mainly due to the fact that the bank which was established in March, 1985 could not get licences for opening required number of branches.

Introduction of Computers in Banks and Financial Institutions

2885. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has decided to introduce computers in big financial institutions and banks;

(b) if so, whether computers have also been installed in the main offices of the above-mentioned institutions in West Bengal in accordance with this policy; and

(c) if not, the names of the establishments where computers have not been installed alongwith the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Based on the recommendations of the Rangarajan Committee, Reserve Bank has advised the commercial banks to install electronic ledger posting machines at their branches, mini computers at their regional/zonal offices in a main-frame computers at their head offices in a phased manner. The programme does not exclude operations in West Bengal. The banks have initiated steps for implementation of the above programme and these are at various stages of implementation.

According to information available, EXIM Bank has installed a micro-computer at its representative office at Calcutta and State Bank of India a mini computers at its Calcutta Local Head Office, and industrial Reconstration Bank of India a Micro processor at its Head Office at Calcutta,

[English]

Import of Sugar, Cotton and Man-Made Fibre in 1985

2886. SHRI E. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of sugar imported in 1985 indicating foreign exchange involved;

(b) the quantity of cotton imported in 1985 indicating foreign exchange involved;

(c) the foreign exchange value of the man-made fibre imported in 1985; and

(d) whether there are proposal to stop the import of sugar, cotton and man-made fibre in order to protect the producers of sugar and cotton and the industries based on these commodities ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). Statistics relating to quantity and value of import of various items have been compiled so far upto 1982-83. Data relating to sugar, cotton and man-made fibre imported in 1985 are not available.

(d) Import Policy in respect of various items including sugar, cotton and man-made fibre is kept under constant review having regarding to indigenous availability, production and country's overall requirements.

Export of Fruits, Vegetables and Poultry to Gulf Countries.

2887. SHRY E. AYYAPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether Indian applies are exported to foreign countries; if so, the foreign exchange earnings thereby; and

(b) whether there are proposals to find markets in Gulf countries for fruits, vegetables and poultry in 1986 and 1987 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

The foreign exchange earnings from apple exports during the last 3 years were as given below :—

(Rs. in lakhs)

1982-83 (provisional)	1983-84 (Provisional)	1984-85 (provisional)
59	97	85

(b) Gulf countries are already our major export markets for fruits, vegetables and poultry. They are likely to continue to be major markets for these items during 1986 and 1987 also.

Reduction in Interest Rate on Deposits of 2 Years and Above

2888. SHRI E. AYYAPU REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India had reduced with effect from 10th February the interest rates on deposits of two years and above under the Foreign Currency Non-resident Accounts Scheme; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India has reduced the interest rates on Foreign Currency Non-resident Accounts deposits with effect from 10th February, 1986 as shown below :—

	From %	To %
For deposits for 2 years and above but less than 3 years	10.5	10
For deposits for 3 years and above but less than 5 years	11	10.5
For deposits for 5 years only	12	11

(b) The Reserve Bank of India reported that recently there has been a noticeable decline in interest rates abroad, more particularly those on US Dollars deposits of longer maturity. Against this background; the interest rates on Foreign Currency Non-resident Accounts have been revised. These rates, even after change, will continue to be attractive in relation to those generally offered in major international markets.

Setting up of Powerlooms in Co-operative Sector in Karnataka

2889. SHRI V.S. KRISHNA IYER : Will the Minister of TEXTILES be pleased to state :

(a) The number of powerlooms set up in the co-operative sector in Karnataka;

(b) the incentives given by the Union Government in this regard; and

(c) whether Government propose to ask the Karnataka Government to set up more powerlooms in the co-operative sector ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) As per available information there are 4740 powerlooms in the co-operative sector in Karnataka.

(b) The co-operatives are eligible for credit according to the pattern approved by NABARD.

(c) There is no specific scheme to set up new powerlooms in the co-operative sector. The Government of Karnataka has however, been advised to organise formation of co-operatives of powerlooms in the state so as to facilitate the implementation of a suitable package of measures for healthy development of powerlooms in the State.

Purchase of Flats at Cuffe Parade Road, Bombay by Canara Bank, Bombay

2890. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(b) whether it is a fact that the Canara

Bank, Bombay has purchased four flats at Cuffe Parade Road, Bombay at a cost of Rs. 32 lakhs; and

(b) the details of the purchase of these flats and the names of the persons, companies, etc. from whom these flats were purchased ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) According to information furnished by Canara Bank, it has purchased 4 flats in Jupiter Apartment at Cuffe Parade Road, Bombay, at a total cost of Rs. 32 lakhs. The details of the purchase of these flats are as under ;—

(i) Carpet area of

each flat : 1342 sq. ft.

(ii) Vendors Name : (a) Flat Nos. 21 and 22 M/s. Ramnik Lal & Co.

(b) Flat No. 44 M/s Krishna Transport Co.

(c) Flat No. 273 M/s. Bombay Steel Sales Corporation.

Shortage of Funds with Banks to Meet Demands of Rural Population

2891. DR. K.G. ADIYODI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that banks both commercial and nationalised-banks are not in a position to meet the demands of the borrowers from various due to shortage of funds and procedural difficulties;

(b) whether it is also a fact that the number of branches are insufficient to feed the rural population; and

(c) if so, the steps taken to ameliorate the grievances of the rural masses ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Reserve Bank of India has reported that

attention is given to ensure that all legitimate credit requirements for productive purposes are fully met and normal credit norms and discipline are also maintained.

(b) and (c). During the period July, 1969 to November, 1985, banks have opened 43882 branches of which 35471 were opened at rural and semi-urban areas. The average population covered per branch for the country as a whole improved from 65000 (as per 1961 census) to 13000 (as per 1981 census) over the period. The aim of the branch expansion programme for 1982-85 that there should be one bank office for the population of 17000 in rural and semi-urban areas of each district has generally been achieved.

Steps to Improve Performance of Food Corporation of India

2892. SHRI HARIHAR SOREN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the reasons for the mounting food subsidy in the country;

(b) whether the public Distribution System has become highly expensive due to increasing overheads;

(c) if so, the steps taken to improve the present system of food management; and

(d) the steps proposed to be taken to improve the performance of Food Corporation of India ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The

increase in food subsidy has been mainly on account of increase in the volume of operations and quantum of buffer stocks besides increases in rail tariff, interest charges payable by FCI on bank borrowing and cost of gunny.

(b) No, Sir.

(c) Does not arise.

(d) The performance of the FCI is constantly reviewed by the Government with a view to improving operational efficiency.

Participation by TFAI in Foreign Trade Fairs

2893. SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state :

(a) the trade fairs and exhibitions—International or otherwise held in foreign countries in which the trade Fair Authority participated during 1985;

(b) the expenditure incurred in each case;

(c) the number of days spent on foreign tour by the Chairman of the Authority during 1985; and

(d) the total expenditure incurred on such tours with break-up on transportation, accommodation, D. A. entertainment grant and local transport ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHR P. SHIV SHANKER) : (a) and (b). A Statement I is given below.

(c) and (d). A Statement II showing details is given below.

Statement—I

Details of Fairs/Exhibitions abroad in which Trade Fair Authority of India organised participation during 1985 along with expenditure sanctioned on these Fairs.

(Rs. in lakhs)

S.No	Name of the Fair/Exhibition	Expenditure Sanctioned	
		Foreign Exchange	Indian Currency
1	2	3	4
1.	Buyers-Sellers-Meet Kuwait, Jan. 5-14, 1985.	10.20	0.93
2.	International Spring Fair, Birmingham (U.K.) February, 3-7, 1985.	17.30	1.83
3.	Leipzig Spring Fair, (GDR), March 10-16, 1985.	9.825	1.40
4.	Cairo International Fair, (RE), March 9-22, 1985.	15.46	2.55
5.	World Import Fair, in Nagoya (Japan), March 21—April 14, 1985.	4.06	1.27
6.	Tripoli International Fair, Tripoli, March 5—25, 1985.	*	*
7.	Hannover International Fair, April 17-24, 1985.	38.22	17.00
8.	Casablanca International Fair, (Morocco) April 25-May 5, 1985.	5.00	1.80
9.	Zimbabwe International Trade Fair, Bulawayo (Zimbabwe), April 27-May 5, 1985.	5.16	2.30
10.	Poznan International Fair, (Poland) June 9-16, 1985.	1.80	0.78
11.	Tehran International Fair, (Iran), September 1-12, 1985.	27.50	10.00
12.	DAGENS HUSHALL—International Consumer Goods Fair Gothenburg (Sweden) September 13-22, 1985.	5.15	1.55
13.	Overseas Import Fair, Berlin (FRG), September, 25-29, 1985.	7.50	1.50
14.	Budapest Autumn International Fair, Hungary, September, 27—October 6, 1985.	3.63	1.61
15.	Bucharest International Fair, (Romania), October, 19-27, 1985.	5.52	1.09
16.	Baghdad International Fair, (Iraq), November, 1-15, 1985.	24.35	5.50

1	2	3	4
17.	ASAPT '85-Asia & Pacific International, Trade Fair, Beijing (China), November, 15-30, 1985.	43.65	10.40
INDIAN EXHIBITIONS :			
1.	Indian Exhibition, Kathmandu (Nepal), April 2-10, 1985.	58.25	15.77
2.	Innian Exhibition, Paris, Dec. 6-15, 1985.	80.00	17.80
SPECIALS COMMODITY FAIRS :			
1.	HEIMTEXTILE—International Trade Fair, Home & Household Textile, Frankfurt (FRG), January, 9-12, 1985.	20.59	0.28
2.	Pret-A-Porter-Feminin, Ladies Ready-to-wear clothing Exhibition & Section Boutique, Paris, (France), February, 9-13, 1985.	18.35	0.30
3.	International Hardware Show, Cologne (FRG), March 3-6, 1985.	6.18	0.23
4.	IFE—International Food & Drinks Exhibition. London (UK), February, 25—March 1, 1985.	2.55	0.13
5.	Hotes & Foodex Fair, Tokyo (Japan) March 11-15, 1985.	5.19	0.21
6.	Star Fair Milan (Italy), May 23-27, 1985.	7.00	0.22
7.	International Leather Exhibition, Hong kong, May 30-June 2, 1985.	2.68	0.13
8.	International Leather Fair, Signapore June 5-8, 1985.	3.21	0.10
9.	International Leather Show, New York (USA), June 11-13, 1985.	1.32	0.15
10.	National Hardware Show, Chicago (USA), August 12-15, 1985.	6.25	0.30
11.	Semaine Du-Cuir, Paris (France), September 7-10, 1985.	10.00	0.14
12.	6-EMO European Metal Working Exhibition, Hannover (FRG), September, 17-25, 1985.	11.77	0.38
13.	SPOGA—International Trade Fair of Sports Goods Camping equipment & garden, furniture, Cologne (FRG), Sept., 22-24, 1985.	2.54	0.13
14.	Pret-A-Porter-Feminin, Paris (France), September 28—October 2, 1985.	21.50	0.33

1	2	3	4
15. Anuga Food Fair, Cologne (FRG), October, 12-17, 1985.		4.92	0.30
16. Interstoff-International Trade Fair, for Clothing Textiles, Frankfurt (FRG), October, 28-30, 1985.		4.40	0.13

*Participation in Tripoli Fair was arranged on a self-financing basis.

Statement—II

Details of Foreign Tours undertaken by Shri Mahammad Yunus, Chairman, Trade Fair Authority of India during 1985 along with expenditure on such tours under various Heads.

(Amounts in Rs.)

Place of Visit	No. of days	D.A.	Hotel accommodation charges	Entertainment	Conveyance/Contingencies
Kathmandu (Nepal), April, 1985 (He was treated as a State Guest)	3	196.87	He was treated as a State Guest.	915.00	118.96
Japan & U.S.A. (14 April, May 85)	14	6,611.75	51,239.69	1,938.36	10,369.79
Reijing (China) (Nov. 1985)	3	1,341.37	5,658.27	2,388.75	100.00
Paris (France) (Dec. 1985)	4	1,628.10	28,057.27	1,579.50	1,062.28
		9,678.09	84,955.23	6,821.61	11,651.03

Supply of Ram Material to Weavers for Production of Janata Cloth

2894. SHRI V. TULSIRAM :
SHRIMATI KISHORI SINHA :
SHRI K. PRADHANI :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to supply raw material to the weavers for

production of Janata cloth at prices assumed in the costing;

(b) if so, the extent to which the poor weavers will be benefited and safeguarded against fluctuations in prices and middlemen;

(c) the names of States where this scheme will be introduced;

(d) whether any item other than 'dhoti'

and 'sari' will be produced as Janata cloth; and

(e) the steps taken to popularise Janata cloth among the masses and fixing lower price than that prevailing in the market ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No such scheme has been approved by the Government.

(b) Does not arise.

(c) Does not arise.

(d) Long cloth and shirting have been introduced under the Janata cloth scheme, w.e.f., May, 1984. Besides, certain tribal items have also been introduced.

(e) Detailed guidelines have been issued to the State Governments for implementing Janata cloth scheme, which include measures for popularising Janata cloth among the masses. The Janata cloth scheme has been evolved with a view to provide cheap cloth to the weaker sections and hence a subsidy of Rs. 2 per square metre on all Janata products is allowed in order to make the selling price cheaper than the cost of production.

Relief to Consumers Due to Duty Relief Extended by Government to Textile Industry

2895. **SHRI V. TULSIRAM :**

DR. B.L. SHAILESH :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken a decision to pass on duty relief to consumers which were extended by Government to the Textile industry;

(b) if so, the details of benefits the consumers will be availing of as a result thereof; and

(c) the extent to which such a decision

will be beneficial to the Textile industry, the weavers and the consumers ?

THE MINISTER OF STATE OF MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). As envisaged in the textile policy announced by the Government in June, 1985, Government have extended certain duty concessions for the benefit of textile industry. These concessions coupled with several other measures taken by Government have given the right direction to the textile industry so far. The price situation of textile items has also been generally satisfactory during the year 1985-86. Government is keeping a constant watch on the situation.

Proposal for Opening of More Stock Exchanges

2896. **SHRIMATI KISHORI SINHA :**
SHRI SRIKANTA DATTA

NARASIMHARAJA WADIYAR :

SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering opening of more Stock Exchanges particularly to mobilise rural savings;

(b) if so, the number of new Stock Exchanges proposed to be set up; and

(c) the names of the places where these new Stock Exchanges are proposed to be set up ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Stock Exchanges are established by individuals associations etc., who submit formal application to the Government for recognition of the proposed Stock Exchange under Section 3 of the Securities Contracts (Regulation) Act, 1956.

(b) and (c). Government have received a number of applications/Proposals for setting up of new Stock Exchanges in Jaipur, Patna, Rajkot, Chandigarh, Coimbatore, Bhubaneswar, etc.

Making of Coins out of Stainless Steel

2897. SHRI SATYAGOPAL MISRA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have accepted the proposal of making the coins out of stainless steel;

(b) if so, the details thereof; and

(c) the plan of Government to implement the programme ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). There is a proposal to change the Coinage metal of some of the coins to ferritic stainless steel. No final decision has been taken yet.

Loss Suffered by Foreign Branches of PNB, SBI and Other Banks

2898. SHRI SURESH KURUP : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that foreign branches of nationalised commercial banks like Punjab National Bank, Central Bank of India and Union Bank of India as well as State Bank of India suffered heavy losses in 1984 due to the failure of certain borrowers;

(b) if so, the amount of loss suffered;

(c) whether Government have made any enquiry into the circumstances under which such heavy borrowings had taken place; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India (RBI) has reported that some overseas branches of some of the public Sector Banks had suffered loan losses during the year 1984. RBI has further reported that it had called for and studied the reports on loan losses from the banks

concerned. According to RBI these losses have been occasioned due to various factors such as non-realisation of bills due to repatriation problems in some countries, multiple financing of borrowers, injudicious and unauthorised lending by local management in some cases, etc.

Commercial Banks, including Public Sector Banks, make provision every year out of their annual income for meeting their liability towards bad and doubtful debts to the satisfaction of their statutory auditors. According to the forms of balance sheet and profit and loss account prescribed in the Third Schedule of the Banking Regulation Act, 1949, quantum of bad and doubtful debts for which provision has been made to the satisfaction of statutory auditors is not to be disclosed. In view of this, information on likely loan losses is not to be disclosed.

Scheme for Development of Tourism in Kerala

2899. SHRI SURESH KURUP : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether any schemes have been forwarded by Government of Kerala to the Union Government for financial assistance for the Development of tourism in Kerala;

(b) if so, the details thereof; and

(c) the reaction of Government to the proposals ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) to (c). The following schemes forwarded by the State Government to the Central Department of Tourism for Central assistance have already been sanctioned :

- (1) Boating facilities for Cochin, Kumarakom, Quilon and Thekkady at a total cost of Rs. 50.78 lakhs and Rs. 25.00 lakhs as advance released during the current financial year.
- (2) Way-side facilities with accommodation at Allappee, Cannanore-

Kottarakara, Palghat and Wynad at a cost of Rs. 10.78 lakhs each and Rs. 4.00 lakhs for each project released as advance during the current financial year.

- (3) Rs. 2.56 lakhs have been released during the current financial year for the promotion of fairs and festivals.

Expenditure by Banks and Financial Institutions on Congress (I) Centenary Celebrations

2900. SHRI RAMASHARAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the public financial institutions and banks made any expenditure on the Congress (I) Centenary; and

(b) if so, the amount thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The public sector banks and the financial institutions did not incur any expenditure on Congress Centenary celebration. Joint Publicity Committee on behalf of 28 public sector banks and Life Insurance Corporation and General Insurance Corporation are however, reported to have taken stalls of about 1000 sq. feet each at cost of Rs. 1.5 lakhs each in Centenary Industrial Exhibition, Bombay, for purposes of Publicity in commercial interest.

**Lower Import Bill from October, 1985—
March, 1986**

2901. SHRI P.R. KUMARAMANGALAM : Will the Minister of COMMERCE be pleased to state :

(a) whether a lower import bill is projected from October, 1985—March, 1986 as reported in 'The Economic Times' of 14th February, 1986; and

(b) if so, details thereof ?

THE MINISTER OF COMMERCE AND FOOD CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The

import bill is expected to be lower during the second half of the current financial year than in the first half due to lower international petroleum prices and lower imports of items like fertilizers, edible oils, etc., than in the first half.

Drop in Drawal from International Monetary Fund

2902. SHRI P.R. KUMARAMANGALAM : Will the Minister of FINANCE be pleased to state :

(a) whether there has been a sharp drop in drawals from the International Monetary Fund which has affected developing countries as reported in 'Economic Times' of 14th February, 1986;

(b) whether this will also affect our country; and

(c) if so, corrective steps proposed in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to IMF Survey published on February 3, 1986, Fund credit in support of members' adjustment efforts continued to expand in 1985, although at a slower pace than in the previous year. Net drawings on Fund resources declined in 1985 to SDR 0.4 billion, compared with SDR 5.0 billion in 1984, owing to repayments on the high level of drawings made in previous years and a lower level of new drawings (SDR 1=US \$ 1.09842 on December 31, 1985).

(b) and (c). Although this has adverse implications for the group of developing countries which heavily depends on International Monetary Fund, we are not directly affected by the reduction in net disbursement.

Plea to Convert Large Food Stocks Into Production Assets

2903. SHRI P.R. KUMARAMANGALAM : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether a plea has been made to

Government to convert large food stocks into productive assets as reported in 'Economic Times' of 14 February, 1986; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA): (a) Government's attention has been drawn to the report referred to.

(b) Government has already taken measures to use foodgrains for creating durable assets. The coverage of National Rural Employment Programme and Rural Landless Employment Guarantee Programme, under which part of wages to workers are required to be paid in the form of foodgrains, has been expanded.

Sale of Goods in Packaged form in Public Distribution System

2904. SHRI CHITTA MAHATA: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that there is a proposal under Government's consideration for sale of goods in packaged form in the Public Distribution System;

(b) if so, the details thereof; and

(c) the decision so far taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA): (a) to (c). No, Sir. However, the Central Government has suggested that the State/Union Territories may, on an experimental basis, try to supply wheat, rice and levy sugar in pre-packed packets to the consumers at their option in cities having population of one million and above and also at the State headquarters even if the population is less than one million.

Proposal to set up Committee to Look into Difficulties of Traders and Industrialists

2905. SHRI P.M. SAYEED: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to set up some committees to go into the difficulties being faced by the traders and industrialists; and

(b) if so, the exact nature of the committees and their terms of reference?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) and (b). Arrangements already exist to allow continuous inter-action of Trade and industry with the Government and an institutional framework exists for the purpose, in the form of Central Advisory Council on Trade, Import-Export Advisory Committees and Open House Discussions with the Minister of Commerce by Trade and Industry. Recently, Grievances Committee have been set up at regional Port Offices, headed by Joint Chief Controller of Imports and Exports, to look into the grievances of the exporting community in the matter of disposal of their applications for licence/cash assistance.

Representations from Trade and Industry are duly considered while formulating Import and Export Policy and suitable amendments are made therein whenever necessary in the public interest, without changing its basic structure, with a view to maximise indigenous production and increase exports.

Rates of Excise Duty on Vanaspati and Other Cooking-Media Oils

2906. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether all the cooking media oils carry excise duty on them;

(b) the rates at which excise duty is levied on vanaspati and other cooking-media oils separately; and

(c) the reasons for difference between the two rates, if any ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (b). All edible vegetable oils, except certain oils, such as, sun-flower, soya-bean, cotton-seed oils, etc., which, after extraction, undergo specified processes, are subject to an excise duty of Rs. 1500 per tonne. Excise duty on vanaspati is 10% *ad valorem* which comes to about Rs. 1500 per tonne.

IDA Reluctance to Enhance India's Share of Fund

2907. SHRI VIRDHI CHANDER JAIN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that World Bank has asked India to go in for commercial borrowing from Banks for its additional requirement; and

(b) if so, the steps being taken to face the situation ?

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

(b) Does not arise.

Import of Raw Sugar

2908. PROP. MADHU DANDAVATE : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government had assured to examine the suggestion of importing raw sugar for the manufacture of processed sugar in the private sugar factories of Maharashtra which were not able to secure the necessary sugarcane quota for the manufacture of sugar; and

(b) if so, after examining the suggestion for importing raw sugar what steps have been taken to implement the suggestion of importing raw sugar for the manufacture of processed sugar ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b). No Sir, no such assurance was given. However, the Government have not yet taken any decision on the proposal to import raw sugar for reprocessing into white sugar by some sugar factories in the country.

Trade-Gap

2909. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) the latest trade-gap developed as a result of increasing imports and dwindling export;

(b) as a consequence of this widened trade-gap, what is the latest position of the foreign exchange reserves; and

(c) the concrete steps being taken to tide-over the foreign exchange crisis ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) & (c). The provisional trade data of DGCIIS Calcutta for the first six month of 1985-86 show a trade gap of Rs. 4124 crores during this period. The foreign exchange reserves of the country (excluding Gold and Special Drawing Rights) stood at Rs. 6405 crores on 28th February, 1986. The factors which influence movements of reserve and affect our balance of payments are kept under constant review with a view to ensuring that commitments with regard to debt service and country's requirement of goods and services are met.

Duty Relief to Consumers

2910. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are are aware that the textile industry has failed to pass on the consumer the duty reliefs it has received from various budget proposals of 1985-86;

(b) whether he had expressed concern at this at a meeting of the North India Cotton Textile Mills' Association on February 5, 1986;

(c) whether blended fabrics also are not cheaper despite duty reductions on inputs; and

(d) if so, the steps contemplated by Government to force the mills to reduce prices ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). In regard to the relief given to the textile industry during the year 1985-86, the NTC mills manufacturing low price fabrics under the 'Sulabh Cloth Scheme' have passed on the benefits of duty concessions to the consumers. The duty relief have also had an impact on prices of certain textile items and the price situation of textiles have generally been satisfactory during the year 1985-86. However, in certain areas, the benefits have reportedly not been passed on in entirety to the consumers. Government has taken note of this in 1986 budget, the relief given earlier to the yarn producers has been reduced by about 50%. Further steps will depend on the response of the industry to the concessions given.

[*Translation*]

Disposal of Contraband Narcotics Seized

2911. DR. A.K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the narcotics seized by the Customs authorities is destroyed completely;

(b) if so, the procedure laid down for the purpose;

(c) whether complaints have been received to the effect that some quantity out of the narcotics meant for destruction is pilfered beforehand; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Narcotic drugs other than opium confiscated

by the Customs authorities are generally destroyed. Confiscated Opium is sent to Government Opium Factory, Ghazipur for processing and disposal.

(c) No, Sir.

(d) Does not arise.

[*English*]

Peon Arrested for Defrauding SBI Branch of Lucknow

2912. SHRI VIJAY KUMAR MISHRA : Will the Minister of FINANCE be pleased to state :

(a) Whether it is a fact that a peon of the State Bank of India Branch of Lucknow has been arrested for defrauding the bank to the tune of Rs. 32 lakhs;

(b) if so, the details thereof;

(c) whether any other employees of the said bank have also been arrested; and

(d) If not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARHANA POOJARY) : (a) and (b) State Bank of India has reported that a fraud involving Rs. 31.43 lakhs has been committed in their Clearing House operations at Lucknow. An F.I.R. was lodged by SBI with the Central Bureau of Investigation and CBI has arrested one Messenger working at the Transport Nagar (Lucknow) Branch of SBI. The bank has placed the Messenger under suspension.

(c) and (d). The bank has reported that no other employee of the bank had been arrested since the CBI's investigations have not revealed involvement of other employees so far.

[*Translation*]

Export of Tea

2913. SHRI K.D. SULTANPURI : Will the Minister of COMMERCE be pleased to state :

(a) the names of the countries to which

tea was exported during 1985-86 and the amount of foreign exchange earned thereby;

(b) whether this export was less or more as compared to that of the previous years; and

(c) the names of the countries with which India had to face stiff competition in the export of tea with details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). Indian tea is exported to a large number of countries all over the world. Major Importers of tea from India are USSR, U.K., ARE, Iran and Iraq. Exports of tea during the past four years have been as under :—

Year	Exports	
	Qty.(M.Kgs)	Value (Rs. Crores)
1982	189.9	355.85
1983	208.5	516.82
1984	217.0	740.45
1985	222.4	711.90
(Estimated)		

Indian tea has to compete with exports from other major tea exporting like Kenya, Sri Lanka and China.

[English]

All India survey Report on Marketing Aspects of Hides and Skins

2914. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) whether the All-India Survey of the volume, quality of production and marketing aspects of hides and skins by the Central Leather Research Institute has been completed;

(b) if so, the principal features of this survey report indicating action taken there on; and

(c) The names of economists statisticians and technologists and veterinary scientists who have conducted this survey ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKAR) : (a) No, Sir.

(b) Does not arise.

(c) Names of economists, statisticians, technologists and veterinary scientists associated with the survey are given in the statement given below.

Statement

Names of economists, statisticians, technologists and veterinary scientists associated with the All India Survey of Raw Hides and Skins being conducted by the Central Leather Research Institute, Madras have been reported as under :

ECONOMISTS :

1. Shri K. Seshagiri Rao
2. Shri S. Chellappa
3. Shri K. Sarjuna Rao
4. Shri A. Subbarama Naidu
5. Shri C. Pulinda Rao
6. Shri D. Chandra Mouli
7. Shri R. Rajendran
8. Smt J. Lakshmisiva Jyothi

STATISTICIANS :

1. Shri B. Krishnama Naidu
2. Shri J. S. L. Vasudevan

VETERINARY SCIENTISTS :

1. Shri Mahendra Kumar
2. Shri N. Muralidara Rao

SCIENTISTS AND TECHNOLOGISTS :

1. Dr G. Thyagrajan
2. Shri T. S. Ranganathan
3. Dr. K. S. Jayaraman

4. Shri T. S. K. Mahadevan
5. Shri L. M. Prasad
6. Shri K. Parthasarathy
7. Shri K. B. Gupta
8. Shri P. Sambasiva Rao
9. Shri M. Subba Rao
10. Shri S. Ramalingam
11. Shri V. Rathinasamy
12. Shri A. Doraikkannu
13. Shri S. A. Waheed
14. Shri S. R. Kamil
15. Shri M. B. Chauhan
16. Brijendra Singh
17. Shri S. K. Sarkar
18. Shri Gautam Kumar Das
19. Shri M. S. Pol
20. Shri K. M. Kalal
21. Shri Ramesh Pal
22. Shri Sakattar Lal

COMPUTOR SPECIALISTS :

1. Dr. P. J. Reddy
2. Shri B. S. N. Murthy,

Sanctioning of Advance Licences to Tyre Companies for Import of Synthetic Rubber

2915. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) the names of tyre companies which have been sanctioned advance licences during the past three years for importing synthetic rubber;

(b) the norms fixed for imports against the assured export of finished product for which imports are allowed;

(c) the steps that are being taken to

monitor whether these norms of imports against exports are being strictly adhered to; and

(d) the action taken against those tyre companies which have failed to comply with these norms for consuming the synthetic rubber in the manufacture of tyre ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Information is being collected and will be laid on the Table of the House.

(b) and (c). Input/output norms for the duty free import of the various items of raw materials etc., required for manufacture and export of specified products have been laid down in Annexure V to Appendix 19 of the Import Policy (Vol.1), 1985-88. In terms of these norms, the import of Synthetic Rubber is allowed at the rate of 53 kgs. and 7 kgs. against the export of every 100 kgs. of Tyre with Nylon Tyre Cord/Rayon Tyre Cord and Natural Rubber Cycle Tyres, respectively.

The above norms have been prescribed on the basis of the recommendations of the Technical authorities concerned, keeping in view that the quantities of the raw materials being allowed for import duty free are the minimum required for the manufacture of the relevant export product. In view of this only fulfilment of export obligation both in terms of quantity and value is monitored and if the export obligation is fulfilled, it is presumed that the imported materials have been properly utilised.

(d) Question does not arise.

Constraints Faced by Lether Exporters Due to Shortage of Raw Material

2916. SHRI B. V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether Indian leather product exporters were facing serious constraints due to shortage of raw material;

(b) if so, the main reasons for shortage of raw material;

(c) whether Government propose to assist these leather exporters; and

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

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

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

Demand for Indian Garments in European Countries

2917. SHRI MURLIDHAR MANE : Will the Minister of TEXTILES be pleased to state :

(a) whether there is a growing demand for Indian garments in European and other countries;

(b) whether any study has been conducted by Government in this regard; and

(c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. According to the figures furnished by the Apparel Export promotion Council, the export of garments have gone up from Rs. 640 crores in 1983 to Rs. 1068 crores in 1985.

(b) and (c). Government has been encouraging the Apparel Export Promotion Council to assess the market potentials and increase exports through export promotions activities such as participation in trade fairs and exhibitions, sponsoring sales-cum-study teams and trade delegations, organising buyer-seeller meets abroad and conducting market surveys.

Allocation of Fund for Modernisation of N.T.C. Mills

2918. SHRI MURLIDHAR MANE : Will the Minister of TEXTILES be pleased to state :

(a) the allocation of funds for modernisation of National Textile Corporation mills during the Seventh Plan period;

(b) whether the allocation is considered sufficient by Government to undertake modernisation of all the mills of NTC; and

(c) if not, the steps proposed to be taken by Government to raise adequate funds for modernisation of these mills ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The Planning Commission has so far indicated an outlay of Rs. 117 crores for modernisation and rationalisation of labour schemes of NTC during the 7th Plan period.

(b) and (c). It may not be possible to modernise all the NTC mills with limited resources. Efforts are being made to explore possibilities of raising finances from institutional sources and deferred payment credits.

Trade Deficit

2919. DR. D.N. REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that trade deficit for the half year ending September, 1985 increased to Rs. 4124 crores;

(b) if so, the reasons therefor; and

(c) whether Government propose to cut down imports of edible oils, sugar, fertilizers, petroleum and non-ferrous metals, cement etc. ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) Apart from the international factors, the heavy trade deficit can be attributable to the stoppage of export of crude oil, on account of development of refining capacity for Bombay High crude within the country and increase in imports of industrial raw materials, fertilizers machinery & transport equipment and essential items of consumption to meet the domestic requirements.

(c) All possible efforts are being made to encourage efficient and cost of effective import substitution particularly in the area

of bulk imports such as edible oils, sugar, fertilizers, petroleum, non-ferrous metals, cement, etc.

Recommendations made by Independent Consultant of National Textile Corporation

2920. SHRI ANIL BASU : Will the Minister of TEXTILES be pleased to state:

(a) whether any independent outside consultant has been appointed to look into the structure of National Textile Corporation;

(b) if so, the particulars of the outside consultant and how he has been selected;

(c) the recommendations made by the consultant; and

(d) the reaction of Government to the recommendations made by the consultant?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Yes, Sir. A study was entrusted to Shri K. K. Dahr with the approval of Board of Directors of NTC (Holding Company).

(c) The report of the consultant *inter-alia* recommends reduction of staff in the holding company, which is characterised as "Top Heavy"; a single "Chairman-cum-Managing Director" to be the head of the holding company; reduction of the number functional directors; and better management information system; and clear demarcation of work between the holding company and subsidiary corporations.

(d) NTC (Holding Company) has been advised to take necessary decisions on the report for better functioning of the holding company and approach the Government wherever necessary.

Sick N.T.C. Mills

2921. SHRI ANIL BASU : Will the Minister of TEXTILES be pleased to state :

(a) whether a Committee had been

appointed to go into the working of sick mills under National Textiles Corporation;

(b) if so, the details of the recommendations of the said Committee; and

(c) the action taken by Government in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) A review of performance of the mills under NTC revealed that at that time 22 mills (19 nationalised and three managed) were accounting for a large part of the total losses during the years 1981-82 and 1982-83. A Study Team was constituted by the Government to undertake an indepth study of the working of 8 weakest mills.

(b) The Study Team has submitted its report to the Government stating that mere additional investment will not make these mills viable.

(c) The Textile Policy states that the continued operation of units, which are incapable of becoming viable, would mean a continued drain on scarce resources and such units or parts thereof may have to be closed down to prevent any further losses. No final decision has been taken regarding which mills are to be closed.

Loans by Banks under IRDP

2922. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

(a) the State-wise amount of bank loans sanctioned under IRDP scheme for the last three years; and

(b) the State-wise amount of bank loans actually disbursed for the said three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The present data reporting system does not generate information in the manner asked for.

(b) State-wise details of term credit disbursed under IRDP during the years 1983-84, 1984-85 and 1985-86 (upto Dec. 1985) are indicated in the statement given below.

Statement

Statement indicating State-wise amounts of term credit disbursed under IRDP during the years 1983-84, 1984-85 and 1985-86 (Upto December 1985)

(Rs. in lakhs)

(Upto Dec. 1985)

Sl. No.	Name of the State	Term Credit disbursed		
		1983-84	1984-85	1985-86
1	2	3	4	5
1.	Haryana	997.91	1257.85	763.95
2.	Himachal Pradesh	739.67	826.08	254.85**
3.	Jammu and Kashmir	704.94	588.85	447.82
4.	Punjab	1577.37	1782.52	524.52
5.	Rajasthan	2860.31	3010.12	1407.05
6.	Chandigarh	—	—	3.03
7.	Delhi	99.30	84.60	0.28
8.	Madhya Pradesh	8698.22	8598.19	3808.42
9.	Uttar Pradesh	19199.84	21321.15	9103.22
10.	Andhra Pradesh	5196.00	5410.73	2161.88
11.	Karnataka	3852.38	4240.60	1424.09£
12.	Kerala	2627.44	2575.15	137.02£
13.	Tamil Nadu	5975.09	5762.54	2536.40
14.	Pondicherry	67.82	100.42	34.51
15.	Lakshadweep	—	—	NA
16.	Gujarat	3753.64	3187.94	991.34
17.	Maharashtra	6197.76	5331.84	2761.18
18.	Goa, Daman and Diu	119.24	158.27	NA
19.	Dadra, and Nagar Haveli	16.07	15.78	8.54
20.	West Bengal	3041.55	2009.68	1272.11
21.	Orissa	2948.15	2805.58	1019.03
22.	Bihar	7168.84	10724.74	2587.12*
23.	Andaman Nicobar Islands	—	14.28	11.67
24.	Assam	1261.00	3557.19	750.85**
25.	Manipur	4.09	13.03	9.07*

1	2	3	4	5
26. Meghalaya		—	—	NA
27. Nagaland		—	—	NA
28. Mizoram		—	6.80	NA
29. Arunachal Pradesh		—	—	0.04
30. Sikkim		36.89	59.89	11.53
31. Tripura		207.38	183.88	188.15
All India :		77351.48	83627.70	32217.67

(Source—Minister of Agriculture, Department of Rural Development)

* Data upto October 1985.

** Data upto September 1985.

£ Data upto to November 1985.

NA—Not Available.

Note : Data for 1984-85 and 1985-86 are provisional.

Food Corporation of India

2924. SHRI M. RAGHUMA REDDY :
SHRI MANIK REDDY :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether attention of Government has been drawn to the newsitem captioned "FCI rapped for inefficiency" appearing in the Financial Express of February, 1986;

(b) if so, whether Government have since inquired into the working of the Food Corporation of India;

(c) the nature of irregularities detected; and

(d) the action Government have taken to remove these irregularities ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Government have seen the Press Report.

(b) There is no such loss of Rs. 1,100 crores as mentioned in the report. Food Corporation of India's foodgrain operations are on no-profit and no-loss basis. The difference in the operational cost and issue prices is paid to the FCI as subsidy which was Rs. 1,100 crores in the year 1984-85. The administrative overheads of the FCI have only been about 4 paise per kg. in procurement and distribution of 1 kg. of grain.

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

Bad Debts in Nationalised Banks

2925. SHRI BASUDEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that about rupees three thousand crores has been shown as bad debt in nationalised banks of our country;

(b) if so, the reasons therefor; and

(c) whether any decision has been taken to write-off the amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The risk of certain debts going bad is inherent in the nature of operations of banks. Commercial Banks including all nationalised banks make provision every year out of their annual income for meeting their liability towards bad and doubtful debts to the satisfaction of their statutory auditors and write off the debts which are considered by their management as ultimately unrecoverable from out of the provisions so made. These amounts are written off only after all avenues of recovery are exhausted. According to the forms of Balance Sheet and Profit and Loss Account prescribed in the Third Schedule of the Banking Regulation Act, 1949, which all banks are required to follow strictly, the banks are given statutory protection from disclosing the quantum of bad and doubtful debts for which the provision is made to the satisfaction of their auditors.

Integrated Rural Development Projects in Orissa

2926. **SHRI K. PRADHANI :** Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Development Bank of India has decided to sponsor integrated rural development projects in Orissa under its block adoption scheme;

(b) if so, the broad outlines thereof;

(c) whether it would cover some tribal blocks also; if so, the particulars of those blocks and to start with the blocks selected in Koraput district; and

(d) whether any monitoring agency at the State level would be set up by the IDBI for the rural development project ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The Industrial Development Banks of India (IDBI) has reported that it has commissioned Orissa Industrial and Technical Consultancy Organisation Limited (ORITCO) to implement the block adoption project for Orissa. ORITCO has

identified Boriguma block in Koraput district for intensive rural industrialisation. ORITCO is in the process of identifying opportunities with a view to :—

- (i) making use of locally available raw materials and manpower;
- (ii) upgrading the existing technology;
- (iii) providing necessary consultancy and extension support in association with various developmental agencies; and
- (iv) exploring ways and means for better economic utilisation of various resources.

Tribals constitute 49% of the total population of the above block.

A coordination committee has been established comprising members from IDBI, NABARD AND ORITCO to monitor the project. Representatives from District Industries Centre, Lead Bank and District Rural Development Agencies are being co-opted in the Committee.

Monitoring of Nationalised and Private Banks

2927. **SHRI S.M. GURADDI :** Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India is monitoring over the working of the nationalised banks;

(b) whether the State Banks of India has any special status; and

(c) the position of Private Banks vis-a-vis the nationalised banks and the special privileges they enjoy ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Reserve Bank of India by virtue of the powers conferred on it in the Banking Regulation Act, 1949 and the Reserve Bank of India Act, 1934 regulates and controls

banking operation of all commercial banks including the private sector banks. While the private sector banks are set up under the Companies Act 1956, the 28 public sector banks comprising of State Bank of India (SBI), 7 associates banks of S.B.I. and the 20 nationalised banks have been set up under special statues enacted by Parliament. In terms of the statues governing the 28 public sector banks, a nominee of the Government as well as the nominee of the Reserve Bank of India are nominated on the Boards of each of these 28 public Sector Banks. In so far as the private sector commercial banks are concerned, in terms of the Banking Regulation Act, 1949, Reserve Bank has got powers to appoint its nominee directors on these banks. Reserve Bank of India has also powers under Section 35 of the Banking Regulation Act to conduct inspection of all the commercial banks both in the private sector as well as in the public sector. The responsibility of maintaining currency chests on behalf of Reserve Bank of India is also shared by the 28 public sector banks.

Fraud in State Bank of India Branches in Gandhi Nagar and Navsari (Gujarat)

2928. SHRI VIJAY N. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that serious lapses on the part of senior bank officials of the State Bank of India, Gandhi Nagar and Navsari in Gujarat have led to bank frauds amounting to Rs. 3.5 crores and Rs. 1.5 crores respectively;

(b) if so, the details of fraud and modus operandi adopted in committing the crime; and

(c) the steps Government propose to take to check growing fraud in banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Central Bureau of Investigation has reported that it had registered two cases on 22-2-83 and 27-1-86 in respect of Gandhi Nagar Branch and Navsari Branch of State Bank of India involving Rs. 3.33 crores (approx.) and Rs. 2.25 crores (approx.) respectively,

CBI has further reported that in the case relating to Gandhi Nagar branch, charge-sheet has been filed in the court against 6 individuals, including one clerk of State Bank of India.

As regards the case relating to Navsari branch, CBI has reported that investigation is in progress.

(c) The banks have been instructed to gear up the vigilance machinery in the organisation and to improve procedures and systems so that frauds can be prevented. Accordingly, the banks have taken steps to strengthen control mechanisms and to improve mangement information systems as also effective follow-up action. Clearance of arears in balancing of books and in reconciliation of inter-branch and other accounts are also being undertaken on a continuous basis so as to prevent frauds in those areas. Information is also circulated by RBI to banks giving details of novel methods of frauds and advising banks to adopt necessary safeguards. Books of instructions are also circulated by banks amongst their staff indicating precautions/checks which should be observed to prevent occurrence of frauds.

Seizure of Contraband Goods and Collection of Revenues During 1984 and 1985

2929. SHRI MOOL CHAND DAGA : Will the Minister of FINANCE be pleased to state :

(a) the details of seizure of contraband goods and collection of revenue in the border States and other places in the country during 1984 and 1985, separately;

(b) how much of the above was recovered at Airports of Bombay, Calcutta, Madras, New Delhi and Amritsar during the same period;

(c) the amount of incentive awards given to the (i) staff, (ii) public in the above cases during the said period; and

(d) in how many cases, action was taken against Government officers for involvement in the above cases and in how many cases Airlines staff was also involved ?

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

Sick Mills under NTC

2930. SHRI MOOL CHAND DAGA : Will the Minister of TEXTILES be pleased to state :

(a) the number of sick textile mills as on 31 December, 1983 31 December, 1984 and 31 December, 1985 under National Textile Corporation (i) nationalised; (ii) managed mills, respectively;

(b) the number of sick mills revamped each year in both categories;

(c) the reasons why the sick mills could not be revamped; and

(d) the amount of loss suffered by Government per year in respect of above sick mills for the above period ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Since December 1983, NTC has 101 operational nationalised textile mills and 22 managed mills.

(b) and (c). The modernisation of textile units is a continuing process and limited resources are used for modernisation/removal of machinery in these units on a selective basis. Upto 31st March, 1985, implementation of modernisation schemes aggregated to Rs. 324 crores. After modernisation, production, productivity, production value and sales realisation, etc. have registered significant increases. Further modernisation of nationalised units would have to be undertaken on a selective basis within available limited resources.

The modernisation of managed units, however, cannot be undertaken till the undertakings are nationalised.

During April to November, 1985, 37 nationalised units made gross profits whereas 64 nationalised units made a gross loss.

The major reasons for continued losses of NTC mills are as follows :

(i) Old and obsolete machinery;

(ii) under-utilisation of installed capacity due to irregular power supply and power shortage, high cost of captive power, etc.

(iii) abnormal increase in cotton prices, particularly from the middle of 1980-81 to 1984-85;

(iv) increase in cost of power, coal, dyes & chemicals stores & spares;

(v) excess labour for salaries;

(vi) increase in wages/salaries;

(vii) poor work norms and low productivity.

(d) The net loss of mills under NTC during the above said period is as under :—

(Rs. in crores)

Year	Nationalised Mills	Managed Mills (Prov.)
1983-84	—137.36	—27.18
1984-85	—172.36	—50.10
1985-86	— 77.92	—30.89
(Apr.—Nov. 85)		
(Prov.)		

Annual Import of Rubber

2931. PROF. RAMAKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) the annual import of rubber (with value) during the last three years to meet the demand and also to what extent the demand is met with the indigenous production;

(b) the additional area added for rubber cultivation in the country as the end of the Sixth Five Year Plan period and the extent

to which indigenous production of rubber increased as a result thereof; and

(c) the manner in which Government propose to carry out the expansion programme and the implementation of the on-going schemes during the Seventh Plan period with the reduction of the programme out-lay of Rs. 150 crores to Rs. 53 crores ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) About 85% of the country's rubber demand is met indigenously. The actual imports during the last three years have been as under :

	Imports	
	Quantity (tonnes)	Value (Rs. in lakhs)
1982-83	31659	2480
1983-84	32575	3566
1984-85	32408	3529

(b) The area under rubber cultivation and actual production of rubber in 1979-80 (immediately before 6th Plan) and in 1984-85 (the last year of 6th Plan period) is given below :—

Year	Area	Production
	(in hactares)	(in tonnes)
1979-80	2,56,500	1,48,470
1984-85	3,50,000	1,86,450

Rubber tree has a long gestation period and the additional production during 6th Plan was the result of the planting done much earlier. Similarly the additional production from the 6th Plan plantings will become available much later.

(c) The approved 7th Plan outlay for rubber at Rs. 53.40 crores is higher than the 6th Plan outlay of Rs. 36.00 crores.

Payment of Special Adivasi Area Allowance

2932. **SHRI DILEEP SINGH BHURIA :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact the National Bank for agriculture and Rural Developments has issued orders to various rural banks to pay special adivasi area allowance; and

(b) if so, whether this allowance will also be paid to the employees of other commercial banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Since the emoluments of Regional Rural Banks' employees are statutorily aligned to those of comparable level of employees of respective State Governments, NABARD has advised Regional Rural Banks in Madhya Pradesh and Andhra Pradesh to extend the benefit of integrated tribal development allowance to their employees working in the scheduled areas as per the rules in these two States.

(b) There is no such proposal under consideration of Government at present.

Control on Sanctioning Loans by Overseas Branches of Nationalised Banks

2933. **SHRI DILEEP SINGH BHURIA :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any special arrangements to exercise control on the working of the various nationalised banks functioning in foreign countries;

(b) whether his Ministry also proposes to exercise any kind of control on sanctioning loans by these bank branches; and

(c) if not, whether Government have any proposal under consideration under which cases involving more than 5 crores of rupees are reported to the Ministry as well as to the India-based head office of the banks simultaneously so that the Ministry may issue instruction, if necessary, in such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The performance of the overseas branches of Public Sector Banks is continually reviewed by the Reserve Bank of India (RBI). RBI has taken a number of steps to improve the working of the foreign branches of Indian banks and strengthening the operational and control systems within the banks. These include the following :—

(a) Introduction of a comprehensive revised reporting system of quarterly returns (PALOO Statements) in respect of foreign branches to get a detailed feed back on various aspects of their operations on an on going basis.

(b) In addition to the inspections of the foreign branches which the RBI is conducting at periodical intervals, more frequent inspections of the controlling offices in India at the Head Offices of these banks have also been commenced by RBI.

(c) Banks have been advised to reinforce the machinery in their international divisions for appraisal of credit proposals and scrutiny of returns as well as for taking up necessary follow up action.

(d) Banks have been advised of the need to take up independent study of proposals before taking up participation in syndicated loans.

(e) Banks are required to submit to RBI detailed statements every quarter in respect of problem credits with outstanding of Rs. five crores and above.

(f) Bank have been advised to adopt the PALOO Statements as supplementary to their existing Management Information System (MIS) and submit comprehensive review to the Board of Directors.

Since loans are granted by banks on the basis of their commercial judgement, the Government/RBI do not consider it necessary to have any direct control on the sanctioning of loans by the banks.

[English]

Over-Subscription of Shares in Public Limited Companies

2934. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether public limited companies are making money by employing a part of the over-subscribed amount in recent shares offers, at the expense of the investors;

(b) whether the issuing companies generally employ these funds in the call section of the inter-corporate market at higher rates of interest;

(c) if so, the steps Government propose to take to check such cashing in on over-subscription and closely regulate the refund of oversubscribed amounts; and

(d) the circumstances under which some companies are allowed to retain 25 per cent of the amount of the issue out of over-subscription and the names of Companies during the year 1985-86 (till date) which were granted consent in this behalf ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Companies making public offer of capital are required to keep the application money in a separate bank account maintained with a scheduled bank under the provisions of Section 73 of the Companies Act, 1956. However, if the refund orders are not issued to the applicants within 10 weeks from the date of closure of the subscription lists, the companies are required to pay interest for the delayed period beyond 10 weeks at the rate of 15 per cent per annum as per guidelines issued by the Government in this regard.

(d) Companies are allowed to retain over-subscribed equity capital to the extent of 25% of the amount for which they seek the consent of the Government in terms of Press Release dated the 18th March, 1985. A statement showing the names of companies which have been allowed to retain

over-subscribed equity upto 25 per cent of the amount consented by the Government during the period April 1985 to February 1986 is given in statement given below.

Statement

Sl. No.	Name of the Company
1.	XLO-United Clutch Products Ltd.
2.	Gujarat Filaments Limited.
3.	Sewa Papers Ltd.
4.	Gujarat Metal form Ltd.
5.	M.P. Carbide and Chemicals Ltd.
6.	Gujarat Binil Chemicals Ltd.
7.	Bliss Chemicals and Pharmaceuticals India Ltd.
8.	Boppana Oils Ltd.
9.	Modern Insulators Ltd.
10.	Oswali Chemicals Ltd.
11.	SNS Dignostics Ltd.
12.	Nippan Denro Ispat Ltd.
13.	Indo-Gulf Explosives Ltd.
14.	C.J. Gelatine Products Ltd.
15.	Apollo Hospitals Enterprise Ltd.
16.	Rolloy Metals Ltd.
17.	Bharat Pipes and Fittings Ltd.
18.	Polar Industries Ltd.
19.	ISPL Industries Ltd.
20.	Alternative Energy Industries Ltd.
21.	Sudershan Plywood Industries Ltd.
22.	Rathi Alloys and Steel Ltd.
23.	Bundy Tubing of India Ltd.
24.	N.G. Export Industries Ltd.
25.	Surya Industries Ltd.

S. No.	Name of the Company
26.	Nagarjuna Finance Ltd.
27.	Usha Martin Industries Ltd.
28.	Laxmichand Bhagaji Ltd.
29.	Stanford Engg. Ltd.
30.	Haryana Petrochemicals Ltd.
31.	Khandelwal Herrmann Electronics Ltd.
32.	Haryana Malleable and Alloys Casting Ltd.
33.	Padmatex Engg. Ltd.
34.	Premier Extractions Ltd.
35.	Sree Meenakshi Mills Ltd.
36.	Premier Vinyl Flooring Ltd.
37.	United Leasing Ltd.
38.	Cifco Finance Ltd.
39.	Mac Charles (India) Ltd.
40.	Ran-ganga Fertilizers Ltd.
41.	Priyadarshini Thread Ltd.
42.	Magna Foundrinier Ltd.
43.	Parasrampuria Synthetics Ltd.
44.	Gem Refineries Ltd.
45.	Noduron Founders Maharashtra Ltd.
46.	Karnataka Ball Bearings Corpn. Ltd.
47.	Tri-Star Soya Products Ltd.
48.	Gujarat Ambuja Cements Ltd.
49.	Samrat Bicycles Ltd.
50.	B.D. Steel Castings Ltd.
51.	Conwel Cans (India) Ltd.
52.	Ranbaxy Laboratories Ltd.
53.	Food Specialities Ltd.
54.	Deepak Spinners Ltd.

S. No.	Name of the Company
55.	Ferro-Concrete Co. (India) Ltd.
56.	Alamgir Industries Gases Ltd.
57.	British India Steels Ltd.
58.	Western India Industries Ltd.
59.	Capsugel India Ltd.
60.	Blue Blands and Texturising Mfg. Co. Ltd.
61.	MIC Auto Ancillaries Ltd.
62.	Vybra Automet Ltd.
63.	Nirup Chemicals Ltd.
64.	Utility Engineers (India) Ltd.
65.	Anagram Finance Ltd.
66.	Bombay Extractions Ltd.
67.	Kunal Engg. Co. Ltd.
68.	Tunghbhadra Pulp and Paper Board Mills Ltd.
69.	Hero Fibres Ltd.
70.	Gwalior Strips Ltd.
71.	Utility Building and Leasing (I) Ltd.
72.	Orissa Synthetics Ltd.
73.	Priyadarshini Cement Ltd.
74.	Rio Auto Industries Ltd.
75.	Murrugappa Electronics Ltd.
76.	Ashok Protins Ltd.
77.	Hoysala Blow Moulders India Ltd.
78.	Chetak Construction Ltd.
79.	Atash Leasing and Industries Ltd.
80.	Gloria Leasing Ltd.
81.	Ansal Housing Finance and Leasing Co. Ltd.
82.	Haryana Breweries Ltd.
83.	Lohia Machines Ltd.

S. No.	Name of the Company
84.	Hindustan Electro-Graphites Ltd.
85.	O/E/N Connectors Ltd.
86.	T.T.K. Pharma Ltd.
87.	Standard Medical Leasing Ltd.
88.	Bimetallic Steel and Alloys Ltd.
89.	Raasi Leasing Ltd.
90.	Mazda Leasing Ltd.
91.	Batliboi and Co.
92.	Kirloskar Leasing and Finance Ltd.
93.	Noble Explochem Ltd.
94.	Organic Chemicals Ltd.
95.	Quality Steel Tubes Ltd.
96.	India Polifibres Ltd.
97.	Premier Vegetable Products Ltd.
98.	Surya Agroils Ltd.
99.	Swadeshi Cement Ltd.
100.	Golden Proteins Ltd.
101.	SRF Nippendenso Ltd.
102.	Maheshwari Proteins Ltd.

Incentives to Garment Units in Delhi

2935. SHRI CHIRANJI LAL SHARAMA : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal to give aids and incentives to garment units in Delhi for increasing export of ready-made garments; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The export incentives are not provided State-wise. A statement of export incentives for export of garment offered is given below.

Statement

The following measure have been taken to boost exports of garments :—

(a) OCS rates have been substantially increased with effect from 1st January, 1984. These rates were continued during 1985. These rates have been extended upto 31st December, 1986 subject to review to be completed by March, 1986.

(b) Import entitlements under REP licences have been liberalised vide Appendix 17 of the Import-Export Policy for 1985-88. Some items raw material/fabrics are permitted to be imported under the Advance Licensing Scheme and Duty Free REP Scheme vide Appendices 19 and 21 of Import-Export Policy for 1985-88.

(c) Under the 100% Export Oriented Units and Free Trade Zone Schemes, facilities for liberal import of capital goods and raw materials along with many other concessions are given with necessary export obligation.

(d) Foreign Collaboration is allowed to modernise indigenous textile machinery to enable exporters to have access to modern machinery. Sophisticated machines not manufactured indigenously are allowed to be imported on OGL. As many as 114 machines necessary for garment and hosiery manufactures have been placed under the OGL, 97 of them enjoying concessional import duty vide Appendix 1 part B of Import-Export Policy for 1985-88.

(e) Government has announced introduction of new Import-Export Pass Book Scheme for manufacturer-export under the new Import-Export Policy.

(f) Government has decided to set up a Fashion Technology Institute in Delhi for education, research, service and training in the areas of fashion design especially for the garment trade.

(g) Government has been giving additional assistance for new products and new markets. 10% higher REP is given for new products and new markets.

(h) 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.

(i) Duty draw back rates for garments have been liberalised.

Opening of Branches of Union Bank of India in Orissa

2936. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Union Bank of India have taken initiative for expansion of its branches net-work;

(b) if so, the number of branches of the Union Bank of India opened in different districts of Orissa so far;

(c) whether Government propose to open some more branches of Union Bank of India in the backward areas also; and

(d) if so, the names of the places in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Expansion of branch net work by commercial banks is a continuing process. The Union Bank of India as on 30-9-85 was having 25 branches in Orissa. The district-wise break-up is as under :—

Name of District	Number of Branches
1. Balasore	1
2. Cuttak	6
3. Dhenkanal	2
4. Ganjam	2
5. Keonjhar	2
6. Koraput	2
7. Puri	3
8. Sambalpur	5
9. Sundergarh	2
Total :	25

(c) and (d). The branch licensing policy for 1985-90, envisages the elimination of spatial gaps in the availability of banking facilities by locating at least one bank office within a distance of 10 Kms. and coverage of 17,000 population by one bank office in the rural and semi-urban areas of each block. Reserve Bank of India (RBI) has advised the State Governments/Lead Banks to identify the centres requiring banking facilities taking into account the norms laid down by RBI under the branch licensing policy. The question of issuing licences for opening additional bank offices will be considered by RBI with reference to the branch licensing policy and the list of identified centres. It is, therefore, not possible at this stage to indicate the names of the places in Orissa where Union Bank of India may be granted licences to open branches.

Production and Demand of Cloth Produced in N.T.C. Mills

2937 SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the bulk of production of N.T.C. run mills has no demand in the market; and

(b) whether any arrangement has been made by N.T.C. to have market survey and to manufacture the quality of cloth which has a demand in the market ?

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

(b) Production plans take into account the orders received and likely market demand both in regard to cloth and yarn. In addition to using published data, NTC conducts market surveys on specific products/market segments.

Modernisation of Mills under N.T.C.

2938. SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that for better

commercial performance of National Textiles Corporation, the outdated and worn-out machinery or the old mills needs urgent replacement;

(b) if so, whether N.T.C. is pressing Government for modernisation of the mills under their control and management;

(c) the reasons why financial assistance is not given to N.T.C. when there is scope of improvement both in quality and profits;

(d) whether it is also a fact that at present N.T.C. is made to run the mills only with a view to continue textile workers in employment and not for making gainful business;

(a) whether Government propose to provide required funds to N.T.C. for better and efficient management of the mills under their control; and

(f) if so, when ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir. The renovation and technological upgradation of machinery is required for the viability of nationalised mills of NTC.

(b) N.T.C. had estimated a requirement of Rs. 302 crores for modernisation during the VII Plan period and suggested a plan provision accordingly.

(c) An amount of Rs. 301 crores has already been spent upto 31st March, 1985 on modernisation/renovation of the nationalised units of NTC. The Planning Commission has so far indicated an out lay of Rs. 117 crores for the modernisation and rationalisation of labour scheme of NTC during the VII Plan period.

(d) National Textile Corporation was set up with the main objective of managing the affairs of the sick textile mills taken over by Government textile mills taken over by Government for expeditious rehabilitation of such undertakings so that such rehabilitation may subserve the interests of the production and distribution, at fair prices, of cheaper varieties of cloth.

(e) and (f). As already stated, the Planning Commission has so far indicated an outlay of Rs. 117 crores during the VII Plan period.

Implementation of New Textile Policy

2939. SHRI HUSSAIN DALWAL : Will the Minister of TEXTILES be pleased to state :

(a) to what extent the new Textile Policy has so far been implemented;

(b) whether it has been successful in creating the expected impact on textile trade;

(c) whether there are still some impediments in the way of successful implementation of the Textile Policy; and

(d) if so, details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d). The textile policy announced by Government in June, 1985 has envisaged several measures for the development of textile industry in the country. Expeditions steps have been taken to implement the policy. These included lifting the ban on expansion of weaving capacity in the organized sector allowing fuller fibre flexibility, rationalisation of fiscal levies on certain man-made fibres/yarn, compulsory registration of powerlooms, and measures for development of handlooms. Action has also been initiated to set up modernisation and Rehabilitation Funds, as envisaged in the policy.

Long Term Relief to Cotton Growers of Maharashtra

2940. SHRI HUSSAIN DALWAI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are actively considering the question of continuing the cotton monopoly purchase scheme run by Government for considerable time in order to protect the vital interest of cotton growers;

(b) whether on account of the cotton

monopoly purchase scheme of Government of Maharashtra the cotton growing farmers have got adequate support; and

(c) whether there is any other proposal before the Union Government for establishing long-term relief to the cotton growers of Maharashtra, if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). The objective of the Cotton Monopoly procurement Scheme in Maharashtra is to protect the cotton growers from exploitation by the traders. The Scheme aims at eliminating the middle man in order to secure economic justice to the cotton growers. The Scheme is at present valid up to 30th June 1986. The Government of Maharashtra have sought extension of the said scheme beyond 30th June, 1986. Government of India have constituted a committee to go into the question of further extension of the said scheme and other related matters.

Investment in Indian Companies by Non-Resident Indians

2941. SHRI AMAR ROYPRADHAN :

SHRI MULLAPPALLY

RAMACHANDRAN :

DR. G.S. RAJHANS :

Will the Minister of FINANCE be pleased to state :

(a) the total investments made in Indian companies so far by the Non-Resident Indians; and

(b) the details of the areas in which these investments have been made and the items that are to be produced by the concerned establishments ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total investments made by Non-Resident Indians

under different schemes are as follows :

	(Rs. in crores) 31-12-1985
(i) Direct Investment (Proposals approved)	477.23
(ii) Portfolio Investment (Actual Purchases of shares and debentures)	53.03(P)
(iii) Bank Deposits (Outstanding Balances in NRE/FCNR A/cs.) (P)—Provisional	4814.66*

*—As on 30th Nov., 1985.

(b) the areas in respect of which approvals have been accorded are sponge iron, mild and alloy steel products, newsprint, cement, methanol, polyether polyos, EPABX, fertilizer project etc.

IDBI Branches for NRI Cells in Kerala

2942. SHRI MULLAPPALLY RAM-CHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether Industrial Development Bank of India propose to set up branches of its Non-Resident Indian cells in Kerala in view of the large number of non-residents from that State; and

(b) whether any steps have been taken to ensure that investment of non-resident Indians from Kerala will be mainly concentrated for industrial development in that State ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Industrial Development Bank of India (IDBI) has reported that the special Non-Resident Indians (NRIS) Cell, set up at its Head Office in Bombay coordinates the work relating to "NRIS" through its

regional and branch offices functioning in all the States of India including Kerala. The existing organisational set up in IDBI branch office at Cochin, in Kerala is reported to be well equipped and adequate to assist "NRIS" also. Suitable advice and requisite assistance are rendered to "NRIS" desirous of setting up industrial units in Kerala.

Export of Cotton

2943 SHRI DIGVIJAY SINH : Will the Minister of TEXTILES be pleased to state :

(a) the average prevailing price of cotton over the last three years;

(b) how this compares with the average prevailing price of other cash crops during the same period;

(c) whether there is over-production of cotton in relation to consumption; and

(d) if so, whether Government propose to export more than 10 lakh bales on OGL basis ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The market prices for agricultural commodities vary from place to place, time to time and from variety to variety. The whole-sale price index gives an adequate picture for these prices. The annual average wholesale price index of raw cotton for the last 3 years i.e. 1982-83 to 1984-85 (cotton years) as well as of the important competitive cash crops viz. groundnut, rape seed, mustard, tobacco and onion is given in the statement given below.

(c) Yes, Sir.

(d) Government have already released for export a quantity of 11 lakh bales of long and extra long staple cotton 52,000 bales of Bengal Deshi and 25,000 bales of Yellow pickings during the current cotton year.

Statement

Wholesale Price Index for Cotton Years

Year	Range		Annual Average (Sept-Aug.)
	Min.	Max.	
Cotton Raw			
1982-83	186.3	217.8	202.9
1983-84	217.3	294.8	296.7
1984-85	228.1	296.0	245.3
Groundnut			
1982-83	260.4	330.9	279.4
1983-84	295.9	355.2	321.1
1984-85	287.7	327.2	308.1
Rapeseed and Mustard			
1982-83	241.7	305.9	266.0
1983-84	266.6	407.0	320.1
1984-85	236.1	294.6	259.4
Tobacco			
1982-83	176.8	261.8	275.4
1983-84	174.2	258.1	221.5
1984-85	182.4	209.2	195.0
Onions			
1982-83	274.2	461.6	352.7
1983-84	283.4	559.8	406.6
1984-85	226.7	406.7	289.9

Consumer Cooperatives

2944. SHRI KAMLA PRASAD SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether a target fixed in the Sixth Five Year Plan to increase the number of departmental stores from 330 and to set up 31,960 consumer cooperatives in the country;

(b) if so, whether the target has been achieved;

(c) if so, whether the details thereof will be laid on the Table; and

(d) if not, the steps proposed to be taken to achieve the same in the Seventh Plan period alongwith the targets fixed therein ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) During the Sixth Plan period, it was proposed to provide assistance for setting up of 70 new department stores and 1250 retail outlets by the consumer cooperative stores in the various States and Union Territories under the Centrally Sponsored Scheme for development of consumer cooperatives in urban areas.

(b) to (d). During the Sixth Plan, upto 1984-85 financial assistance for setting up of 46 department stores and 465 other retail outlets by the consumer cooperatives, was released to various States/Union Territories under the scheme for urban areas, thus raising the number of department stores to 330 and other retail outlets to 31,960.

The above-mentioned scheme is being continued during the 7th Plan to have a wide coverage of expansion of retail outlets of the consumer cooperatives. During the Seventh Plan period, it is proposed to assist consumer cooperatives for setting up 100 new department stores and 700 large-sized retail outlets in various States/Union Territories under the Centrally Sponsored Scheme for the development of consumer cooperatives in urban areas. With this, the total number of department stores is, by the end of the Seventh Plan, expected to go up to 430 and other retail outlets to 32,660.

Safeguards and Rights Available to Raid Victims

2945. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state :

(a) how is a decision arrived at to raid

a particular businessman/establishment and what safeguards and rights are available to the victim; and

(b) whether the raiding party does not give a copy of the statement taken from the victims to them, and if so, the reasons behind it and will it in future be given to them ?

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

Whenever specific information is received to the effect that a person is in possession of unaccounted money or wealth and account books/documents containing details of such money/wealth, a Director of Inspection or the Commissioner of Income-tax or a Deputy Director of Inspection or Inspecting Assistant Commissioner as may be empowered in this behalf by the Central Board of Direct Taxes, issues authorisation to conduct searches. Before issuing the search warrant, a satisfaction note is recorded by the above mentioned Senior Officers. On seizure of, prima-facie, unaccounted assets and incriminating books of account/documents, the person concerned is given reasonable opportunity to explain the nature and source of seized money/documents first u/s. 132(5) of the Income-tax Act and subsequently during the regular assessment proceedings. The person searched has the right to have a copy of the panchnama together with all its annexures.

(b) On an application being made, a copy of the statement recorded by the search party is provided to the concerned person, before it is used against him in an assessment or prosecution proceedings.

**Proposal to open branches of Super Bazar
Kendriya Bhandar**

2946. SHRI KAMLA PRASAD SINGH:
Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there are only one or two branches of Super Bazar/Kendriya Bhandar to supply essential items of daily needs to consumers at reasonable rates;

(b) if so, whether there is any proposal to open branches of Super Bazar and Kendriya Bhandar in each colony and to open a big distribution centre by Super Bazar in that area;

(c) whether there are also any proposals to set up more such distribution centres and branches of Super Bazar and Kendriya Bhandar in the National Capital Region; and

(d) whether it is proposed open one branch of Super Bazar and/or Kendriya Bhandar in each colony built by D.D.A ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA): (a) Ninety-nine branches of Super Bazar (The Co-operative Stores Limited) New Delhi and forty branches of Kendriya Bhandar are functioning in different areas of Delhi to supply essential items of daily needs to consumers reasonable rates.

(b) The Super Bazar proposes to open 15 branches in different localities in Delhi during 1986-87. Besides it has proposed to open a Regional Distribution Centre in Yamunapuri in trans-Yamuna area.

The Kendriya Bhandar has reported that expansion of its branches is subject to availability of suitable accommodation in the residential colonies of Central Government employees.

(c) No Sir.

(d) There is a standing request with the Delhi Development Authority to earmark suitable accommodation for a branch of Super Bazar in every new colony/shopping complex developed by them.

Kendriya Bhandar will open its branches only in Central Government residential colonies and in Government office buildings to provide consumer goods to Central Government employees, subject to availability of space.

**Proposed Scheme for Maximisation of
Production of Coffee**

2947. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any scheme to maximise production of coffee in existing plantations; and

(b) if so, the details ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Government through Coffee Board has been implementing a number of schemes like Research Programmes, Extension Services, Coffee Demonstration Farms, Training Programme, production and supply of quality seeds, and loan subsidy assistance under the development plan, which inter-alia aim at maximising coffee production.

**Proposal to Confine Rationing to Weaker
Sections Only**

2948. PROF. P.J. KURIEN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have any proposal to confine rationing of foodgrain to economically weaker sections; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b). There is no proposal at present under consideration of the Central Government to confine rationing of foodgrains only to economically weaker sections of the society.

Items on OGL for Import

2949. PROF. P.J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) the name of the items brought under OGL for import during 1985;

(b) what has been the net outgo of foreign exchange due to the import of these items;

(c) whether Government propose to reconsider this decision in view of the increase in imports; and

(d) if so, the detail thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Import and Export Policy, 1985-88 was announced on 12-4-1985 vide ITC Public Notice No. 1/85-88, in terms of which 201 items of industrial machinery and 547 items of raw materials and components etc. were included in Open General Licence. Subsequent amendments in the Import and Export Policy have been notified by means of Public Notices published in the official Gazette. Copies of the said Import and Export Policy and the Public Notices are available in the Parliament Library.

(b) Data relating to imports of items effected during 1985 under OGL is not separately maintained in the Ministry of Commerce.

(c) and (d). There is a standing arrangement to review Import and Export Policy from time to time with a view to maximise indigenous production as well as to increase exports.

Opening Out to Indian Investment in ASEAN

2950. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of COMMERCE be pleased to state :

(a) whether ASEAN is opening out to Indian investment as reported in the Economic Times of 15th February, 1986;

(b) if so, whether this opportunity would be utilised to the maximum by encouraging Indian enterprise abroad; and

(c) whether liberalisation in regard to export of capital will be ensured to encourage Indian capital to go to ASEAN countries ?

THE MINISTRY OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHAKER) : (a) We are not aware of any specific ASEAN initiative to encourage Indian investment.

(b) Efforts are continuously being made to expand trade and economic cooperation.

(c) India is a not importer of capital. Therefore, we do not encourage heavy outflow of Indian capital.

[*Translation*]

Reopening of Eight Textile Mills in Ahmedabad

2951. SHRI NARSINH MAKWANA : Will the Minister of TEXTILES be pleased to state :

(a) the steps being taken to reopen 8 cotton textile mills in Ahmedabad and the time by which these mills will start functioning again;

(b) the amount provided by the Union Government to reopen these closed mills and when the amount has been provided; and

(c) the number of employees who were working in the mills lying closed and the means of livelihood being provided to the workers rendered jobless ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The Government of Gujarat have nationalised 12 closed cotton textile mills in Ahmedabad with a view to restructuring and reorganising them to form a few viable units.

(b) The Central Government has agreed to release advance plan assistance of Rs. 65 crores to the State Government for implementing the scheme of nationalisation, of which a sum of Rs. 30 crores has already been released to the State Government on 1-1-1986.

(c) The number of employees on the rolls of these 12 mills at the time of nationalisation was around 26,000. The scheme of nationalisation of the State

Government envisages reemployment of part of the workers and rationalisation of the rest with terminal benefits.

[*English*]

Central Warehouses in Sikkim

2952. SHRIMATI D.K. BHANDARI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there are any Central Warehouses in Sikkim;

(b) if so, the capacity of these warehouses; and

(c) if not, whether there is any proposal to construct warehouses by the Union Government in Sikkim keeping in view frequent disruption of supply of essential goods to the State due to heavy landslides on the national highway connecting Sikkim with the rest of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (c). The Food Corporation of India has a hired capacity of 1200 tonnes in Sikkim. Besides, the Central Warehousing Corporation has approached the State Government for identification of suitable centres where the Corporation could set up its warehouses for storage of foodgrains and other commodities.

Opening of Branches of Nationalised Banks in Haryana

2953. SHRI CHIRANJI LAL SHARMA : Will the Minister of FINANCE be pleased to state :

(a) the total number of branches proposed banks in Haryana at present; and

(b) the number of branches proposed to be opened during 1986-87 in Haryana ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) Reserve

Bank of India (RBI) has reported there were 864 branches of the 28 Public Sector Banks in Haryana as on 31-11-1985. In addition there were 211 branches of Regional Rural Banks.

(b) Licences for opening of additional bank offices would be granted by RBI in the light of the objectives set out in the current branch licensing policy for the period 1985-90 and on the basis of centres to be identified in terms of the policy. As such, no quantitative target has been fixed for issuing licences for opening bank offices in any State.

[*Translation*]

Re-opening of Siddhartha Continental Hotel

2955. SHRI VISHNU MODI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government propose to accord their approval to re-open Siddhartha Continental which had been closed recently on account of fire; and

(b) the measures proposed to be taken by Government to prevent such incidents in other five star hotels ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) Siddhartha Continental, New Delhi, have not submitted any application to Government for permission to reopen the Hotel. The question of according approval by Government to reopen the hotel will be considered when such an application is received.

(b) All the five star hotels in Delhi, are being inspected through the Chief Fire Officer and the Municipal Corporation of Delhi/New Delhi Municipal Committee in order to ensure observance of fire safety measures. Recently, the Metropolitan Council has adopted a fire prevention and fire safety bill which is expected to be introduced in Parliament.

Uniform Rate of Insurance in Export of Carpets

2956. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any memorandum demanding uniform rate of insurance on export of carpets;

(b) whether Government expect that India's export of carpets would increase as a result thereof; and

(c) the reaction of Government in this regard ?

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

(b) and (c). At present, there is no restriction placed on Indian importers or Indian exporters regarding insurance of the cargo in transit so that they have freedom to select either FOB or CIF terms for the cargo. Where an exporter produces a good claims ratio he is able to negotiate with the insurance company a reduction in premium rate at the renewal of his open policy and, therefore, each exporter ultimately pays, by and large, a fair premium in relation to his own claims experience. Exports depend on a variety of factors. Insurance cost is a very small part in the overall cost of the carpets being exported. It is felt that a small variation in the insurance cost depending on whether premium rate is charged at uniform rate or at variable rates by itself is unlikely to have any appreciable impact on the volume of exports.

[*English*]

Export Non-Basmati Rice

2957. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have allowed the export of non-basmati rice;

(b) if so, the reasons thereof; and

(c) the total target for export of non-basmati rice for the period 1986-90, year-wise ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). In view of comfortable stock position of rice with public agencies and its easy availability in the country, it has been decided to permit export of non-basmati rice within a limited ceiling subject to the minimum Export Price of Rs. 4000/- per MT f.o.b. The quantum of export during 1986-90 period will depend on the crop position; exportable surpluses likely to be available; and the international trading conditions.

Release of Foreign Exchange for Construction of Kannada Bhawan in New York

2958. **SHRI V.S. KRISHNA IYER :** Will the Minister of FINANCE be pleased to state :

(a) whether Government of Karnataka had requested to release foreign exchange of Rs. 12 lakhs for the construction of Kannada Bhawan in New York;

(b) whether there are large number of people from Karnataka in the U.S.;

(c) whether the Karnataka Government is ready to sanction Rs. 12 lakhs for the above Kannada Bhawan against which foreign exchange is sought to be released;

(d) if so, whether the foreign exchange to that extent has been released; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No such proposal has been received by this Ministry.

(b) The number of Indians residing in a particular country abroad is not maintained State-wise.

(c) The Government of India has no information.

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

Smuggling of Narcotics in Calcutta and Parts of North Bengal

2959. **PROF. NIRMALA KUMARI SHAKTAWAT :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Calcutta and parts of North Bengal districts are gradually turning into busy centres for smuggling narcotics;

(b) if so, the reasons therefor; and

(c) the countries wherefrom the hashish and narcotics is being smuggled ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Over the last few years, India has been increasingly facing the problem of transit traffic in heroin, charas and opium coming mostly from the countries in the Near and Middle East region and destined to western countries. Besides this region, Indo-Nepal border is also sensitive to the inward smuggling of ganja.

This is evident by the increasing trend in the quantities of drugs seized in the country. The quantities of drugs seized in West Bengal in 1985 also reflect this trend.

Supply of Adulterated Imported Sugar at Fair Price Shops in Delhi

2960. **PROF. NIRMALA KUMARI SHAKTAWAT :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that adulterated imported sugar is being sold at ration shops in the capital;

(b) If so, the reasons thereof; and

(c) the action taken against the defaulters ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The

Delhi Administration have informed that no adulterated imported sugar is being sold in ration shops in the capital.

(b) and (c). Question does not arise.

Modernisation of Handloom Sector

2961. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken steps for the modernisation of handloom sector;

(b) if so, the number of looms covered under the modernisation scheme so far; and

(c) the target set for the modernisation of looms by the end of Seventh Five Year Plan ?

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

(b) About 1.15 lakh looms under cooperative fold and about 1.20 lakh looms outside the cooperative sector.

(c) A target of 1.25 lakh looms under cooperatives and 1.30 lakh outside cooperatives have been proposed.

Credit given by State Bank of India to Priority Sector in Madhya Pradesh

2962. KUMARI PUSHPA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether the branches of the State Bank of India have been providing need-based assistance to the priority sector;

(b) if so, the amount of credit given by State Bank of India as need-based assistance to the priority sector in Madhya Pradesh during 1984-85 and 1985-86; and

(c) the amount of need-based assistance given by State Bank of India to the priority sector in the field agriculture, small scale industries and small business ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Priority Sector Advances of Bank of India in the State of Madhya Pradesh as at the end of December 1983 and December 1984 are given below :—

	(Amount in Rs. crores)	
	Dec. 1983	Dec. 1984
Total Priority Sector	193.31	237.12
of which		
(i) Agriculture	114.41	122.48
(ii) Small Scale Industries	42.45	54.93
(iii) Small Business	4.76	7.39

Export of Tobacco

2963. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) the quantum of tobacco exported in last three years, (year-wise);

(b) whether there has been a sharp decline in the export to tobacco;

(c) if so, the reasons therefor; and

(d) the steps proposed to be taken to increase the export of tobacco ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The quantum of exports of Unmanufactured Tobacco during the last three years is given below :—

Year	Qty. in Tonnes
1982-83	93853
1983-84	89985
1984-85	74745

(Source : Tobacco Board, Gun'ur).

(b) and (c). The small decline in India's share in world exports is primarily attributable to growing anti-smoking campaigns in the Western World affecting their import requirements.

(d) The following steps inter-alia have been taken to improve India's share in world exports of Tobacco :—

- (i) Abolition of export duty on unmanufactured tobacco;
- (ii) inclusion of unmanufactured tobacco in the Select List of Export Products under Appendix 16 of the Import and Export Policy;
- (iii) Maintaining the Minimum Export Price (MEP) for all types of tobacco of 1986 crop at the 1985 levels; and
- (iv) participation in fairs/exhibitions abroad.

Institutions Imparting Training in Legal Metrology

2964. SHRI D.B. PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the names of institutions imparting training in legal metrology;

(b) the intake capacity of each such institution and the duration of the course thereof;

(c) the number of persons who have availed of this training till date;

(d) whether it is a fact that there is a shortfall as against the requirement for such trained personnel; and

(e) if so, whether Government propose to remove such a shortfall ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The Indian Institute of Legal Metrology, Ranchi.

(b) The Institute conducts four months, basic course in legal metrology and the intake capacity for the course is 40.

(c) So far, 1,582 persons have availed of the training facility at the Institute.

(d) No, Sir. The facility at the Institute are adequate for the training requirements in legal metrology.

(e) Does not arise.

Proposal to Cover Additional Essential Goods and Drugs through P.D.S.

2965. SHRI D.B. PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that scheme is under consideration of the Union Government to distribute additional essential goods through Public Distribution System;

(b) if so, which additional essential goods are to be distributed through the Public Distribution System;

(c) when this scheme is likely to be implemented; and

(d) whether life saving drugs are proposed to be distributed through P.D.S. or through any other agency ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (d). Under the scheme of Public Distribution System the Central Government has assumed responsibility for procurement and supply of seven essential commodities to the States/Union Territories. These commodities are wheat, rice, levy sugar, imported edible oils, soft coke, controlled cloth and kerosene oil. The State Government/Union Territory Administrations have been given option to add any other commodity of mass consumption after making arrangement for its procurement and distribution on their own in their areas. The Central Government has advised them from time to time to widen the commodity coverage of Fair Price Shops so that more commodities of mass consumption could be made available to the

common man at reasonable prices. Reports received from various States indicate that, by and large, Fair Price Shops in the country are selling other items, besides those supplied by the Central Government. Since drugs including life-saving drugs can be sold only through qualified staff, it is not feasible to have these sold through Fair Price Shops. However, large Consumers Co-operative Stores in various States are running drug shops.

Taxes on Newsprint

2966. SHRI D.B. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Supreme Court has held in September, 1984 that taxes on newsprint should be viewed differently from ordinary taxing status and that the capacity of new-industry should be properly ascertained;

(b) if so, whether Government have taken steps in accordance with the observations of the Supreme Court;

(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) to (d). On 6th December, 1984, the Supreme Court directed the Government to reconsider the entire question of levy of import duty or auxiliary duty on newsprint. Accordingly, a detailed study was carried out by the Bureau of Industrial Costs and Prices which felt that the import duty could be Rs. 1300 per metric tonne to protect the domestic newsprint industry. However, having regard to the observations of the Supreme Court and other relevant factors, Government decided that the import duty on newsprint should be Rs. 550 per metric tonne. Necessary notification was issued on 19-12-85.

Central Excise Raids in Calcutta City

2967. DR. PHULRENU GUHA : Will the Minister of FINANCE be pleased to state :

(a) the number of central excise raids

conducted in Calcutta city during 1985-86; and

(b) the amount involved therein ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The central excise department conducted searches on 119 premises during 1985-86 in Calcutta city.

(b) The amount involved cannot be determined at this stage as the investigations in many of the cases are still in progress.

Benefit to Consumers as a Result of Concessions to the Textiles Sector in 1985-86 Budget

2968. SHRI K. KUNJAMBU : Will the Minister of TEXTILES be pleased to state :

(a) whether the consumers got the benefit of the concessions given to the textiles sector in the 1985-86 budget; and

(b) if so, to what extent in reduction of prices etc. ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Government have taken several steps improving the health of the textile industry and for increasing the availability of cloth of acceptable quality at reasonable prices for the consumers during the year 1985-86. As a result of these steps, the price situation of textile items during the year 1985-86 has generally been satisfactory in fact, definite reductions in prices of items like cotton yarn, nylon, terene and mixed cloth has been noticed during the period 1985-86 as compared to the year 1984-85.

Deficit Financing in the Current Year

2969. SHRI C JANGA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether there has been in the current year (i) deficit financing of about Rs. 9000 crores, (ii) increase in subsidies of

about 38 per cent (iii) increase in market borrowings of nearly 30 per cent and (iv) foreign trade deficit of about Rs. 8000 crores;

(b) what is the impact of the above on the Seventh Five Year Plan;

(c) whether the Prime Minister had assured that no resources crunch would be allowed to affect the Seventh Plan; and

(d) if so, whether the assurance still holds good?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (d). In the current year, the budgetary deficit according to the revised estimates, is placed at Rs. 4,490 crores. Major subsidies in the revised estimates show an increase of about 24 per cent over budget estimates of 1985-8. Centre's net market borrowings remain at Rs. 5,100 crores as in the budget

estimates. As regards trade deficit, no estimates for the full year 1985-86 are available. In the first two years of the Seventh Plan, outlays account for about 40 per cent of the total for the Plan period in real terms, which is an achievement in itself. It is the endeavour of the Central Government to mobilise additional resources and to contain non-plan expenditures within reasonable limits so as to generate sufficient resources for the Seventh Plan.

Remittance by Non-Resident Indians

2970. SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state the estimated monthly remittances by Non-resident Indians during 1985 ?

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

Removal of Restriction Imposed on Foreign Tourists in Sikkim

2971. SHRIMATI D.K. BHANDRI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government are aware that one of the main hurdles in the Development of Tourism in Sikkim is the restriction imposed on foreign tourists;

(b) whether any representation has been received from the Government of Sikkim for the removal of the restriction; and

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

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) According to the Government of Sikkim, the restrictions imposed on foreign tourists act as hurdles to promotion of tourism in Sikkim.

(b) Yes, Sir.

(c) Some relaxations were made in July, 1985. The Government of India reviews the restrictions imposed or movement of foreigners to Sikkim and other areas from time to time in the light of security considerations.

Seizure of Smuggled Goods at Delhi Airport

2972. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the total value of smuggled goods seized at Delhi Airport from 1st April, 1985 to 31st January, 1986;

(b) the particulars of persons apprehended in this connection and the number out of them who are employees of the Indian Airlines/Air India or other Government Departments; and

(c) the action taken against them ?

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

During the period from 1st April, 1985 to 31st January, 1986 contraband goods worth Rs. 5.3 crores were seized and 182 persons, including two employees of Air India and one of Indian Airlines, were arrested under the Customs Act, in connection with the smuggling activities at Delhi Airport.

(c) Stringent action is taken against persons found involved in smuggling activities both departmentally as well as through prosecution in Courts. Apart from confiscation of the goods involved and imposition of personal penalties, preventive detention under the COPEPOSA Act is also resorted to in appropriate cases. The employees of Air-India/Indian Airlines involved in smuggling activities have also been placed under suspension by the respective Airlines.

Increased Transfer Allowance for Government Staff

2973. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the transfer allowance has been raised for Government staff as reported in 'Economic Times' of 18 February, 1986;

(b) if so, the total outlay on this for Class I, Class II, Class III and Class IV employees in terms of percentage outlay on each class above; and

(c) whether Government propose to raise TA/DA allowances of all classes specially lower classes as they are most seriously affected ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Transfer Grant rates have been revised and Packing Allowance has been provided for Government servants in terms of Ministry of Finance O.M. No. 19018/1/86-E.IV dated 3-1-1986 [Placed in the Library. See No. LT 2339/86]. No separate head of expenditure as 'Transfer T.A.' is maintained, however, since the entitlement of 'class of travel' has been left undisturbed, the additional financial implication would only be on

account of increase in transfer grant and packing allowance, which may not be sizeable.

(c) No proposal regarding raising of rates of TA/DA for Central Government servants is under consideration of the Government at present. The Fourth Pay Commission is to examine the whole structure of pay and allowances of the Government servants including TA/DA.

Tax Evasion by T.V. Manufacturers

2974. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government have been drawn to a news item captioned "Rs. 100 crore loss due to T.V. racket" appearing in the Indian Express of 3 March, 1986;

(b) if so, whether it is a fact that the spurious T.V. manufacturers in Delhi are evading income tax, sales tax and excise duty to the tune of crore of rupees;

(c) whether any raid have been conducted on such industries during the last one year; and

(d) if so, the details thereof and further action contemplated in this regard ?

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

(b) The Department has no evidence that spurious T.V. manufacturers of Delhi are evading Central Excise duty, Income Tax and Sales Tax.

(c) No, Sir.

(d) Does not arise.

Supply of Essential Commodities to Karnataka to Meet Drought Condition

2975. SHRI V.S. KRISHNA IYER : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantities of rice, kerosene,

edible oil and sugar asked by Karnataka Government from Central Pool to meet the severe drought situation prevailing in the State; and

(b) the allotment of aforesaid items made to the States by the Centre ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b). The Government of Karnataka had requested for additional quantities of 5000 tonnes per month of rice, 2000 kilolitres per month of kerosene and 2000 tonnes per month of edible oils for meeting the drought situation in the State. Against these demands, and additional allocation of 1000 tonnes of kerosene oil was made to Karnataka for the month of January, 1986 raising the total allocation of kerosene for that month to 31,365 tonnes. In the case of rice, the monthly allocation of 45,000 tonnes made during the month of December, 1985 was maintained during the months of January, February and March, 1986. Besides special additional allocation of 20,000 tonnes and 25,000 tonnes of rice were also made to Karnataka in July and November, 1985 respectively. The monthly allocation of 2000 tonnes of edible oils made to Karnataka during December, 1985 was maintained during the month of January and February, 1986. No request for additional allocation of levy sugar for meeting drought situation in Karnataka has been received from the State.

Amount Received from Non-Resident Indians for Investment in Industries

2976. PROF. P.J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) the total amount received from the non-resident Indians for investment in the industrial sector; and

(b) the State-wise break up of such investment ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total amount received from the Non-resident Indians for investment in India under the

different schemes is as follows :

	(Rs. in crores)
	32-12-1985
(i) Direct investment (Proposals approved)	477.23
(ii) Portfolio Investment (Actual purchasers of shares and Debentures)	53.03(P)
(iii) Bank Deposits (Out- standing Balances in NRE/FCNR A/cs)	4814.66*

(P) — Provisional.

* — As on 30th Nov., 1985.

(b) The State-wise break-up of investment is not available.

[*Translation*]

**Recovery of Heroin and Brown Sugar in
Bombay**

2977. SHRI RAJ KUMAR RAI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that heroin and brown sugar worth about rupees one crore have been recovered from Baingwara area of North East of Bombay as reported in the "Nav Bharat Times" dated 3rd January, 1986;

(b) the number of the persons arrested so far in this connection and the particulars of the persons so arrested; and

(c) the action taken or proposed to be taken against them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Reports received indicate that the Bombay Police had seized 13.230 kg. of gard (brown sugar) and 10.240 kg. of heroin from Bainganwadi area of Bombay. Two persons the particulars in respect of whom are not

readily available, have been arrested in this connection and a case has been registered for taking appropriate action under the relevant laws.

[*English*]

Amendment to FERA to Remove Bottlenecks

2978. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under the consideration of Government to bring forward any legislation to amend the Foreign Exchange Regulation Act in order to remove certain bottlenecks in the implementation of some of the provisions of the Act; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Government of India has appointed a Working Group under the Chairmanship of Deputy Governor Reserve Bank of India, to review the exchange, control regulations. If any amendment in FERA is suggested by the Group, it would be considered by the Government at the appropriate time.

12.00 hrs

SHRI P. KOLANDAIVELU rose—

[*English*]

MR. SPEAKER : I have got the answer. I will look into it.

SHRI BASUDEB ACHARIA (Bankura): You had assured us that you would allow a discussion on the role of Governors.

MR. SPEAKER : I did not assure you. I said, you leave it to me.

(*Interruptions*)

SHRI SAIFUDDIN CHOWDHARY (Katwa) : What is your opinion about it ?

(*Interruptions*)

MR. SPEAKER : I will put before the Business Advisory Committee and then we will decide it.

PROF. MADHU DANDAVATE (Rajapur) : I suggest, don't wait for the Business Advisory Committee. My substantive motion against the Governor of Maharashtra is within your jurisdiction and therefore do it as early as possible. Before the Governor is dismissed, let us discuss it.

MR. SPEAKER : I am already on the job. I require some time; I cannot just do it.

PROF. MADHU DANDAVATE : Then we will not get an opportunity to discuss it.

SHRI SOMNATH CHATTERJEE (Bolpur) : This is very important.

SHRI SHANTARAM NAIK (Panaji) : There is widespread epidemic of meningitis in Delhi.

MR. SPEAKER : I have already taken steps. I am going to do it. But this is not the way to raise it here. I am already on the job.

(Interruptions)

SHRI ANANDA PATHAK (Darjeeling) : I have give notice regarding the role of Governors in different States.

MR. SPEAKER : I have already replied to it. Please sit down.

DR. V. VENKATESH (Kolar) : I have already given notice regarding the atomic explosion in Bombay.

MR. SPEAKER : We will find it out.

DR. V. VENKATESH : It is reported that an atomic explosion has taken place in Bombay. This is a very serious matter. Two weeks ago thad it aken place.

MR. SPEAKER : All right, does not matter. This is not the way to do it.

SHRI SAIFUDDIN CHOWDHARY : This is a very serious matter.

MR. SPEAKER : It may be serious, but this is not the way to do it. I am not allowing it; it is irrelevant.

SHRI RANJIT SINGH GAEKW (Baroda) : I have given calling attent notice for gas leakage in Baroda.

MR. SPEAKER : You can see me in my Chamber. You are always welcome.

12.03 hrs.

PAPERS LAID ON THE TABLE

[English]

Notifications under Export (Quality Control and Inspection Act 1963, Annual Report and Review on the working of food Corporation Acts 1964 and Statement for delay in laying these papers, Annual Report and Review on the working of Export Inspection Council and Export Inspection Agencies New Delhi etc. etc.

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : I beg to lay on the Table—

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 17 of the Export (Quality Control and Inspection) Act, 1963 :—

(i) The Export of Pesticides and their Formulations (Inspection) Amendment Rules, 1986 published in Notification No. S.O. 781 in Gazette of India dated the 1st March, 1986.

(ii) The Export of Cashew Kernels (Quality Control and Inspection) Rules, 1986 published in

Notification No. S.O. 783 in Gazette of India dated the 1st March, 1986.

[Placed in Library. See No. LT-2238/86]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Food Corporation of India, New Delhi, for the year 1984-85 along with Audited Accounts, under sub-section (2) of section 35 of the Food Corporation Act, 1964.

(ii) A copy of Review (Hindi and English versions) by the Government on the working of the Food Corporation of India, New Delhi, for the year 1984-85.

(3) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT-2239/86]

(4) (i) A copy of the Annual Report (Hindi and English versions) of the Export Inspection Council and Export Inspection Agencies, New Delhi, for the year 1984-85 along with Audited Accounts, under sub-rule (3) of Rule 16 of the Export (Quality Control and Inspection) Rules, 1964.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Export Inspection Council and Export Inspection Agencies, New Delhi, for the year 1984-85.

[Placed in Library. See No. LT-2240/86]

(5) (i) A copy of the Annual Report (Hindi and English versions) of the Shellac Export Promotion Council, Calcutta, for the year 1984-85.

(ii) A copy of the Annual Accounts (Hindi and English versions) of the Shellac Export Promotion Council, Calcutta, for the year

1984-85 together with Audit Report thereon.

(iii) A copy of the Review (Hindi and English versions) by the Government on the working of the Shellac Export Promotion Council, Calcutta, for the year 1984-85.

(6) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT-2241/86]

(7) (i) A copy of the Annual Report (Hindi and English versions) of the Spices Export Promotion Council, Ernakulam, Cochin, for the year 1984-85 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of Spices Export Promotion Council, Ernakulam, Cochin, for the year 1984-85.

[Placed in Library. See No. LT-2242/86]

(8) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.

[Placed in Library. See No. LT-2242/86]

(9) (i) A copy of the Annual Report (Hindi and English versions) of the Processed Foods Export Promotion Council, New Delhi, for the year 1984-85 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Processed Foods Export Promotion Council, New Delhi, for the year 1984-85.

(10) A copy of the Review (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library. See No. LT-2243/86]

Annual Report and Review on the working of India Jute Industries Research Association, Calcutta for 1984-85 and Statement for delay in laying these papers.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Jute Industries' Research Association, Calcutta, for the year 1984-85 along with Audited Accounts.
- (ii) A statement (Hindi and English versions) regarding Review by the Government on the working of the Indian Jute Industries' Research Association, Calcutta, for the year 1984-85.
- (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-2244/86]

Annual Report and Review on the working of Indian Standard Institute, New Delhi for 1984-85.

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : I beg to lay on the Table—

- (1) A copy of the Annual Report (Hindi and English versions) of the Indian Standards Institution, New Delhi, for the year 1984-85 along with Audited Accounts.
- (2) A copy of the Review (Hindi and English versions) by the Government on the working of the Indian Standards Institution, New Delhi, for the year 1984-85.

[Placed in Library. See No. LT-2245/86]

Deposit Insurance and Credit Guarantee Corporation General Regulations, 1961, Central Excise (Sixth Amendment) Rules, 1986 Notifications under Customs Act, 1962 and Central Excise Rules, 1944 etc.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table—

- (1) A copy of the Deposit Insurance and Credit Guarantee Corporation General Regulations, 1961 (Hindi and English versions) under sub-section (4) of section 50 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961.

[Placed in Library. See No. LT-2246/86]

- (2) A copy of the Central Excise Sixth Amendment) Rules, 1986 (Hindi and English versions) published in Notification No. G.S.R. 325(E) in Gazette of India dated the 27th February, 1986, under sub-section (2) of section 38 of the Central Excise and Salt Act, 1944.

[Placed in Library. See No. LT-2247/86]

- (3) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :—

(i) G.S.R. 318(E) published in Gazette of India dated the 26th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 99/86-Customs dated the 17th February, 1986.

(ii) G.S.R. 319(E) published in Gazette of India dated the 26th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 99/86-Customs dated the 24th May, 1985.

(iii) G.S.R. 320(E) published in Gazette of India dated the 26th February, 1986 together with an

explanatory memorandum making certain amendment to Notification No. 136-Customs dated the 17th February, 1986.

- (iv) G.S.R. 321(E) published in Gazette of India dated the 26th February, 1986 together with an explanatory memorandum regarding exemption to Zinc concentrates when imported into India from the auxiliary duty of customs as is in excess of the amount calculated at the rate of 15 per cent of the value of such goods determined in accordance with the provisions of section 14 of the Customs Act, 1962.
- (v) G.S.R. 322(E) published in Gazette of India dated the 26th February, 1986 together with an explanatory memorandum regarding exemption to goods specified in column (2) of the Table annexed thereto from so much of the duty of customs leviable thereon, as is specified in the corresponding entry in column (3) of the said Table.
- (vi) G.S.R. 323(E) published in Gazette of India dated the 26th February, 1986 together with an explanatory memorandum rescinding five previous notifications.
- (vii) G.S.R. 324(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification Nos. 43/85-Customs, 44/85-Customs, and 46/85-Customs dated the 28th February, 1985.
- (viii) G.S.R. 341(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 102-Customs dated the 17th February, 1986.
- (ix) G.S.R. 342(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 133/86-Customs dated the 17th February, 1986.
- (x) G.S.R. 343(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification Nos. 51-Customs, 66-Customs, 67-Customs, 69-Customs, 92-Customs and 95-Customs dated the 17th February, 1986.
- (xi) G.S.R. 480(E) published in Gazette of India dated the 4th March, 1986 together with an explanatory memorandum making certain amendment to Notification No. 188/86-Customs dated the 1st March, 1986.
- (xii) G.S.R. 481(E) published in Gazette of India dated the 5th March, 1986 together with an explanatory memorandum making certain amendment to Notification No. 150/86-Customs dated the 1st March, 1986.

[Placed in Library. See No. LT-2248/86]

(4) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944 :—

- (i) G.S.R. 326(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 123/81-CE dated the 2nd June, 1981.
- (ii) G.S.R. 327(E) published in Gazette of India dated the 27th February, 1986 together with an

explanatory memorandum making certain amendment to Notification No. 260/76-CE, dated the 7th October, 1976.

- (iii) G.S.R. 328(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 151-81-CE dated the 29th July, 1981.
- (iv) G.S.R. 329(E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 201/79-CE dated the 4th June, 1979.
- (v) G.S.R. 330 (E) published in Gazette of India dated the 27th February, 1986 together with an explanatory memorandum making certain amendment to Notification No. 150/81-CE dated the 29th July, 1981.
- (vi) G.S.R. 345(E) published in Gazette of India dated the 1st March, 1986 together with an explanatory memorandum rescinding Notification No. 167/79-CE dated the 19th April, 1986.
- (vii) G.S.R. 346(E) published in Gazette of India dated the 1st March, 1986 together with an explanatory memorandum making certain amendment to Notification No. 108/86-CE dated the 27th February, 1986.
- (viii) G.S.R. 475(E) published in Gazette of India dated the 3rd March, 1986 together with an explanatory memorandum seeking to preserve, by and large, the earlier rates of excise duty on certain items mentioned in the notification.
- (ix) G.S.R. 476(E) published in Gazette of India dated the 4th March, 1986 together with an

explanatory memorandum rescinding Notification No. 213/83-CE dated the 5th August, 1983.

- (x) G.S.R. 477(E) published in Gazette of India dated the 4th March, 1986 making certain amendment to Notification No. 79/86-CE dated the 10th February, 1986.
- (xi) G.S.R. 479(E) published in Gazette of India dated the 4th March, 1986 together with an explanatory memorandum rescinding Notification No. 149/82-CE dated the 22nd April, 1982.
- (xii) G.S.R. 482(E) published in Gazette of India dated the 6th March, 1986 together with an explanatory memorandum making certain amendment to Notification No. 130/82-CE dated the 20th April, 1982.

[Placed in Library. See No. LT-2249/86]

- (5) A copy of the Fifteenth Valuation Report (Hindi and English versions) of the Life Insurance Corporation of India as on the 31st March, 1985, under section 29 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. LT-2250/86]

12.50 hrs.

MESSAGE FROM RAJYA SABHA

[English]

SECRETARY-GENERAL : Sir, I have to report the following message received from the Secretary-General of Rajya Sabha :—

'I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Monday, the 10th March, 1986, adopted the following motion in regard to the Joint Committee on Offices of Profit :—

"That this House concurs in the recommendation of the Lok Sabha that

*appointed to investigate into the
circumstances of crash of AI Jumbo
Jet 'Kanishka'*

the Rajya Sabha do elect one member of the Rajya Sabha to the Joint Committee on Offices of Profit and resolves that the House do proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, one member from among the members of the House to the said Joint Committee to fill the vacancy caused by the death of Shri Amarprosad Chakraborty."

2. I am further to inform the Lok Sabha that in pursuance of the above motion, Shri K. Gopalan, Member, Rajya Sabha, has been duly elected to the said Joint Committee,

12.06 hrs.

STATEMENT RE : FINDINGS OF THE 'COURT' APPOINTED TO INVESTIGATE INTO THE CIRCUMSTANCES OF CRASH OF AIR INDIA JUMBO JET 'KANISHKA' ON 23TH JUNE, 1985

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF CIVIL AVIATION (SHRI JAGDISH TYTLER) : Sir, on the morning of 23rd June 1985, Air India Boeing 747 aircraft VT-EFO 'Kanishka', was on a scheduled passenger flight (AI-182) from Montreal and was proceeding to London en route to Delhi and Bombay. The aircraft was being monitored on the radar-scope of Shannon airport in Ireland. AT 0714 GMT it suddenly disappeared from the radarscope and the aircraft which was flying at an altitude of approximately 31,000 feet plunged into the Atlantic Ocean off the South West Coast of Ireland at position latitude 52° 3.6' N and longitude 12° 49' W. This was the worst air disaster in the history of Indian aviation wherein all the 307 passengers and 22 crew members perished.

The Government of India had appointed Justice B.N. Kirpal, Judge of the Delhi

High Court; to carry out a formal investigation into this accident. The Court was assisted by five assessors. It carried out detailed examination of the Digital Flight Data Recorder and Cockpit Voice Recorder. The entire wreckage lying at the bottom of the sea was mapped and photographed. Part of the wreckage was recovered and examined in detail at the facilities of Bhabha Atomic Research Centre, Bombay. In all, 13 witnesses were examined by the Court which included representatives of aircraft manufacturers, Royal Canadian Mounted Police, Canadian Aviation Safety Board, Director General of Civil Aviation India, Air India, Bhabha Atomic Research Centre, Doctors of Royal Air Force, United Kingdom, and the Indian Air Force. Post mortem reports from the doctors from Ireland, report of Structures Group constituted by the Court, Cockpit Voice Recorder Analysis Reports of experts of Bhabha Atomic Research Centre, Canadian Aviation Safety Board, National Transportation Safety Board, U.S.A., and the Accident Investigation Branch of United Kingdom and the report of the Inspector of Accidents, Civil Aviation Department, India were examined by the Court. The Court visited Ireland and Narita Airport, Tokyo.

The Court has submitted its report on the 12th February, 1986 to the Government. All the five assessors have signed the report in token of their agreement with the conclusions and recommendations. There is no minute of dissent.

On the basis of the circumstantial and direct evidence, the Court has concluded that the accident was caused by an explosion of a bomb in the forward cargo hold of the aircraft. The Court has also made some recommendations. They relate to International Civil Aviation Organisation, International Air Transport Association, Airlines, Government and manufacturers of aircraft, on a matter like air safety, air security, etc. These recommendations are being examined by Government for further action.

BUSINESS OF THE HOUSE

[English]

MR. SPEAKER : Shri H.K.L. Bhagat.

PROF. MADHU DANDAVATE (Rajapur) : Please include 'Maharashtra Governor' in the next week's business.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 17th March, 1986, will consist of :

(Interruptions)

PROF. MADHU DANDAVATE : Are you paying homage ? Why are you silent ?

MR. SPEAKER : He does not listen, Sir. Neither does he listen, nor does he let you listen.

PROF. MADHU DANDAVATE : Honestly, Sir, could you listen to even one word of what he read ?

MR. SPEAKER : I think, because you were there in the Business Advisory Committee, perhaps the thought that you knew about it.

SHRI G.M. BANATWALLA (Ponnani) : It was totally inaudible. I do not know what he has read.

SHRI H.K.L. BHAGAT : I shall read as Prof. Madhu Dandavate speaks. With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 17th March, 1986, will consist of :

- (1) Consideration of any item of Government Business carried over from today's Order Paper.
- (2) Discussion on the Resolution seeking disapproval of the Ravi and Beas Waters Tribunal Ordinance, 1986 and consideration and passing of the Ravi and Beas Waters Tribunal Bill, 1986.
- (3) Discussion on the Resolutions seeking disapproval of the following Ordinances together with consideration and passing of Bills as passed by Rajya Sabha in replacement of them :

(a) The Contract Labour (Regulation and Abolition) Amendment Ordinance, 1986.

(b) The Administrative Tribunals (Amendment) Ordinance, 1986.

(4) Discussion and voting of the Demands for Grants under the control of the Ministry of :

(i) Petroleum and Natural Gas

(ii) External Affairs.

Are you satisfied now, my friend ?

PROF. MADHU DANDAVATE : If you had included 'Maharashtra Governor' I would have been very happy.

SHRI H.K.L. BHAGAT : I hope it was not because of that, that you had asked me to read it again.

MR. SPEAKER : We now take up matters under Rule 377.

Dr. G.S. Rajhans.

DR. G.S. RAJHANS (Jhanjharpur) : I request that the following may be included in next week's business :—

Every day thousands of labour come to Delhi from the Mithila region of North Bihar to look for jobs since there is acute unemployment there. Some of them stay in Delhi and the rest go to Punjab and Haryana in search of livelihood. They are exploited both in Delhi and in Punjab and Haryana.

In Delhi they are denied minimum wages and are asked to work 12/14 hours a day under very unhygienic conditions. They are not governed by any labour laws. There is no security of job, nor are they given facilities like provident fund and gratuity.

In Punjab and Haryana the touts of zamindars and big cultivators rope them in by making false promises. Once they reach the interior of Punjab and Haryana, they become bonded labour and for all practical purposes lead a life of helpless prisoners. They undergo untold miseries and cannot

get out of the clutches of their masters despite their best efforts.

As such, the Union Labour Ministry should give immediate attention to their plight.

SHRI G.M. BANATWALLA (Ponnani) : The following items may be included in the next week's business :

- (i) The considerable delay by the Government in implementing its assurance to increase the stagnant salaries and perks of the judges of the Supreme Court and High Court is a matter of great concern. I urge upon the Government to introduce and pass the required legislation in the next week.
- (ii) The next week business need also include consideration and passing of the Muslim Women (Protection of Rights on Divorce) Bill, 1986 which has been warmly welcomed by Muslims in particular, who look forward to its early passage so that rabid communal forces and those who have totalitarian outlook do not exploit the delay for fomenting tensions.

[*Translation*]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad) : Mr. Speaker, Sir, the following matter may be included in the next weeks business of the House.

The Country is facing acute shortage of A.T.S. medicine for the prevention of tetanus. As a result, life of a large number of people in Uttar Pradesh is in danger. The medicine which is generally available at Rs. 2.80 per ampoule, is being sold clandestinely at Rs. 30 per ampoule and still it is difficult to procure it. It is believed that the ATS manufacturing pharmaceuticals had requested the Government to raise the price by 25 to 30 paise per ampoule but as the Government did not permit it, the concerned pharmaceuticals have either stopped the manufacture of the said medicine or are manufacturing it in lesser quantity thereby reducing its supply and thus it is not easily available to the common man.

If an ordinary man falls victim to tetanus it is out of his reach to get treatment and ultimately he has to lose his life.

Therefore, I demand that the Central Government should take urgent steps to ensure that ATS is manufactured in adequate quantity to meet the demand and also supply it at fair price in order to save precious lives.

SHRI KAMMODILAL JATAV (Morena) : Mr. Speaker, Sir, kindly include the following matter in that next week's business of the House.

Electricity is supplied to Chambal Division of Madhya Pradesh from Gandhi Sagar Dam which is 600 kms. away from Bind and Morena. This causes great inconvenience to the consumers. Single pipe connections have not been provided in the house of Harijans and Adivasis in the area, in spite of the policies of Government in this regard, though about nine rivers like Chambal, Kuno etc. flow through Morena district. If Government instals thermal power stations in the area itself it can solve the problems of the people of Chambal Division.

[*English*]

SHRI V.S. KRISHNA IYER (Bangalore South) : The following item may be included in the next week's business :—

It is learnt that the Government of India is contemplating importation of machinery worth more than Rs. 26 crores in foreign exchange for a project coming up at Tirucharapally, even though the HMT which is the jewel of the public sector industry has offered to meet the requirements with the indigenous machine tools and with imported automation and computer equipment. It is ascertained that the HMT's offer is most competitive in all accounts technically, commercially, price-wise, in respect of foreign exchange saving, meeting the delivery requirements, etc.

I urge the Government to look into this matter and see that the project officials give encouragement to the public sector in our country and thus promote self-reliance.

SHRI ANOOPCHAND SHAH (Bombay North) : Sir, I would like to make the following submission for inclusion in next week's business :

Working of almost all the corporations and public undertakings under Central Government has gone from bad to worse. Most of them are making huge losses and wasting public money. Expenses of almost all the corporations and public undertakings have gone tremendously up. There is a need to check them.

Ways and means to improve the working of corporations and public undertakings under the Government, therefore, need to be discussed.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Sir, I beg to submit that the following matter of urgent public importance may please be included in the list of business of the House for the next week.

It is a matter of concern that meningitis has already taken epidemic form and is claiming large number of lives in this capital city itself. As it seems, people are penic-stricken without proper warning from the concerned authorities and proper publicity as to what precautions they should take. It is high time that medical authorities realised the seriousness of the disease and the situation prevailing in Delhi and other parts of the country, and undertake suitable measures, both preventive and curative, without further delay.

SHRI K. RAMACHANDRA REDDY (Hindupur) : Sir, the following item may be included in the next week's business :

Tungabhadra Board—its existence is a must for Rayalaseems

The President of India constituted this Board on 10-3-1955 and the Board has to take charge of and deal with all matters connected with the Tungabhadra Project which are common to both the State of Andhra Pradesh and Karnataka. It is intended to maintain the common portions of the canals and common distributories, and also generate hydro power and distribute the same, as also attend to the distribution of water between the two States—139

TMS to Karnataka and 73 TMS to Andhra Pradesh.

Karnataka is a State upstream and, therefore, has all the natural advantages while Andhra Pradesh being placed at the tail end, suffers from certain disadvantages.

If the Board is abolished, the interests of Andhra Pradesh will suffer heavily and Andhra Pradesh will be deprived of its rightful share of water. If the Board is abolished, Karnataka can draw more water at the cost of Andhra Pradesh because there will not be any authority to check the quantum of water drawn. Hence, Karnataka is interested in the abolition of the Board.

It is, therefore, requested that the Union Government may reject the plea of Karnataka and continue the Board to serve the just needs of both the States of Andhra Pradesh and Karnataka.

SHRI H.K.L. BHAGAT : Sir, I have very patiently heard all the submissions that have been made by the hon. Members and I will, of course, point them out to the Business Advisory Committee. Although it is for them to raise the matters, it is for the Business Advisory Committee to decide on the business. I will, however, suggest to the hon. Members for their consideration, whether they like it or they accept it or not, that there are going to be discussions, as they are already aware, on Demands for Grants of various Ministries and if they think it proper, they might be able to raise these matters there. But I shall bring all these to the notice of the Business Advisory Committee.

ELECTION TO COMMITTEE

[English]

Agricultural and Processed Food Products
Export Development Authority

THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES
(SHRI P. SHIV SHANKER) : Sir, I beg to

move :

"That in pursuance of sub-section (4) (d) of section 4 of the Agricultural and Processed Food Products Export Development Authority Act, 1985, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Agricultural and Processed Food Products Export Development Authority subject to the other provisions of the said Act."

MR. SPEAKER : The question is :

"That in pursuance of sub-section (4) (d) of section 4 of the Agricultural and Processed Food Products Export Development Authority Act, 1985, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as member as the Agricultural and Processed Food Products Export Development Authority subject to the other provisions of the said Act."

The motion was adopted.

12 21 hrs.

CALLING ATTENTION TO MATTER OF URGENT PUBLIC IMPORTANCE

[English]

Reduction in the capacity of Visakhapatnam Steel Plant

SHRI BHATTAM SRIRAMAMURTHY (Visakhapatnam) : Sir, I call the attention of the Minister of Steel and Mines to the following matter of urgent public importance and request that he may make a statement thereon :—

"Reported decision of the Union Government to reduce the capacity of the Visakhapatnam Steel Plant and consequent curtailment of

employment opportunities to the displaced persons and the action taken by the Government in that regard."

THE MINISTER OF STEEL AND MINES (SHRI K.C. PANT) : Sir, The employment opportunities at Visakhapatnam Steel Plant have not been curtailed despite a change in the saleable products mix of the plant.

2. The Visakhapatnam Steel Plant Project was sanctioned in 1982 at a capital cost approximately Rs. 3,900 crores. A re-assessment of capital cost of the project in 1985 indicated that as a result of the escalation in prices, cost over-run etc. and an under-estimation of earlier costs, the updated cost of the project would be about Rs. 7,500 crores. It was found that such a high capital cost would affect the economic viability of the project.

3. Recent developments in steel plant construction projects have indicated that there is need for reviewing earlier concepts of steel plant design. In this context, alternatives for implementation of the project at a lesser capital cost and improved viability were studied in detail and the Visakhapatnam Steel Plant Project formulated a revised project concept. This revised rationalised project proposal is under Government's consideration.

4. Under the rationalised concept, the hot metal capacity of the plant would remain unchanged at 3.4 million tonnes per annum. There would be a reduction in liquid steel capacity from 3.4 million tonnes to 3 million tonnes which would lead to reduction in saleable steel capacity from 2.98 million tonnes to 2.66 million tonnes per annum. However, pig iron for sale would increase from 0.22 million tonnes to 0.57 million tonnes per annum. Thus the total saleable production of iron and steel from the project would be 3.23 million tonnes compared to earlier anticipated level of 3.20 million tonnes per annum. This change in product mix would enable the project to reduce its capital cost by Rs. 1,500 crores. At the same time, it would meet the steel and pig iron demand for the 8th and 9th Plan periods in a balanced way. It is also expected that the rationalised concept would enable competition of the

[Shri K.C. Pant]

Plant by June 1990 i.e. about one year earlier than the earlier completion schedule of July, 1991.

5. The scope for employment in a modern steel plant like Visakhapatnam Steel Plant is Limited. As per the latest assessment, the work manpower would be of the order of 13,000. The total manpower requirement including mines and other services like township, medical, administration etc. is likely to be around 15,000. Any increase in the number of plant personnel would erode the plant's viability. Before the finalisation of the revised concept, the project authorities had given an assurance to employ 5,000 displaced persons, subject to their suitability. The rationalised project concept does not, in any way, reduce this number. VSP has already given employment to 1,339 displaced persons and about 3,500 to 4,000 displaced persons have been employed by the contractors. The possibilities of finding employment for the displaced persons in ancillary and down-stream industries are being explored in cooperation with the State Government.

12.24 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

SHRI BHATTAM SRIRAMAMURTHY:
Sir, the recently reported decision of the Visakhapatnam Steel Plant project authorities which is currently under the consideration and examination of the Union Government on the question of reduction of the size of the Steel Plant at Visakhapatnam has become a matter of urgent and grave public concern. It has created a great sense of agitation and commotion among the six crores people of Andhra Pradesh. This decision goes against the cherished goals, ambitions, hopes and aspirations of the people of Andhra Pradesh. As you may kindly see, after the reduction of size of the plant, it ceases to be an integrated plant. At best it will be a semi-integrated steel plant or at the worst, it will be a pig-iron plant. The product mix changes. The universal beam which is essential and basic component of the plant also goes. The very object of the Government also undergoes a basic change. The Minister reads out a statement that he

would meet the steel and pig iron demands of the 8th Plan and 9th Plan periods. Hence it is clear, the Government are thinking in terms of the pig iron requirements of this country, not the steel requirements.

Apart from whatever has been stated now at the moment, it is clear that their whole idea is to further increase the pig iron content to meet the requirements of the country during the 8th Plan period, 9th Plan period etc. That means, VSP Plant is basically undergoing a radical change and would become a sort of pig iron plant ultimately. I, therefore, call it a mutilated or a truncated steel plant. It is a distorted version of the original plant that is now being offered to the people of Andhra Pradesh and to the people of this country.

At the outset, I would like to know from the Minister. It is claimed that the plant going to be completed by the end of June, 1990. After the reduction of Rs. 1500 crores, the total outlay comes to about Rs. 6000 crores. So far around, Rs. 2500 has been spent. During the 7th Plan period, another Rs. 2500 would be spent. The total thus comes to only Rs. 5000 crores. That being so, Rs. 1000 crores is still left. How is it that they will be able to complete the plant during the 7th Plan itself? I wonder. I am not able to understand the logic. My main contention is this. In any case, during the 7th Plan period, it is not possible for the Minister to have the plant completed. It will spill over to 8th Plan period. That being the case, where is the hurry to reconsider, reexamine and revise the original concept and set-up, and come down heavily on it and apply cuts and curtail the outlay. It is neither good; nor proper; nor appropriate; nor is warranted. Therefore I once again urge that the Minister may reexamine and reconsider the entire matter.

Another thing which I would like to point out is that the fuller implications of the proposals may please be placed on the floor of the House, before the Members of Lok Sabha. At least, in the Consultative Committee, the matter may be discussed in length. So far, that opportunity was not given in the committee. What I would suggest is, before taking a final decision in the matter, let the Minister convene a

meeting of the Members of both the Houses from Andhra Pradesh, of all political Parties and have a full and complete discussion in the matter. What prevents him from holding a discussion? As a matter of fact, in one of the recent meetings of the Consultative Committee, it was decided that in respect of individual steel plants, the matter will be taken up separately for discussion with the concerned Member and also the interested Members. And that has not so far taken place in spite of my reminders to the Minister. Therefore, apart from holding discussion with any individual Member, what I would suggest is, let there be a discussion between the Minister and all the Members of Lok Sabha and Rajya Sabha from Andhra Pradesh. If he fails to do it, what I would suggest to the Minister is, we can convene a meeting ourselves and the Ministry and the Minister may come forward with all details and participate in the discussions. We raise our issues, our doubts and our apprehensions. Let him adequately answer them. Let him not take a final decision, till the whole matter is thoroughly discussed and clarifications are given. Till that time, let not the Minister take any final decision in this matter.

As the matter concerns the State of A.P. the Chief Minister has written to the Union Minister and it is not replied so far.

The hon. Minister states that no decision in this matter has so far been taken and the matter is under examination and consideration. The proposals were received from the steel plant authorities. In a number of cases, wherever final decision are not taken, pending final decision, pending consideration of the matter the Government are going to the press, releasing any information to the press in order to avoid agitation in the minds of the people. How is it in this particular case, the Government chose to do so? Because their mind is set, are very clear in their directive. They wanted to cut the size of the Plant. They wanted to mutilate it. If this is the objective, I am sorry the Minister will not be able to solve the problem. I request the hon. Minister to re-examine and to reconsider his stand. This is a highly improper decision.

The hon. Minister stated that the capacity of the plant will be reduced from 3.4 million tonnes to 3 million tonnes. It involves curtailment of only 4 lakh tonnes and nothing more.

May I draw the attention of the hon. Minister to the capacity of the Universal beam which is 8 lakhs tonnes? If the Universal Beam goes, then the capacity which is 8 lakh tonnes is reduced. The how is it that the capacity of 3.4 million tonnes, reduced only to 3 million tonnes and not more?

Again there is the point of expenditure to be incurred. Let us see the total expenditure which was originally envisaged. Rs. 7,500 crores is the total anticipated outlay. Out of this, Rs. 1,500 crores is going to be saved. That moves about 20% of it is going to be saved. Saving is 20%. Then does it result in reduction from how only 4.1 lakh tonnes? And not more? Obviously, there are more things than what may meet the eye. The full implications of the proposal may be put forward before the House and we may be enabled to discuss this. This is proper. This is just. This is necessary.

Apart from this, I would like to point out to the hon. Minister another obvious fact. Who has mooted this proposal? It was said that proposals are mooted by the Steel Project Authorities. This is a grant project, the largest public sector undertaking in the country which is the first shore-based integrated steel project with most sophisticated modern equipment. That is the project we are dealing with. Are we to leave the entire question of the size and its reduction in the hands of the management of Visakhapatnam only. Is it for them to come forward with a proposal for curtailing the capacity of the project? You consider that proper? Have any competent team of experts gone into the matter in-depth? What is their report? When did they consider this matter? How did it come up to this level now? Will the Minister please place these details?

This is a project which is now coming into being with the collaboration of USSR. Have you consulted their? You have your

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consultants, Dastur and Co. What is the opinion of the consultants in this regard? The way in which the local management of the Steel Plant is allowed to come forward with proposals, short circuiting the entire process, threatens the very base and foundation of the plant itself. At this stage, I would like to request the hon. Minister to look at this from a different aspect.

Originally, the Steel Plant in Visakhapatnam was expected to cost about Rs. 2,256 crores. Subsequently, it was revised to Rs. 3,897 crores. It was further revised to about Rs. 7,500 crores. At the time of final revision of Rs. 7,500 crores, the Government could not take a decision. The matter was kept lying in the corridors of the Central Secretariat for over 1½ years or two years also. The Government could not come to a decision. Even now, I wonder whether they have taken any decision in this regard. Have you approved this? If you cannot even approve an estimate which passed through various authorities even though it is 1½ years or more how is it that you come to the sudden conclusion that the capacity of the Steel Plant can be curtailed, can be reduced, so drastically and suddenly?

This is unfortunate....

MR. CHAIRMAN : According to the rule you have only 10 minutes.

SHRI BHATTAM SRIRAMAMURTHY : Other members are not speaking. I am taking their time.

In a note circulated to us the Government states, "It was found that the main reason for lower capital costs of a steel plant in South Korea was the higher production from the installed equipment." So the question is one of having a higher percentage of production and utilisation. That is a point which arises offer completion of the Project. The question is one of fuller utilisation of the capacity. Please see the next sentence.

"Visakhapatnam Steel Plant was re-examined with this in view by the plant authorities..."

By the plant authorities? And not by the Government? Not by any team of experts? The plant authorities did examine and therefore they have now come forward with the decision to curtail the project. "It was, therefore, decided by the project authorities to prune down some of the equipments to the extent of the Rs. 1500 crores." They take a decision to prune down the equipment. All this is done in the name of the plant authorities. I do not know how they were competent to do all this. But they have done it and this is what is being said.

On a different occasion it was pointed out to us in a note that the employment opportunities have been drastically cut down. The Working Group of the Planning Commission originally felt that the employment potential of the steel plant would be 21,000 and odd. But now it was stated, "In view of the sophistication, modernisation and the high technology employed the employment potential will be only 12,000." I read the relevant extract of the note circulated to us :

"Keeping in view the above aspects the Visakhapatnam Steel Plant management carried out a study to bring down the manpower requirements to the minimum level and improve the productivity."

Here it is only the management that wanted to bring down the manpower requirement to the minimum, to the rock bottom—from 22,000 to 12,000. This is unprecedented. This way the whole thing went on. What is the logical result? The first time the Plant authorities were allowed to tamper with the Project report, they curtailed the employment potential. The next time they were allowed to do so they cut down the size of the plant. The third opportunity if they are given, I do not know what will happen to the plant? The future of the plant itself may be at stake. The Minister says that this will not curtail the employment opportunities at all. That is the very first sentence from the Minister's Statement.

"The employment opportunities at Visakhapatnam Steel Plant have not been curtailed despite the change in the saleable product mix."

I would like to ask—as far as the employment opportunities are concerned—What is the basic policy of the Government of India? With reference to the major projects like the Visakhapatnam Steel Plant? The policy, the avowed policy is to provide job to one able-bodied member of the displaced families. That is the basic policy. That was the reply given on the floor of the House. That was the reply given to us on a number of occasions. That was the commitment made by the then Prime Minister at the time of laying the foundation stone. It was assured that at least one member from each displaced family will be getting the job. The Steel Authority know it. Therefore, in the first annual report they stated is, 'The policy of the Government of India is to provide job to one able-bodied member of each household of the displaced families.' This is the position. That being so, 13,000 displaced families are there. Therefore, 13,000 persons must get the employment opportunity. But so far only 1300 persons have got the jobs. What would happen to the rest? What happened to the policy, a policy laid down not now but years ago? Was this revised or reversed? When did you revise the policy? Who revised the policy? Have you intimated to Lok Sabha any time in this regard? This is very unfortunate. The human factor forgotten. The man has become a prey to the machine which the Government worships. You talk of Gandhian idealogy. You might have been exposed to Gandhian idealogy in earlier days. But I am sorry to observe that today the human misery is forgotten; Humanitarian values are lost sight of. The displaced persons are not being treated in the manner they deserve. With due respect to the Minister, I once again reiterate, that this is not a humane or treatment that humanitarian consideration. They did not receive the human-beings deserve.

In Rourkela what has happened? What has happened in respect of various other Steel Plants? All the displaced persons were absorbed in Rourkela. In Bokaro and Durgapur all the displaced persons were absorbed. In Bhilai also most all the people were absorbed. Some of them still remain to be absorbed and they are assured that shortly they will also be absorbed. But why this type of treatment is meted out to Visakhapatnam alone.

Again, I come to another aspect. What is the employment potential in respect of Bhilai. It is a project of 4 million tonnes capacity and the total number of persons employed is 64,769. In Durgapur, the capacity is 1.6 million tonnes and the total number of persons employed is 34,905. In Rourkela, the capacity is 1.8 million tonnes and the employment potential is 39,827. In Bokaro, the capacity is 1.7 million tonnes and the employment potential is 35,200. As far as Visakhapatnam is concerned, its capacity is 13.4 million tonnes. What is the employment potential there? It is only 1200? We are reduced to our abject and miserable plight. This is what I wish to point out.

Let me refer again to the Annual Report of the Steel Plant. It is very clearly mentioned therein that "efforts are being made to identify jobs for which the displaced persons would be suitable". They would like to identify jobs for which they are suitable any. They have not stipulated conditions. They want this qualification and that qualification. Qualifications have not been laid down. For whatever job they are fit they will be given the jobs. Those jobs will be identified and provided. What is the present state of affairs? They say that "only qualified, competent and technically highly equipped persons alone" will find place in the steel plant. Have you reversed your policy? Are you forgetting what is contained in the Annual Report of the Ministry. This is very unfair. In this connection, I would request the hon. Minister to ponder over this—to re-examine and re-consider the stand taken by him.

Again it has been stated in the Annual Plan—I am again quoting from the Annual Report. "Survey has also been planned to ascertain educational qualifications and other relevant details about displaced persons". For what? "For formulating a proper educational and training programme with a view to improve the employment opportunities for displaced persons". That is what is undertaken. Originally by the Project authorities. They want to provide employment opportunities to the displaced persons. For that purpose they want to promote educational, and training facilities. That is what has been stated. That is their original

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objective. That is what they were proposing to do. Now, I want to see the position taken by the Minister. He has taken an absolutely a different stand altogether. His stand is "whoever is qualified and competent, they will alone be taken into consideration". That means, the other people will not be taken into consideration. That is his present stand. This is rather unfortunate; This is not proper. This is not in conformity with the Policy decision taken by the Government previously. I would refer to another aspect. I am making another point which is of very vital importance in the lives of several displaced persons who are leading a miserable existence, who are on the verge of starvation for a number of years. They are being totally neglected by the Union Government, and the Steel Plant authorities, as far as jobs are concerned.

SHRI K.C. PANT : The suggestion is that the Union Government has to put up the Plant. That is what you want to make.

SHRI BHATTAM SRIRAMAMURTHY : Earlier this difficulty did not arise. Whenever I rise to speak, it is being listened to with sympathy.

SHRI K.C. PANT : You read what you have said today; you read it tomorrow.

SHRI BHATTAM SRIRAMAMURTHY : I will certainly do that. This comes from the bottom out of my heart. This is what I am forced to say. I have to bring to your notice their miserable condition their representative in the Lok Sabha I have to do so, it is my duty. It is not because of any other consideration that I am raising, this issue. These are all the basic facts of the situation.

What does the Minister say? The Minister say that educational and technical training to the displaced persons is the responsibility of the Government of Andhra Pradesh. Let us see what is contained in the Annual Report? There it is stated that it is the responsibility of the Steel Plant

Authority. What does the Minister say today? He says that educational and technical training to the displaced persons is the responsibility of the State Government. He is shifting the responsibility on to some one else to wash off his hands. This is not proper, this is not fair.

In the year 1984 when some difficulty arose, a meeting took place. Discussions were held. There were protracted consultations and discussions with the D.Ps. and the district authorities. The Minutes of the meeting were also recorded. I have got a copy of it. I read from it :

"The programme for the recruitment of the balance 3,861 persons from among the displaced persons during the period 1984-85 to 1987-88 (four years) year-wise will be worked out by the VSP management and further discussions on the same will be held by the VSP management and the leaders of the displaced persons. Thus a total of 5,000 displaced persons, including 1139 persons already employed in Visakhapatnam Steel Project will be recruited by VSP by the year 1987-88."

I have read from a copy of the minutes. It was duly signed by Shri K.R. Sangameswaran, Managing Director, and Shri M.V. Raghavaiah, Director, and Shri H.D. Andley, Director, and various other people.

What was proposed? It was proposed that they may prepare a year-wise plan for absorption of these people in the Steel Plant. That was agreed to. But what is happened today? What is the position which the Minister is taking? I will read from his answer to a question put by me about "the number of persons likely to be absorbed in the next three years (a) in the Steel Plant; (b) in ancillary industries; and (c) in self-employment programmes. Please see the answer; given by the Minister.

"The Project is still under construction. The rate of recruitment will depend on the schedule of commissioning of the Visakhapatnam Steel Project, the nature of the jobs, the

availability of displaced persons possessing the requisite qualifications, etc. It is not possible to indicate recruitment in the next three years in terms of specific numbers."

I earlier referred to the 1984 meeting. This particular agreement shows that the Project authorities will have to come forward with year-wise proposals for recruitment of persons. Now the Minister says that it is impossible, he turns a deaf ear to the entire problem.

MR. CHAIRMAN : Please conclude....

SHRI BHATTAM SRIRAMAMURTHY : One more point I want to refer to....

MR. CHAIRMAN : You have taken enough time.

SHRI BHATTAM SRIRAMAMURTHY : The others are not speaking. There time can be adjusted...

MR. CHAIRMAN : I have already given their time also to you. It is not a practice to allow donation of other Members' time; donation is not allowed. Please conclude.

SHRI BHATTAM SRIRAMAMURTHY : The matter was discussed in the meeting of the Consultative Committee. I read from the minutes of the meeting :

"The Chairman....

It was Mr. Vasant Sathe then.

"The Chairman stated that since the Plant would only be in a position to absorb around 5,000 dependents of displaced persons, the resettlement of the remaining should include financial help and employment in downstream and ancillary industries. The Member stated...."

That is, myself.

"The member stated that if it is not possible to employ them in Steel Plants, then employment should be found elsewhere. The Chairman Stated that this would be attempted

to be done in collaboration with the State Government. For this purpose he requested the Minister of State to hold a meeting with the State Government within a month in order to draw up a programme of how this problem is to be solved."

This was in the month of August. "Within a month," that is what he said. What has happened to this decision? Nothing has come out even though several month elapsed. I earnestly request the Minister to look into this. Reduction of the size of the Plant must be given up provision of the employment opportunities to the people who are displaced, who are in dire need of the support of the Government should be ensured.

Finally, before I conclude I would also like to mention another factor which is very important.

(Interruptions)

MR. CHAIRMAN : Every time you seem to conclude, but again you raise one more point.

SHRI BHATTAM SRIRAMAMURTHY : This is very important issue, Sir, where the entire State is concerned. Any way I don't want to violate your ruling, I resume my seat.

THE MINISTER OF STEEL AND MINES (SHRI K.C. PANT) : Sir, I have listened very carefully to the points made by my Hon. friend and I must say that although I have had many discussions with him with regard to this project I have failed to perhaps convey to him the basic desire of the Central Government to complete this project in time and make it viable and also that considering the constraint on resources the Central Government is stretching every nerve to find money for this project.

He is normally a well informed man and I did not expect him to speak in terms of a mutilated, truncated and distorted steel plant. He calls it a pig iron plant and so on. Even rhetoric has its limit.

Sir, a steel plant—in this case the Vizag

Steel Plant—will have a capacity of three million tonnes of liquid steel as against 3.4 million tonnes which was the earlier plan. Pig iron capacity—I have given the figures—will go up up from 0.22 to 0.57 million tonnes per annum. Together the saleable iron and steel will now be up than what it was previously and not less. The figure is 3.23 million tonnes now saleable production of iron and steel as against 3.2 million tonnes per annum earlier. After this revision the total sale of iron and steel from Vizag Plant will be up and not down.

He objected to pig iron capacity being pushed up. It is not as though the pig iron capacity has been pushed up by installation of new equipment, it is just that the pig iron part of the plant has been kept in tact as it was and the production has been increased. Would he like it to be reduced? Is that his suggestion, is that his proposals? It so happens that pig iron is required in this country and it is only correct that one does not try to artificially reduce the capacity for producing pig iron because one can save money elsewhere. One need not touch the pig iron part of the plant. I hope my Hon. friend would agree to this.

Secondly, he has raised a question about the universal beam plant and he has raised the question if the universal beam plant goes since its capacity is larger than .4 million tons then why the reduction is only .4 million tonnes. Firstly, Sir, 3.4 refers to liquid steel and not saleable steel but apart from that the essential point is that whether it is the steel converters or whether it is the rolling mills the efficiency will go up, productivity will go up and the whole exercise is that the same equipment will be able to produce more. Therefore, with the same equipment it will be possible to increase production in the rolling mill and in the steel making capacity. The change that has been made is that one of the steel melting shop has been done away with. The capacity of the other steel melting shop has been increased and the capacity of the individual converters has been increased. This is what has been done. It remains an integrated steel plant.

Sir, Durgapur, Bhilai as well as Rourkela started as 1 million tonne steel plants whereas this will start as 3 million

tonne steel plant. My friend says that this is nothing but a mutilated plant. I fail to understand this. Sir, it is a fully integrated steel plant. He has raised another issue which really goes to the heart of the matter. He has said how is it that you reduce capital cost by Rs. 1500 crores but you reduce steel capacity by .4 million tonnes. That is the strength of the proposal. The strength of the proposal is by reducing capital cost we are able to produce a fairly high level of quantity of steel and, therefore, and production costs can be brought down. How else the production costs be brought down and the plant made viable?

Sir, I thought he would welcome it rather than complaint about it. He has also raised the time issue. In other words he said that since this was a plant which would have cost Rs. 7500 crores. Now it is going to cost Rs. 6000 crores. In the Seventh Plan there is a provision for Rs. 2500 crores. Expenditure already incurred is in the neighbourhood of Rs. 2000 to Rs. 2100 crores. So, will the Government be able to complete it in time? He also said therefore where is the hurry and let it be delayed. It is an amazing statement from a responsible Member. You said what is the hurry? Where is the sense of urgency? (*Interruptions*) Sir, I did not interrupt him. It is the time over-runs which ultimately add to the cost and the entire House must, in fact, impress upon the Government and the management there to see to it that the plant is completed in time so that it becomes a viable plant and we cut down the overalls to the minimum. That should be the focal point from all directions of the House. We should see to it that it is completed quickly. We should not say what is the hurry.

SHRI BHATTAM SRIRAMAMURTHY : I did not say there is no hurry. I said where is the hurry in reducing the capacity.

SHRI K.C. PANT : He said it is not going to be completed. There is lack of resources and, therefore, what is the hurry. He can read his transcript. I expected him to say 'thank you' for fighting the case of Vizag which is not of Telugu Desam or my friend from Andhra. I look it as a national project and we are proud of it and, therefore, I would expect that if there is shortage of money we shall also speak to the

Finance Minister and the Prime Minister and get you more money so that it could be completed in time.

13.00 hrs.

That would make it a viable project, that would be in the interest of Andhra Pradesh; that would be in the interest of Steel Plant and that would be in the interest of the country... *(Interruptions)*

SHRI BHATTAM SRIRAMAMURTHY : It is the Prime Minister, who helped us.

SHRI K.C. PANT : Yes, it is the Prime Minister's intervention which has got us money for this project.

SHRI BHATTAM SRIRAMAMURTHY : And we have thanked him personally and through letters and otherwise a number of times. I again do so from this House today. He stood by us last year in raising the allocation.

SHRI K.C. PANT : I am happy, I could extract some gratitude from you ...

(Interruptions)

MR. CHAIRMAN : Do not interrupt please.

SHRI K.C. PANT : Not only last year, this year also the Prime Minister has helped in getting extra money for Vizag. This year also you thank him, it would be in order; not only last year, this year also. (... *Interruptions*). Some gratitude this year will do your temper some good.

SHRI BHATTAM SRIRAMAMURTHY : Much earlier than the budget session itself, the Steel Secretary had announced in this year's budget figure in Vizag itself. May I show you the News papers? Should I thank the Steel Secretary or the Minister? The Steel Secretary himself announced that Rs. 700 crores were going to be given this year..... *(Interruptions)*

[*Translation*]

SHRI V. TULSIRAM : Do not get provoked. You are an experienced person
(Interruptions)

SHRI K.C. PANT : I am not provoked.

SHRI V. TULSIRAM : Something should be done in this regard during your tenure. You should give something. We get worked up because of the harm being caused

(Interruptions)

SHRI K.C. PANT : You are also very experienced, You and Shri Bhattam have been with me for a number of years

(Interruptions)

SHRI V. TULSIRAM : Something should be done in this regard during your tenure.

SHRI K.C. PANT : You would perhaps remember that when this was announced in 1970 I was holding the portfolio of steel.

SHRI V. TULSIRAM : That is why I am saying that something should be done in this regard.

SHRI K.C. PANT : We want your help.

SHRI V. TULSIRAM : We are with you.

SHRI K.C. PANT : That is what I was saying. *(Interruptions)*

[*English*]

My friend said that I should meet Lok Sabha Members, but he did not care to mention that only last week or ten days ago, I have met all the Telugu Desam Members along with him and discussed this particular project.

SHRI BHATTAM SRIRAMAMURTHY : Not at all and not on this question... *(Interruptions)*

SHRI K.C. PANT : How can I go on like this ?

MR. CHAIRMAN : Do not contradict him at every stage. Listen to the Minister, Mr. Bhattam.

SHRI K.C. PANT : I discussed the Vizag Plant.

SHRI BHATTAM SRIRAMA-MURTHY : We discussed the displaced persons.

SHRI K.C. PANT : Yes, we discussed the problem of displaced persons, which is the main thrust of this calling attention motion. You can read it; it is your motion.

As I said, he did not mention that. I am always willing to meet him and other Member. There is no question of my not meeting them. I have always met them and they are most welcome any time they want to meet me. I am only saying that it should have come from him because we did have a discussion.

He mentioned South Korea and he said why the plant authorities should have made suggestions to prune the equipment on the basis of higher utilization of equipment in South Korea. What has happened is this. When from Rs. three thousand and odd crores, the estimate for the plant went upto Rs. 7500 crores and with the present constraint of resources, it was found very difficult to complete this plant not only in 1991, it was going on for another three-four years, then a team was sent to South Korea. The Steel Secretary, Chairman and the Managing Director of the Steel Plant went to the best steel plant, a modern steel plant in South Korea. They studied the technique employed by them to complete their plants quickly, in time and also to maintain a high level of technical efficiency and performance and keep the cost down. They are really doing a very fine job, and I think all our friends who are interested in the subject know about that particular steel plant, and it is after they returned that these proposals started being mooted. I do not just understand his objection to the technical people in the plant making these suggestions. Who else will make these suggestions? Who else knows the plant so well? It is but natural that the people who are in the plant should be encouraged to think about reducing costs, and after they come forward with some proposals, as he himself said, it will be considered by the Government, by the Consultants; it is not only they alone who make the decisions. He talked of decisions. He knows perfectly well that they cannot make big decisions themselves. Certainly, the proposals have to

come from them. Even if we have some proposals, we have to send the proposals to them so that they can examine them in the light of the local conditions, equipment, etc. etc. So, I see no substance in that objection. Then he asked whether anybody else has looked into it and he mentioned about Dastur and Company. This rationalised concept was finalised by Vizag Steel Plan in consultation with their principal consultants, Dastur and Company.

SHRI BHATTAM SRIRAMA-MURTHY : USSR also.

SHRI K.C. PANT : USSR has also been spoken to and they agreed in principle. In fact, Dastur met me and in fact, the first time I had heard about the rationalised proposal was from Dastur himself. He gave me a graph which showed me as to how this particular change would make the plant more viable. It is he who brought this proposal first to me.

Then the question of employment potential come up. He referred to various meetings which had taken place and he said that in Bhilai and Rourkela Steel Plants, all the displaced persons were employed. Now, I have the figures the displaced persons with me here. In Bhilai, the number is 3791. In Durgapur, it is 2150 and in the Rourkela the figure is 4665. So, these are the figures that are with me.

SHRI PIYUS TIRAKY : What about Bokaro?

SHRI K.C. PANT : The number in Bokaro is more. It is 14,512. Bhilai and Rourkela plants are 20 year old plants. Apart from that, this is a debating point and I do not want to make debating points. The real thing is that the capital cost of today's steel plants are so much higher than the capital cost of those steel plants. My friends know that. Capital costs add considerably to the cost of production and therefore, if we have to sell steel, then steel has to be produced at a certain level of cost of production. When the capital cost goes so high, obviously the operating costs have to be kept low and if we do not make efforts to keep the operating costs low, then naturally we will not be able to sell the steel or Vizag will be a white

elephant right from the beginning. I think that none of us wants that. So it is in our interest collectively, to see that this plant is efficient and that only so many people are employed by the plant, as are required by it. What can be the objection to it? One should not unnecessarily add to the number. One should not reduce the number unnecessarily, but one should not also add to it. After all, that cannot be the policy of this House, that cannot be the policy of this Government and that cannot also be the policy of our country.

Then my friend mentioned two things. He said that only technically highly skilled persons will get a chance. That too he put it in my mouth. He stated that I said so. I have never said so. You will not find it in my statement. I only said 'whoever is suitable'. Whoever is not qualified, he will not be taken into consideration. Now, the fact of the matter is that various relaxations and concessions have been made for purposes of recruitment. And I would like to tell the House that in addition to the relaxations, special consideration is being given to the displaced persons in the matter of training. This is another point to which he referred. Now, I can read out the various relaxations. But I will just mention in passes. One is, for instance, that against the minimum qualifications prescribed as Matric plus ITI, the number of displaced persons had ITI qualifications, but who are not Matriculates were also taken as Junior Trainees. The special training has been provided to those who had the requisite qualifications, but who did not qualify the VSPs examinations.

SHRI BHATTAM SRIRAMA-MURTHY : Currently one proposal is pending as regards the reduction of the educational levels for the admission to the ITIs. You may also consider that.

SHRI K.C. PANT : Then Sir, normally the drivers who have passed Eighth Class and possess some experience, are taken as drivers. But in the case of displaced persons, they should possess valid heavy vehicle driving licence and should be able to follow instructions given in English. That is all that is required.

In the case of other grade of drivers, they also have to pass Eighth, but in the case of displaced persons, again a relaxation is made and that is the relaxation in respect of their age.

Now, the point, my friend is making for ITI trainees. Again relaxation is given in respect of displaced persons in relation to age limit, qualifications and other relaxations. I do not want to take the time of the House unnecessarily, but I would like to say that, we are not insensitive to the problems. We are doing all we can to see that these people are given employment, but within the constraints of the total number and within the constraints of the qualifications.

Now, I would like my friends to understand that out of about 15,000 persons which would be the total, works manpower is 13,000 requirement and total including Mines Administration is 15,000, Out of this, technically highly skilled people are 12,900, that is, the requirement, of non-technical assistance, etc. are 1,000, unskilled 1,100. When recruitment to the non-executive posts have been made, out of 1,027 unskilled people recruited, 955 are displaced persons. But when you come to highly skilled people, only four out of the two hundred are displaced persons because the highly skilled people are not there. So what does one do about this? In the unskilled category, it is easy to take the displaced persons, but in the highly skilled category, if they are not available, how does one take them? So, this is the practical problem one has to face. One will have to categorise them. You cannot lump them into figure and then say no-no, everybody must be provided with a job. I have another figure. We have recruited 1383 displaced persons. Then there is a special Employment Exchange which has been opened exclusively for them. And there are 7870 displaced persons on live Registers of that special Employment Exchange. Now, I would like to clarify this matter. The qualification break-up of these 7,000 and odd people has to be taken into account and what is that qualification break up, that I will give you now.

[Shri K.C. Pant]

Post Graduate Degree Holders in Humanities	19
Technical Degree Humanities	120
Technical Degree Holders	8
Diploma Holders	29
Technical Trainees	382
Matriculates and above	500
Class 8 and above	770
Literates	1453
Illiterates	4589

This certainly imposes severe limitations. So, one has to keep this into account. So efforts will be made to recruit as many displaced persons as we can within the recruitment plan, but surely, if any of my friends sitting here, would have faced the same set of problems and in the interest of the plan, he would have to take certain decisions which may not be to their liking today. But if they give a cool thought to this matter, I think, they will come to the same conclusion.

Sir, he took objection to the fact that education and technical training was sought to be the responsibility of the State Governments. I thought that Telugu Desam is very jealous of the rights of the States and would not like to hand over the education and technical training to the Central Government. If they have changed their mind—I am speaking to an ex-Education Minister of the State—I would be very happy.

SHRI BHATTAMA SRIRAMAMURTHY : To the extent you deny this opportunity to those people, we are opposed...

SHRI K.C. PANT : Would you like the Centre to take over Education ?

SHRI BHATTAMA SRIRAMAMURTHY : I am referring to your

responsibility, which you have undertaken. You cannot go back on it.

SHRI K.C. PANT : There is no way of getting round the question. Would you like Education to be taken over by the Centre ? Otherwise, it remains the State's responsibility. Or technical education ? I will welcome it. Would you do that ?

SHRI BHATTAMA SRIRAMAMURTHY : Displaced persons are your responsibility. You are committed to it. Wherever you are committed, we do not come into the picture. Why do you refer to technical education ? You have left that subject education. When the time to discuss educational policy comes up in the House we will make clear our position.

SHRI K.C. PANT : You should be careful about the words you choose.

SHRI BHATTAMA SRIRAMAMURTHY : I know that.

SHRI K.C. PANT : When you take objection to the statement that Education is the responsibility of the State Government, it must be somebody's responsibility. Education is the responsibility of the State. Where can be the objection to that ?

SHRI BHATTAMA SRIRAMAMURTHY : I am reading from your own Annual Report.

SHRI K.C. PANT : That is what I am saying. Where can be the objection to that statement ?

Finally, he said that Mr. Sathe had talked about collaboration with the State Government in developing opportunities for displaced persons. I have said the same thing. There must be an effort to develop ancillary industries and so on. Let us understand basically that the displaced persons are, in respect of every project in the country, the responsibility of the respective State Governments. This is not a new phenomenon, or a new policy. It has always been so. We are prepared to cooperate in any way we can; and we shall do that. But State Governments will certainly consult us; they will ask us; we will discuss

with them. That is how wherever we can help, we will help. These are the various parameters within which this problem can be solved.

[Translation]

SHRI V. TULSIRAM : Leave it now. Do not get into a controversy. I would like you to do justice to the poor people who have been deprived of their land.

SHRI K.C. PANT : Do not give your time to him henceforth. You should ask your questions yourself.

[English]

MR. CHAIRMAN : No further discussion.

13.15 hrs.

SUPPLEMENTARY DEMANDS FOR
GRANTS (GENERAL), 1985-86

AND

DEMANDS FOR EXCESS GRANTS
(GENERAL), 1983-84.

[English]

MR. CHAIRMAN : Now items No. 11 and 12 will be discussed together, viz. Supplementary Demands for Grants (General), 1985-86 and Demands for Excess Grants (General), 1983-84.

Motion moved :

- (i) "That the respective Supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to defray the charge that will come in course of payment during the year ending 31st day of March, 1986 in respect of the following demands entered in the second column thereof."

"Demands Nos. 1, 2, 9, 10, 11, 12, 13, 16, 17, 18, 19, 20, 22, 23, 25, 27, 28, 29, 30, 32, 33, 34, 35, 36, 38, 40, 41, 43, 44, 46, 47, 48, 49, 51, 52, 53, 54, 56, 57, 58, 60, 62, 63, 65, 73, 76, 77, 78, 79, 80, 81, 82, 83, 84, 87, 89, 90, 92, 93, 97, 98, 99, 101 and 105."

- (ii) "That the respective excess sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to make good the excess on the respective grants during the year ended on 31st day of March, 1984 in respect of the following demands entered in the second column thereof :—

"Demand Nos. 17, 20, 22, 23, 34, 40, 57 and 78."

Supplementary Demand for Grants (General) 1985-86 submitted to the Vote of Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the Vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	
		Revenue Rs.	Capital Rs.

MINISTRY OF AGRICULTURE AND
RURAL DEVELOPMENT

1-Department of Agriculture and
Cooperation

6,43,000

...

1	2	3	
		Revenue Rs.	Capital Rs.
	2-Agriculture	8,59,61,000	...
MINISTRY OF CHEMICALS AND FERTILIZERS			
	9-Ministry of Chemicals and Fertilizers	151,02,29,000	98,26,00,000
MINISTRY OF COMMERCE AND SUPPLY			
	10-Ministry of Commerce and Supply	12,73,000	...
	11-Foreign Trade and Export Production	2,000	...
	12-Textiles, Handloom and Handicrafts	27,44,34,000	9,06,53,000
	13-Supplies and Disposals	₹35,00,000	...
MINISTRY OF COMMUNICATIONS			
	16-Postal Services	...	1,58,00,000
	17-Telecommunication Services	...	36,00,00,000
MINISTRY OF DEFENCE			
	18-Ministry of Defence	42,17,24,000	37,74,00,000
	19-Defence—Pensions	4,38,50,000	...
	20-Defence Services—Army	153,89,90,000	...
	22-Defence Services—Air Force	38,34,50,000	...
	23-Capital Outlay on Defence Services	...	13,92,00,000
MINISTRY OF EDUCATION			
	25-Education	6,000	...
MINISTRY OF ENVIRONMENT AND FORESTS			
	27-Department of Forest and Wild Life	...	1,08,00,000
MINISTRY OF EXTERNAL AFFAIRS			
	28-Ministry of External Affairs	17,64,94,000	10,83,00,000

1	2	3
	Revenue Rs.	Capital Rs.
MINISTRY OF FINANCE		
29-Ministry of Finance	1,04,14,000	...
30-Customs	8,71,32,000	29,50,000
32-Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	7,38,10,000	...
33-Stamps	74,59,000	...
34-Audit	6,97,98,000	...
35-Currency, Coinage and Mint	57,99,07,000	13,32,63,000
36-Pensions	28,71,73,000	...
38-Transfers to State Governments	259,44,25,000	...
40-Loans to Government Servants etc.	...	48,79,00,000
MINISTRY OF FOOD AND CIVIL SUPPLIES		
41-Department of Food	10,48,32,000	1,000
MINISTRY OF HEALTH AND FAMILY WELFARE		
43-Ministry of Health and Family Welfare	1,75,000	...
44-Medical and Public Health	5,000	12,83,88,000
MINISTRY OF HOME AFFAIRS		
46-Ministry of Home Affairs	41,92,000	...
47-Cabinet	1,56,99,000	...
48-Police	60,02,38,000	...
49-Other Administrative and General Services	45,74,70,000	5,63,86,000
51-Other Expenditure of the Minister of Home Affairs	17,98,49,000	10,27,23,000
52-Delhi	5,88,00,000	30,66,66,000
53-Chandigarh	9,01,99,000	8,83,43,000
54-Andaman and Nicobar Islands	6,97,07,000	...

1	2	3	
		Revenue Rs.	Capital Rs.
56-Lakshadweep		54,30,000	25,93,000
MINISTRY OF INDUSTRY AND COMPANY AFFAIRS			
57-Ministry of Industry and Company Affairs		3,00,000	...
59-Industries		...	50,25,00,000
MINISTRY OF INFORMATION AND BROADCASTING			
60-Ministry of Information and Broadcasting		16,41,000	...
62-Broadcasting		27,53,24,000	5,18,01,000
MINISTRY OF IRRIGATION AND POWER			
63-Department of Irrigation		1,000	...
MINISTRY OF LABOUR			
65-Ministry of Labour		3,11,000	...
MINISTRY OF SCIENCE AND TECHNOLOGY			
73-Department of Science and Techology		1,000	...
76-Department of Scientific and Industrial Research		36,00,000	1,30,00,000
77-Department of Non-Conventional Energy Sources		4,35,01,000	
MINISTRY OF SHIPPING AND TRANSPORT			
78-Ministry of Shipping and Transport		29,47,000	...
79-Roads		14,96,24,000	4,11,82,000
80-Ports, Lighthouses and Shipping		38,23,84,000	95,78,19,000
81-Road and Inland Water Transport		...	1,64,00,000

1	2	3
	Revenue Rs.	Capital Rs.
MINISTRY OF SOCIAL AND WOMEN'S WELFARE		
82-Ministry of Social and Women's Welfare	8,90,52,000	...
MINISTRY OF STEEL, MINES AND COAL		
83-Department of Steel	63,17,92,000	45,13,50,000
84-Department of Mines	...	9,43,46,000
MINISTRY OF TOURISM AND CIVIL AVIATION		
87-Aviation	..	17,05,60,000
MINISTRY OF WORKS AND HOUSING		
89-Ministry of Works and Housing	7,56,000	...
90-Public Works	...	3,000
92-Housing and Urban Development	1,000	1,000
93-Stationery and Printing	8,22,46,000	...
DEPARTMENT OF CULTURE		
97-Department of Culture	1,000	...
98-Archaeology	55,80,000	...
DEPARTMENT OF ELECTRONICS		
99-Department of Electronics	64,81,000	...
DEPARTMENT OF PERSONNEL AND ADMINISRATIVE REFORMS		
101-Department of Personnel and Administrative Reforms	1,27,29,000	...
PARLIAMENT ; SECRETARIATS OF THE PRESIDENT AND VICE-PRESIDENT AND UNION PUBLIC SERVICE COMMISSION		
105-Rajya Sabha	22,50,000	

Demands For Excess Grants (General), 1983-84 Submitted to the Vote of Lok Sabha

No. of Demand	Name of Demand	Amount of Demands to be submitted to the Vote of the House
1	2	3
		Rs.
I. EXPENDITURE MET FROM REVENUE		
	20-Defence Services—Navy	15,87,57,204
	22-Defence Services—Pensions	15,26,44,781
	40-Pensions	3,51,01,906
	57-Chandigarh	7,01,44,453
	78-Roads	33,36,832
II. EXPENDITURE MET FROM CAPITAL		
	17-Capital Outlay on Posts and Telegraphs	4,81,28,839
	23-Capital Outlay on Defence Services	28,06,91,426
	34-Customs	72,70,828
	57-Chandigarh	5,34,21,491

MR. CHAIRMAN : Now, Mr. P. Namgyal.

(Translation)

SHRI P. NAMGYAL (Ladakh) : Mr. Chairman, Sir, the Supplementary Demands or Grants, 1985-86 which we are going to discuss in the House, comprise 66 Grants and 3 Appropriation Grants involving an additional expenditure of Rs. 2809.75 crores.

As it is difficult to cover all the 66 grants, I would, therefore, express my views on 2 or 3 Grants. At the outset, there is a demand for more funds by the Civil Aviation. This has been demanded in view of the proposal to set up Helicopter Corporation in the country. This proposal was to be implemented last year but could not be done

because of paucity of funds. That is why the funds are being demanded now.

So far as setting up of the Helicopter Corporation is concerned, I am not against it but I would like to point out here that the two Airlines and Vayudoot Service operating in the country are not yet functioning properly. There is need to pay attention in this direction. To my mind, there is no particular need to set up Helicopter Corporation, prior to fully establishing a network of Air India, Indian Airlines and Vayudoot service in the country. I do not know what good it will do to the Government, but I can say, that it is the executives and the bureaucrats of Government who would travel in these helicopters. Yesterday only, Shri Tytler

told in reply to a question that only 2% of the passengers travelling in Indian Airlines constitute general public, whereas 98% of them are company executives, bureaucrats and Secretaries to Government of India. I am apprehensive how the helicopter service will be successful in the country. I, therefore, urge the Government to plan it properly.

I read in the newspaper today the Dornier aircraft will be assembled in the country. I feel that it is not properly planned. Attention should, therefore, be paid to it.

So far as the Indian Airlines is concerned, I would like to bring a few things to your notice regarding its working. At present the flights of the Indian Airlines cover almost all the parts of the country. My area, Ladakh is an area which remains closed to the outside world for 6 to 7 months in a year. It has no other means of transport. In winter when snow falls, all approach routes are closed and one is able to go there. I have requested many times that the Indian Airlines services for that area should be increased. Presently there are five flights a week for that area—two via Chandigarh and three via Srinagar but a lot of difficulties are experienced as seats are not available.

It is also a fact that the area is of such type that in winter people start migrating from there after December and very few people go from here to that place. After January the number of people going from here increases and the people coming from there by air decreases. So, on one or the other pretext we are being denied more air services. I would request that if you consider Ladakh a part of the country then you should think seriously that we too require some means of communications. No one thinks of this. Many passengers are stranded at Chandigarh at present. These services are mostly utilised by para-military services like ITBP. In a few days families of the army personnel will start going there. The families of the para-military forces or Army personnel are provided 50 percent travel concessions. Airlines have to suffer loss due

to this. It is a reality but I would request that the losses suffered due to ITBP personnel should be met by the Home Ministry because ultimately it is we who suffer. Similarly, Defence Ministry should make up the losses being suffered due to the concession given to the families of the Defence personnel. The result is that these people have all the facilities—they have transit camps, boarding facilities and they can have the seats, whenever they want—but the genuine passengers do not get the the seats. They do not have the lodging facilities and after their money is exhausted they are left in the wilderness. Therefore, you should pay attention to this aspect. Because of this system of providing 50 percent concession, the services are running at a loss and the consequent burden falls on us. If the Indian Airlines suffers losses these should be met by the Defence Ministry and Home Ministry This will benefit the general public.

Another submission is that if the present services—from Chandigarh and Srinagar—are made daily services, you will earn profit. You are earning foreign exchange also on this route. The foreigners who visit this country also visit Ladakh and they go by the Indian Airlines planes. They do not want to go to Srinagar or other places and ever since Tibet was occupied by China, Ladakh is the only place which represents Tibetan culture in miniature. Therefore, they make it a point to tour Ladakh. When Punjab was torn between riots and disturbances, they used to go to Ladakh from Delhi and return directly. So you are earning a lot of foreign exchange from these foreigners. At least 20 to 30 thousand foreigners visit that area every year. You may calculate this... (*Interruptions*) I have spoken just on one grant. I have to speak on one or two more grants. Give me some more time.

Now I want to submit only two more points. One point relates to the Ministry of Information and Broadcasting. In Leh there is one Radio station also and in Ladakh there are two TV Relay stations. We are thankful for the TV Relay station but the TV transmitter in Leh has been installed at a place from where people do

[Shri P. Namgyal]

not get the coverage. If this transmitter is shifted to Smatoke, which is across the river, it will benefit more than 50 per cent population. At present due to small hillocks coming in the way of transmission, the area is not being covered fully. I would request the Government to pay attention to this problem.

Thirdly, you have made mockery of the radio station. Neither a Station Director nor a News Editor has been posted there. Even Technical Advisor has not been posted. It seems you have neglected it fully. On this subject I have already spoken many a time. The people have started listening more and more to broadcasts from across the border. Our transmitter is not a powerful one and it seems that its machines are worn out. Therefore, they need to be replaced. It needs to be run in a better way. The officers willing to work there should be given allowances. If you do not give allowances, then no one would like to come on this high altitude area. People are transferred to that place but they submit medical certificates and remain in Delhi. The post remains vacant there. Therefore, you should pay attention to this problem also.

My last point relates to the Health Ministry. Not going in detail I would like to draw your attention to two or three points. The condition of Ram Manohar Lohia Hospital is quite appalling, so much so that there is no place to sit. In Emergency ward three patients occupy one bed. The lift there is in such a bad condition that it does not work. The patients have to be bodily lifted and taken upto the third floor. Many a time the lift has been found to be out of order. The behaviour of the staff, specially of the junior doctors, nurses and compounders with the patients is not good. They behave very rudely. If some patient has met with some accident and has got his bone fractured, they handle him very roughly. They are strangers to kindness. Therefore, some system should be evolved whereby they could be educated to behave properly. It is true that there is shortage of beds and there is need to increase the capacity to accommodate more patients. Some is the position of the CGHS dispensaries. A medicine is supplied there only after 4 to 5 visits. Just day before yesterday I went to the dispensary to take medicine

for my two children. I was told that the medicine was not available and it would be indented. Next time also I was informed of the non-availability of the medicine. Then the doctor has to be informed of the non-availability and the prescribed medicine has to be changed. Therefore, every medicine should be stocked in adequate quantity.

I would request the Finance Minister to Communicate my views to Ministries about whom I have spoken.

I support the grants presented. I do not have time to go into the Explanatory Notes. Whatever you have said is correct. I have no time to go into details.

Mr. Chairman, Sir, I am thankful to you for giving me time to speak. Thanks.

SHRI B.N. REDDY (Miryal Guda) :
Mr. Chairman, Sir, Since the time at my disposal is very short, I will confine myself to the serious situation arising out of drought in the country and especially in my State, Andhra Pradesh. I want to bring to the notice of the Government the severe drought conditions. The situation prevailing in the country not only requires the short-term measures but also long term measures to combat the recurring drought. I happen to visit Rajasthan recently. I want to deal with the situation prevailing in Rajasthan first and later I will deal with the situation in Andhra Pradesh. The farmers in Rajasthan, under the leadership of opposition parties, had to resort to 'Jail Bharo' movement to highlight their miserable conditions due to acute drought prevailing there. The situation is so grave that they have no water to drink and no food to eat. This situation has led them to resort to 'Jail Bharo' movement. The government should try to understand the gravity of the situation prevailing there. About 30 thousand people had courted arrest. I happened to meet some of them in Sikara prison. They went to jails as they were not able to face the severe drought. Gujarat is also experiencing a similar situation. Many other states are also reeling under acute

*The speech was originally delivered in Telugu.

drought conditions. The entire contry has been reeling under severe drought for several years now. To control drought it is necessary that we should have not only short term measures but also long term measures. We have to take up the construction is several projects to provided water, both to drink and to irrigate. Then only we will be in a position to avoid the recurrence of drought year after year.

Sir, now I want to turn to the situation prevailing in Andhra Pradesh.

[English]

Our State, Andhra Pradesh, is groaning for the last fifteen years. Out of these 15 years, it is groaning under severe famine for nine years. Out of the 1,100 *Mandals*, at least 700 *Mandals* have been affected. Recently, the Central team has also visited the entire State. The situation is very serious there. According to an authentic estimation, loss amounting to about Rs. 800 crores has been established. The Central team has visited the entire area. Now there is serious scarcity of fodder, food and drinking water. Particularly in certain areas of Rayalaseema and Telangana, the conditions are very serious. No fodder is available for the cattle. Cattle have been sent for being slaughtered. People from most of the villages, particularly from Mehboobnagar district in Telangana and Anantpur and some other districts in Rayalaseema, are migrating to Karnataka. This is established even by an authentic survey report of the Government. But here I would like to mention that after the Central team visited the area, when the loss was Rs. 800 crores, only Rs. 32 crores have been sanctioned. How is it? Why is it? Is it not a gambling with the lives of six crores of the people of Andhra Pradesh? This is what I would like to ask. Of course it is the primary responsibility of the State Government, but it is beyond the capacity of the State Government. Now, in this regard, if the longstanding proposals have been taken into consideration, if the longstanding relief measures have been taken, if permanent relief measures have been taken, the situation would have been avoided. But what happend? For the last

20 years there are certain pending irrigation projects in our State, they have not been sanctioned or cleared by the Centre. Recently, the Telugu Ganga Project has been put in a mess and the problem has been diverted and it has entailed a long delay. The Telugu Ganga project covers some of the Rayalaseema areas giving drinking water to Madras and at the same time the Tungabhadra High level canal in Rayalaseema can cover some other area, the famine area, and the Srisailam Left Bank canal can cover the Telengana area and most of the Nalgonda District area, and Sriram Sagar water from Godavari will also cover a lot of area. But while these projects are pending with the Centre for the last 25 years, they were not cleared. I would like to mention here that assured irrigation water will be supplied only to 35 per cent of our cultivable land in our State. It is below the average area to be cultivated by the assured water. How is the done? It is such a serious situation that the irrigation projects are pending and they have not been sanctioned. How is it, Sir? The new projects also have been put under controversy. So far as the Telugu Gange project is concerned, I would like to mention that it is the problem between the State Government and the Centre and not between one State and the other State. Now, the Centre says that the State Government must consult other States. It is a complete dilution and diversion of the problem. So, the project must be cleared by the Centre itself. In view of the famine, in veiw of the very serious condition, in view of the grave risk to the lives of crores of people, the Centre must intervene and clear all these irrigation projects and on a war footing the Centre must work together. This is what I want to focus your attention on. I thank you very much for this opportunity given to me.

Sir, I want to mention one last point. In this regard, the other pending projects, Sriram Sagar Godavari project and Krishna Left Bank Canal project must be cleared immediately by the Centre so that the assured irrigation water covers a majority of the famine areas.

SHRI RAM PYARE PANIKA
(Robertsganj) : Where the State-Centre

[Shri Ram Pyare Panika]

power is concerned, then they oppose, but the Centre should not be....*(Interruptions)*

KUMARI MAMATA BANERJEE (Jadavpur): Sir, it is the customary practice of the Central Government to come forward with Supplementary Demands for Grants. I would like to make some observations here. I wholeheartedly support the Supplementary Demands for Grants.

(Interruptions)

Our Government is committed to the cause of the poor people and our Government is keen to see that the administration is totally clean. It is a universal truth that good work will definitely attract criticism and this, progressive attitude of the Congress has caused main obstruction for the Opposition parties. For this they are so much afraid.

Sir, I wholeheartedly support these Supplementary Demands and I welcome them. In this year the budget protects the interests of weaker sections, the middle-class workers, the salaried persons etc. It gives fresh incentives by way of subsidised loans to the urban people. There is 65 per cent increase in the allocation for anti-poverty programmes. It should be ensured that the amount allocated actually reaches the beneficiaries. Some supervision agency should be established to examine whether the amount is correctly spent or not.

Sir, I would like to request the hon. Minister to please provide more funds for NREP, IRDP, RLEGP programmes and the unemployed youth, specially self-employment programme and economic rehabilitation of the refugees and small-scale industries, specially the entrepreneurs of small-scale industries, women's welfare and tribal welfare.

Sir, the Supplementary Demands for Grants (General) for 1985-86 have allocated the money, i.e., Rs. 8,59,61,000 for the Ministry of Agriculture and Rural Development, Rs. 36 crores for the Ministry of Communications....

SHRI RAM PYARE PANIKA: How much goes to West Bengal?

KUMARI MAMATA BANERJEE: It is for all. Ministry of Education—Rs. 6,000 crores, Transfers to State Governments—Rs. 259,44,25,000.

(Interruptions)

MR. CHAIRMAN: Don't interrupt.

KUMARI MAMATA BANERJEE: I am coming to that. Don't worry.

Ministry of Home Affairs—Rs. 41,12,000, Ministry of Industry and Company Affairs—Rs. 3,00,000.

I would like to mention some points here because the time is very short. So, I am not going to discuss elaborately. Sir, my request to the hon. Minister is to please do something and give proper attention to the basic needs and demands of the people. We have been sent to this august House as representatives of the people to see that we sort out the problems of the peoples. So, the Government should take concrete decision for the upliftment of the poor people. I am thankful to the Government because our Government is keenly interested to give help the poor people and Government has provided power, irrigation, fertilisers and also Government has given all facilities for poor people specially through the 20-point programme. We are grateful to our Government for this. But the Government should see that they give so much money to the people specially under IRD, NREP, RLEGP, DRD and self-employment programmes. I am very much interested in the youth because I being a youth, am telling frankly that now the number of unemployed youth is increasing day by day. I have stated this so many times. Sir, the number of educated youth registered was 2.5 crores and if I add the uneducated youth also, then it will be about 7 crores. All these young people are trying for jobs. The Central Government recruitment is banned for a long time. The relations of youths are not getting their salaries properly and in some State Governments, as you know, those who belong to the Ruling Party of the State are getting all service from their people, from their political party, but the general youth are

not getting any service. So, our Government have provided self-employment schemes for the poor people. But what happened in my State? I should say regarding the State from which I come. The interest of my State is my interest. When I come here, the Central Government is like my mother and the State Government is like....

AN HON. MEMBER : Father.

KUMARI MAMATA BANERJEE :
Not father. The State Government is responsible to do something. So, I would like that the State Government should improve economically. If my State Government improves economically, Sir, we can do something for the poor people.

I know it because these Opposition friends are now very much afraid of 20-point programme. They are very much afraid of self-employment scheme. These people always tell something that the Centre is not providing adequate money and therefore we are getting step-motherly attitude. This is not correct. I am requesting our hon. Minister to constitute the Rural Reconstruction Board which would look after all these things. You are giving money to the State. We do not know whether this money is properly utilised or not. You should see that the money is properly utilised in IRDP, RLEGP, NEREP and DRDA scheme. Self-employment scheme is also very important. It is specially meant for the youth. But I am really ashamed of the performance of this scheme in our State. What are the activities of DIC? We are totally in the dark as to what is going on: what is DIC doing? I have stated so many times in the Consultative Committee of the Industry Ministry. What is the function of the DIC? According to Government circular, all MPs and MLAs should be members of the advisory committee. But we are in the dark. We do not know anything. We do not know where is the money going? CPM is utilising all these scheme in DIC. What are the criteria for getting these loans from DIC? The Government should set up a non-official

committee to look after all these things. Regarding IRDP, NREP, RLEGP and DRDA programmes, the Government should set up a Rural Reconstruction Board.

Regarding the 20-point programme, I have a suggestion to make to the hon. Minister. Please sponsor this programme directly from the Central Government. Then, if the State Government is doing some politics here and there, the people should get justice from this programme. If somebody misutilises the money under this programme, what is the fault of the people? The people should get justice from this programme. I am not interested in politics. I am only interested in the welfare of the people of our State. I am interested in the welfare and development of the youth of my State. I am interested in the welfare of teachers of my State. I am interested in the welfare of women of my State. So, my humble submission to you is, you please look into all these things very seriously.

Sir, small is beautiful. It is a philosophy; it is a Gandhian philosophy. But in my State, small is very dangerous. It is because the entrepreneurs of small scale industry are now on the road. They are not getting any justice from the State financial corporations. They are not getting any justice from IRBI. They are not getting any justice from UBI. They are not getting any justice from the banks. How will you build up this small scale industry in our State? Since my election to the Lok Sabha, I am knocking door to door because of the burning problems of my constituency. Even one company, Steel and Allied Products Ltd, was closed down about 5 years back, while Shri Somnath Chatterjee was the president of that union. At that time, this union caused the management to close it down. Now, 2,000 workers are on the road. These people are not getting food. They are starving for food. It is not only this company. In my State under the leadership of the Left Front government, so many factories are now closed down. Thousands and thousands of workers are on the road in West Bengal. Who will look after them? If ask the Chief Minister, he tells me, I do not do anything because the Central Government

[Kumari Mamta Banerjee]

is responsible. If we ask the Central Government, we will get one-line reply: the matter is being looked into. We do not know what to do, we the public representatives. We have to do something. Otherwise, there is no need to stay here. This is my request. Please do something for those workers who are now on the road. I met so many times the IRBI people. They are telling me, "You should find out entrepreneurs and then we will try to help them". Is it my duty to find out entrepreneurs? Is it not the duty of the IRBI? It is not my duty. It is the Government job to find out the entrepreneurs. If they cannot do anything, what is the need for them to be in the IRBI? Therefore, we should get justice from the hon. Minister. This is my humble submission to you. Otherwise, I may state a very frankly and very honestly that I have no intention of stay here for a long time, if we cannot do anything for the people. This is my request to the Minister.

I would also like to mention another point. In my State, to the refugee problem is one of the burning problems. During the election time, the CPM people were distributing leaflet to solve the refugee problem.

The CMP people say they are not responsible for the refugee problem. The Central Government is totally responsible for this. I met several times the Prime Minister and the Home Minister also. I have received a letter from Government that as far as the Central Government is concerned, the refugee problem is over. This Department is closed in the year 1974. I request you that refugee problem is one of the burning problems not only in my Constituency but possibly all over the country. There is discrimination. Our Government has distributed two types of lease deeds. One is for 99 years. Another is for 999 years. There is some discrimination. Refugee are not getting their economic rehabilitation also properly. Central Government is giving money. But is money is going to the CMP cadres pocket. Please send a High Power Committee to

look into this matter seriously and to take necessary action. Please do something in favour of poor people as regards drinking water problem. It is one of the main problems in our State. There are many villages. The people are not getting drinking water also. Please send some team to go into all these things.

I thank you for giving me this opportunity. Please do something. Every time you are saying that you will do something. But if the Minister does not help and if we not get any help from State Government also, what is the need to stay here?

My suggestion in favour of West Bengal is that credit camp should be continued for the upliftment of the poor people and to save people in West Bengal. You should provided more and more money for the uplift of the poor people to organise credit camps. We welcome your attitude regarding his. We welcome you to West Bengal. Please come and distribute loans to the poor people.

[Translation]

SHRI RAMESHWAR NEEKHRA (Hoshangabad): Mr. Chairman, Sir I rise to support the Supplementary Demands for the year 1986-87 presented by the Finance Minister. Through you I would congratulate him for presenting a realistic Budget. With this realistic Budget he has doubled the funds, as compared to the allocations made last year, for the poverty alleviating programmes like RLEGP, NREP and IRDP and Self Employment Programme intended to bring the poor above the poverty line.

Sir, through you I would request the Finance Minister that in 1982 the late Prime Minister Shrimati Indira Gandhi had announced a Self Employment Scheme from the ramparts of the Red Fort. This Scheme has become very popular and the unemployed youths have considered it a big support. The youths who had been knocking at the doors of the employment exchanges for years together and even than had been finding it difficult to get a job, have now gone in for the Self Employment Scheme to increase the production of the country.

From my experience of the last three years, since this Scheme came into force, I can say that with the money provided for this Scheme very few persons have benefited from it. I do not deny that the people have been benefited but very few people have been benefited. Now this amount has been doubled and now double the number of people would be benefited. I would like to submit that more funds should be provided for this programme so that unemployment could be removed among the maximum number of educated unemployed and they could be benefited.

14.00 hrs.

Mr. Chairman, Sir, being public representatives, we visit our constituency, our State and the entire country. We have found that the people who are raising hue and cry about this Budget are the tax evaders, black marketeers and the corrupt people and whom the Government want to apprehend. Our present Finance Minister and the Prime Minister deserve our congratulations for the same. Until now, raids were conducted on small people, but now the hon. Finance Minister had laid his hands on millionaires and big industrial houses. These big people are now trying to tarnish the image of our leaders in the country and abroad. I have no hesitation in saying that the leading newspapers of the country are not publishing factual reports about them, as these leading newspapers are owned by big industrialists and big industrial houses. When they find that cases of their tax evasion etc. have come to light, these dailies mislead the people by publishing wrong news. Till a month back, these papers used to praise our Finance Minister and the hon. Prime Minister, but after raids were conducted on their premises, these papers are misleading the people of the country. Sir, I am the representative of the the poor and I have made extensive tour among the poor. I can, therefore, say on their behalf that whenever a raid is conducted at premises of a millionaire and tax evasion worth crores of rupees comes to light, the poor applaud such an action. He expresses his thanks to you and says that the Government have laid its hands on the correct people. You should not give in to any threats. This action must continue uninterrupted. I would also like

to request our colleagues of the opposition that when raids are conducted on such people and black money is unearthed, they should extend their support to the hon. Finance Minister, because the money so unearthed would be spent for the development of the country, on the schemes of self-employment, on small industries and on the schemes aimed at removal of poverty.

There is a security paper mill in my constituency. This mill manufactures paper for the currency notes. For the modernisation of this mill, an amount of Rs. 23 crores was sanctioned in 1981-82 so that production in the mill could be doubled. An amount of Rs. 23 crores was spent on that mill and huge machinery was imported from abroad, but despite the installation of those machines, they have not yet started functioning. The object was that after modernisation of the mill, production would be doubled, but that target has not been achieved. The production continues to be stagnant. The planning of the senior officers of the Ministry of Finance is not proper. Perhaps there are certain elements who want that there should not be sufficient production of currency paper. It should be thoroughly investigated.

You would be surprised to know that the factory has been designed in a way that daily one tonne of pulp is washed out with caustic solution, thus causing a loss of Rs. 1 lakh. Till now there has been a total loss of Rs. 10 crores. Also 2500 tonnes of paper has been burnt. You can well imagine the huge loss which has been caused thereby. The workers have been held responsible for this loss and they are being harassed. As a result, production is not increasing. When your designs are faulty and machines have been installed wrongly, when 2500 tonnes of paper has been burnt and pulp worth Rs. 10 crores has been washed out, how far the worker is responsible for the loss? The incentive scheme for the workers has been scrapped without giving any thought to it, overtime to the workers has been stopped, ESMA has been enforced on them and 44 employees have been suspended. In spite of all these things, the workers are engaged in the task of reconstruction. The workers have full faith in Rajiv Gandhi. The

[Shri Rameshwar Neekhra]

workers also believe in taking the country to the 21st century and also increasing the production. Despite that, the management is perpetrating atrocities on the workers and they are being harassed in every possible way. All their facilities have been withdrawn. I would like to submit to the hon. Finance Minister that no factual information is sent to you by the management. I would like to request you that a high level committee may be set up. There is only one security press in the country. Crores of rupees are wasted there. You should, therefore, set up such a committee and get the entire matter enquired into and find out as to who is responsible for all these things there. The guilty person should be given deterrent punishment so that the workers are not harassed in this way in future.

The Members of the opposition say that the people living below the line of poverty have not risen above it, but I do not agree with them. I myself visit my area and ask the people as to what services should be provided to them by the Government. You would be surprised to know that they say that the families of 10 or 20 workers might be settled in the village. This would be the greatest service, because no labourers are left there now. People have been benefited a lot through I.R.D.P. Small and medium farmers have been benefited very much. People have been allotted land and they are now engaged in cultivation. The people are either farmers now or are engaged in petty trade. These programmes have benefited the country very much. But it is the contention of the opposition that there has been no benefit. I do not agree with them.

In Madhya Pradesh, Regional Rural Banks have been considerably expanded and people have been benefited. But even now out of the 45 districts, three districts have not yet been covered by these Regional Rural Banks. I would, therefore, request that they should also be covered at earliest. When the committee constituted by the state Government asks the Bank authorities for speedy implementation of these programmes, they show their inability due to

the shortage of Field Officers. You should therefore, remove this deficiency so that your objective to spend such a large amount for poverty alleviation programmes and to bring about revolutionary changes may be fulfilled. It is of utmost importance to remove shortage of staff.

In addition, the Reserve Bank of India has laid down a criterion that in Madhya Pradesh a bank should be opened for every 15 thousand population, but the number of banks does not fulfil this criterion. As such I would request that the shortfall in the number of Banks may be made up so as to benefit the poor.

I would also like to submit that you are opening schools in every village throughout the country but school buildings are not being provided. You please allot separate funds to the state Governments for construction of school buildings and accommodation for teachers so that teachers may dedicate themselves to national reconstruction.

With these words, I thank the Minister and also you for giving me time to speak.

[English]

SHRI THAMPAN THOMAS (Mavelikara): The results of the fiscal policy of this government have been shown very well even before its implementation. We found that the rupee devalued as against the pound. In fact the fiscal policy now adopted by the Government has started showing results. The way this government increased the prices prior to the budget has shocked the common masses. Immediately thereafter there was a budget which will result in inflation. This was suggested by all of us that this is going to give inflationary results. Immediately, the rupee has been devalued against the Pound and what will be the result in the near future is yet to be seen. If the same policy is continued, I submit that the study of the economic survey and conditions prevailing in this country, will prove that all these things will only cater to the needs of the haves. The people who have something will get all the facilities. The economic survey and studies conducted by the various authorities

have proved that all the results and all the progress of the development in this country have been consumed by only 5 per cent of the society. With the 25 per cent development upto this year, it has catered to the needs of only 5 per cent of the upper strata in our society. In the name of production, you are aiming at higher production. You say, production should be there and you are relaxing certain policies. You feel that there can be more production by assisting them, by giving them free hand to those who are involved in production. It is true that production has to be increased at all cost.

The poverty is increasing at higher rates. The population which remained below poverty-line before independence in this country is remaining below the poverty-line today also. The result of the fiscal policy pursued by the Government is not helpful to the poor people. Day by day the poor are becoming poorer and the rich are becoming richer. The rich are enriching themselves at the cost of the poor people in this country.

Have you thought of any social security measure for the entire nation? Have you got any approach in that direction? When you give something, you give it to the people who have something and not to people who have not anything. Are medical facilities which are meant for the poor people really available for the poor? Can a poor-man go to a hospital and get the proper medical treatment? Can a poor-man approach any educational institution for getting an admission? Providing medical benefit to the poor people is the first and foremost concern of the Government. The poor-man should get the required medical aid. Is it possible for a common-man to approach an hospital to get good treatment in this country? Whereas, the big people who want best treatment, they can go anywhere either in India or abroad and they get the best medical treatment. It is possible for a common-man to get the best treatment at the cost of the Government? Your development has not reached the poor-people.

Further, the major difficulty lies in the

distribution system. The distribution of justice has never been in your fiscal policy or long-term policy and always it has been overlooked by the Government.

In the agricultural sector, there was increasing production. It is admitted that 146 million metric tonnes of foodgrains have been produced: it is sufficient for the consumption of the whole nation. At the same time, 49 per cent, of the people in this country are not having a meal a day. That is the result of your fiscal policy. You have foodgrains in abundance. You have stored them in the godowns. But the people are not getting them. Your fiscal policy is aimed at distributing these things to the people. This is a right. But you are giving computers and the sophisticated machines for the production for those people who are controlling the resources of this country. There you say that it is the policy of the Government to improve the production: unless you improve the production, the country will be in peril. Always this has been your demand. But actually these benefits reaching to those persons who have already got something. Therefore, my submission is that the social security measures which you have taken is not sufficient. I want to point out the psychological aspect of this issue. It seems there is no social security measure which has been provided by the Government. Everybody who is controlling the resources of this country and everyone who has got control over the means of production or who has got influence in this country thinks that—"I may not sure about tomorrow, let me amass wealth". For example if he is a politician who belongs to the ruling front he will think that he has influence and he can amass wealth for the next election, I am giving only one example. If there is a man who is an industrialist, who has control over an industry, he thinks that he will have two or three more industries, one in his son's name, one in his grandson's name, one in the name of his son-in-law...

AN HON. MEMBER: In the name of unborn children also.

SHRI THAMPAN THOMAS: Yes, in the name of unborn children also. This is

[Shri Thampan Thomas]

the basic defect in the approach of the Government. When there is no social security measure, this is what one think : "Let me amass wealth, let me make money, let me make it black, let me duplicate it". And that is done at the cost of the poor. They make money at the cost of the poor. This tendency has come. Therefore, you find black money, and the black money is more than the real money. If you have to reduce this threat and keep the balance of the economic structure of this country, the first and foremost thing is that the Government should provided for social security measures, for the common people of India.

My friends from the Treasury Benches were speaking about absence of drinking water. Is it not a basic necessary ? I invite your attention to what the United Nations have recently said as to what are the human rights available for a man. House is a basic necessity. Education is a human right. Dress is a basic need of man. Are you in a position to give these things to the common people of the country ? You have failed in all these things. At the same time you are having a long term fiscal policy with a view to increasing production. Of course, I am not against increasing production. Increasing production is necessary in a developing country. But that shall not be at the cost of the common people in this country. There shall be an approach of distributive justice. Therefore, I once again emphatically say that social security measures should be provided.

Secondly, I want to point out that the resources which are available are not being exploited properly by us. There are resources available in India. India is not a poor country, but India is a country of poor people. The resources have never been tapped. We have the resources. I belong to a State which is far in the south, Kerala. I know that my State is rich, my State is having education, the maximum percentage of literacy which goes with international standards. But what is the fate of my State ? 26 lakhs of people are unemployed. There are educated unemployed youth. The human resources are available;

they are ready to work, they want to give their services for the nation. Has the Government any programme to utilise these human resources for the development of this country ?

From my State people are going abroad. If you go to a Gulf country, you will see that one out of every three is a Keralite. They are bringing lot of foreign exchange. Have you ever thought of pooling this foreign exchange and utilising it for the welfare of the country or the State ? Do you know what is happening ? They have amassed wealth and they are bringing the wealth, but they are constructing buildings. In big mansions they live there and the poor people look at them with a grudge. What will be the psychological effect of this ? The disparity is too much and, therefore, discontent is growing. If there is a Government which can have a look towards the people as one, citizens of India, then let them meet the basic needs of the people. This money which is coming from abroad through the hard work of the people in my State could have been utilised for the development of this country. I have gone abroad several times and I have seen how these small European countries and Gulf countries have developed. They have decentralised their economy. But here you are concentrating the economy at the Centre, you want a strong Centre and you want to destabilise the States, you want to control the States politically from the Centre. This is the political motive. It is not in the interest of the people. If you have a programme to decentralise, you give powers to the local bodies, to the panchayats. The young people belonging to the new generation do not know what is a panchayat because panchayat elections have not taken place for a decade. Gandhiji spoke about panchayats and pandhayati raj, local administration and people's involvement. The small children are asking, "What is a panchayat ?" They do not know because there is no such local body. Are you ready to decentralise the system ? Are you willing to bring these things to the common masses in a decentralised manner ? The nations who are developed, including the European countries which are controlling the financial resources of the world, have a system of decentralisation.

For example, I will explain what I have seen. In small areas they form a committee of the people and the disparity among people in those areas will be much less. There will be no big Tata and a small man in the slum. The difference will be much less. The 'gap' will be narrow and they work unitedly for the development of that area. They organise small sectors like solar energy, they provide a power station for 50000 people to have light and to have a factory and to have a living. They decentralise because there is a feeling of unity among them and they themselves discuss about the development of that area. Therefore, altogether the nation will become rich.

Have you got such a programme? We have got programmes of giving licences to the multi-nationals and the people who are owning industries will be given again licences. But you do not have a programme of decentralisation. Unfortunately we have failed to achieve people's involvement. Unless and until we move with that perspective, we cannot go forward.

Kerala is a clear example in many ways. It par excels by international standards. About Tourism, I have been to Mali recently. I have seen much resemblance between Mali and Kerala. Then I thought what happened to my State which could be developed as a tourism paradise. Have you got a programme to develop Kerala by using the Central finance or assistance? Have you got a programme to develop Kerala's tourism? Have you ever thought of the resources available there?

There is water available. River water is flowing to the south. Tamil Nadu wants electricity. Have you got a programme to organise a Board which controls Kerala, Tamil Nadu and Karnataka and all that to generate power and distribute it in that area? Not Sir, the water resources are wasted. Hydro electric projects and other small projects can be started and this area can be developed; but there is no thinking and discussion in that line.

My second point, which I am emphatically pointing out is that the resources

available in this country are not being properly tapped.

My third point is regarding your attitude towards the working class, the people who work and the people who give the results. Sir, at the cost of workers now many things are happening. Their living conditions are bad. There is no security for the employees, they are at the mercy of the employers.

I would like to point out another thing about your privatisation. In fact, I thought that the "private" will be nationalised, "private" will be controlled by you, instead of that, you are now increasing privatisation by any means. I fear that one day you will give all the factories to the private ownership and private entrepreneurs to run them.

I have an experience in this regard, about a railway station which is in my constituency known as Cheriyanad. When I went there I saw, the people were agitating. When I asked why, they said that the railway station is going to be given to a private party to sell the tickets. Then I understood that the railway station, the public property started on 56 acres of land has now been organised to run privately. The Railway Authorities have published a notice inviting quotations from private parties to run the railway station. In Cheriyanad near Changannur this has happened.

Then, about the Post Offices, You wanted the post offices to be given to the private parties to sell stamps. The privatisation is going on.

(Interruptions)

AN HON. MEMBER: He was telling about multi nationals and at the same time opposing private parties taking up trade or business....

SHRI THAMPAN THOMAS: I am only pointing out how the security in the minds of the workers has been lost. When you privatise things, when you give maximum importance for private parties at the

[Shri Thampan Thomas]

cost of the public I would like to ask will there be any private entrepreneur who runs a factory from his family property? If I have one hundred rupees at my command, I can get one thousand rupees from the Bank without any difficulty. I am only telling this as a small example. Therefore, if I have command over one crore of rupees, I can start an industry of one hundred crore of rupees. That is the public money, that is the poor workers' money and the tax payers' money. It is taxpayers money on which private entrepreneurs are becoming rich and rich. It is happening like that in this country. My suggestion is that you have to bring control over these things. Your fiscal policy should bring control over the private entrepreneurs to the maximum possible extent and also see that job security is given to the employees who give their sweat and blood to the country.

PROF. NARAIN CHAND PARASHAR (Hamirpur) : Sir, I rise to support the Demands presented to this House in the form of Supplementary Demands by the Minister of Finance. As has been stated in the beginning these Demands cover 66 Grants and 3 Appropriations and the total amount involved is Rs. 2809.75 crores. They cover a wide range of activity and they are the third and the last instalment of Supplementary Demands.

Sir, I will confine myself to a few Ministries and Departments. First of all I touch upon the Ministry of Finance. There has been reference to so many things here—pensions, coins and all that but the most important thing that has been reviewed and which I would like to point out to him is that though the Fourth Pay Commission is considering these Demands but the hon. Minister would be pleased to look into it that the Central Government employees stationed at stations of less than 1000 meters in altitude from the mean sea level but working in most stringent conditions, more difficult geographical terrain and more remote areas are denied the benefit of Hill Allowance with the result that they seldom want to stay there and they manage to come out on one pretext or the other.

Therefore, I am pleading again that in all the hill States and territories recognised as such by the Planning Commission where you are giving generous grants—90 per cent grants and 10 per cent loans—you should give this hill compensatory allowance on a uniform basis because giving of the grants is not sufficient unless adequate and requisite personnel is there. In order to retain the personnel at such stations it is necessary that they are given the same emoluments which the State Government employees are getting. Now the irony of the situation is that Central Government employees are not getting those allowances whereas their counterparts in the State Government are getting better allowances and they are better off. There was a time when the State Government employees used to run for Central services. Now, it is the other way round. So, this matter should be looked into.

Secondly, there has been a reference to the banks. Since the Minister himself is in charge of banking I would like to point out to him that the Reserve Bank of India has taken a long time for evolving a new branch licensing policy. Now the Reserve Bank is thinking in terms of consolidating rather than expanding. This may be good in certain areas but it has to be seen that there are certain areas which are still uncovered and which cannot be covered by the existing norms. Therefore, the norms of population and distance have to be relaxed especially in respect of hill areas. I may refer to my own State Himachal Pradesh where four districts are covered by one Gramin bank known as Himachal Pradesh Gramin Bank. Another district is covered by a newly set-up-Parvatiya Gramin bank in Chamba district. The other districts are still not covered by any Gramin bank. Since you want to be just to all the districts of the State, to all the blocks of the district and to all the regions of a hilly terrain I would suggest to you to open one or two more regional rural banks in those areas so that all the districts are covered and all those who are eligible for loans from these banks are able to get the benefit. I would be writing to you in due course giving proposals in this connection but I would plead that all the regions of the State or all the districts

should be equally treated and it should not be that some districts are favoured by the existence of a Gramin bank and others are neglected and they are left at the mercy of the RBI to open their branches at more stringent norms.

I would also plead for better decentralization and creation of more regions of these banks for hill States. It is not sufficient that the all-India norm is followed and for every 30-40 branches you create a region. Region is a basic unit of development for various things. I would plead that the Punjab National Bank, the UCO Bank and the State Bank, who are main banks covering Himachal Pradesh should be allowed to have more regions so that justice is done for the various items under the banking system in the various parts of the State.

There is another important thing. The Ministry of Finance is sitting tight and controlling the entire country almost as a cruel man controls the people with a fist at the throat; the ban imposed by it since 1984 has stifled all expansion. I do not see any reason why even in cases where small branch post offices are to be opened and where you pay a small amount, you impose your ban and the result is that 6000 post offices which are justified on the basis of existing norms and which should have been there by the end of the 6th Plan, are still not there. Not even a single branch office can be opened, not a single branch can be upgraded, not a new thing can be done because your ban comes in the way. Some sort of a ban was imposed in 1974 also during the tenure of the Fifth Lok Sabha and it was then relaxed and two departments, Department of Communications and Department of Metallurgy were given exemptions. I would plead with the Minister to take up the matter with the Cabinet and see that at least this item is relaxed. There is a greater and more important reason for this also. About 18000 employees who are working as, what is known reserved trained pool, who were attracted through advertisements, that their services would be regularised, they would be made regular, they would be absorbed in the department, are rotting and agitating. Nobody is listening because the ban is there. Most of them are not getting even the emoluments or the incentives which are

available to the work-charged employees, to the adhoc employees, or to the temporary employees, but because you have reserved them, you have preserved them and the result is that they have been frozen and their fate is sealed by you and they are unable to do anything. Some of them are going to cross the age of maximum limit prescribed for recruitment. What will happen to them? Who will give them employment because you have not made them regular and recruited them? These 18000 employees sometimes are knocking at the doors of the Communication Ministry, sometimes Home Ministry and sometimes the Finance Ministry, but nobody listens to them. I would plead in right earnestness—I raised this matter under Rule 377 also—I repeat my demand here that you must relax or remove the ban totally; at least allow partial relaxation on the lines which the Government did in 1974 when Shrimati Indira Gandhi was the Prime Minister and the need for expansion of social and telecommunication services was felt in the rural areas.

Sometimes this ban is becoming counter-productive and leading to inefficiency and deterioration in services. You open twenty telephone exchanges, but the linemen are the same ten. One lineman has been given charge of two telephone exchanges. The result is that no corrective is applied and no deterioration is checked; the workload increases, but the staff remains the same. You do not create posts, you do not fill the vacancies, even on retirement, you do not do anything with the result that the telecommunication services are deteriorating in the country and there is going to be mess here and there. Already two years and three months have passed and this situation has not been checked. Please look into this matter. It is an urgent cry.

Then, the Department of Tourism. It is a very wonderful Department. Their projects are at those places where the tourists would not like to go, but the expenditure is there. The Estimates Committee of Parliament considered the State of Himachal Pradesh and brought out a report and the Report mentions that six schemes were forwarded by the State Government to the Government at the

[Prof. Narain Chand Parashar]

Centre, but the ITDC did not find even a single project viable and all were returned, with the result that in the 6th Plan, only 1 per cent of the total expenditure on tourism was spent in Himachal Pradesh, which is hailed as the Switzerland of India, or is more beautiful than the Kashmir valley. Himachal Pradesh is getting this treatment, because the Central Government or the ITDC is not listening to the State Government and not catering to the various potentialities of tourism, or the schemes that are floated by the State Government and sent here. There are places of scenic beauty, there are places of pilgrimage and people throng there, but there is no facility, there is no place for staying, boarding and lodging; transport—they are all missing. Even sometimes, this Parliamentary Committee recommend that certain railway lines should be constructed on priority basis, but you

14.35 hrs.

[SHRI SOMNATH RATH *in the Chair*]

go on repeating the old thing: "We will take up the various projects priority wise". Tourism is also an industry. Certain States have also declared tourism as an industry, but what are you doing? I would plead that the works of the Department of Tourism and ITDC should be scrutinised more closely by the Finance Ministry and it should be ensured that the finances are scattered even and in an equi-distributable manner all over the country and not confine to a few States here and there.

Then, we have the Home Ministry. About ninety thousand freedom fighters are crying for pension and I am afraid, some of them will die before the Ministries of Finance and Home Affairs are able to give them the sanction for their pension which is long overdue, because they have fought for the freedom of the country. I do not say that all these applications are genuine, but there should be a time limit to it. Why can't you fix a time limit that this back log would be cleared by such and such date? You may put it a year or two. Everytime something is announced, the whole bureaucratic approach goes on handling

this issue and the issue is bogged down; sometimes this is not there, sometimes that is not there. Some of the freedom fighters are in their last years of life. Have pity on them, and tell them whether they can get this pension or not. If they are going to get pension, by what time should they expect? What is the use of giving pension to a freedom fighter, when he is going to die and he cannot avail himself even of the medical assistance which he would have got otherwise with the help of this pension. I would plead that the Ministry should be persuaded by you that all these cases should be cleared in a targeted period, may be an year or so, or at the most two years, and then you should be able to say, "well we close this scheme now".

We got the freedom on 15th August, 1947. You should be able to clear all the cases of pension for freedom fighters by the 15th August, 1987.

[*Translation*]

SHRI MOOL CHAND DAGA (Pali) : Their number goes on increasing. Now new freedom fighters have come to the fore.

[*English*]

PROF. NARAIN CHAND PARASHAR : I am not referring to the people born after the freedom, I am referring to the freedom fighters, not those you have in mind.

Let us have a target that at least within 40 years of the attainment of the freedom, we should be able to complete this gigantic task, which was started by our late Prime Minister, and the pensions were increased by Shri Rajiv Gandhi. It was a good gesture to them. Unless they able to get the sanction letter and are able to enjoy its benefits, they would not be happy. I would plead for a target date of 15th August, 1987, by which all cases should be cleared and the sanctions issued.

Then, the Ministry of Civil Aviation has started some projects like aerodrome in Simla; there is also a plan for an aerodrome near Kangra. There are four Parliamentary

constituencies in Himachal Pradesh. Shri Parashar may kindly note that Kulu is in Mandi Parliamentary constituency, Simla is in Simla Parliamentary constituency, Kangra is in Kangra Parliamentary constituency. Why this injustice to Hamirpur constituency? Is it just because it has the largest population, or the most compact in size, or is nearest to Panjab? If there is discrimination on any one of these scores, then we can think of measures to remove those grievances. But in case, it is equally entitled to benefits, at least some aerodrome should also be there; various regions of the States should be linked up with the Union capital to Chandigarh, Amritsar and other places.

I would now plead in one area which has not been touched by anybody so far. There is a Demand for Supplementary Grant for the Ministry of Culture. This Ministry has three Akademies, and the Akademies give prizes to authors, but they generally give prizes to authors who have some original creations. But translations in our country are more important, or at least as equal important as the original creations. It is not possible for a person writing in Malayalam to understand what is being written in Punjabi. We talk of national integration and all that. But unless we are able to evolve a system of translation so that all the classics (or at least the major important works) are translated from one regional language to another and works in foreign languages are available for every average Indian in English and Hindi besides in the languages of different regions which are included in the Eighth Schedule or recognised by the Sahitya Akademy, our national integration would not be complete till then. It is not sufficient that we talk in the Parliament or in the Assemblies and pass resolutions, unless the student in the school or the college or the university campus is able to see what is being written by the leading writers of the country who are getting awards from the Sahitya Akademy or scholarships from the Central Government, what the creative wave of thinking is and what the creative upsurge in the country is. It would be cruel to say, "Let the creative works in one language be confined to that language alone." One or two experts in the Sahitya Akademy or in

the Advisory Board of the Akademy would not be able to judge whether they are all works of excellence or not. Therefore, I would plead for a project on translation, at least for an institution for translation, which would be able to undertake the work of translation on a very big scale.

There was a time when 35,000 volumes of Indian literature in Sanskrit and Pali were translated into Chinese by the scholars invited to China by the Chinese Government from India. All the kings and queens there used to serve them meals and wash their feet, saying that these were the people who brought wisdom to their soil from a country known as India. So, if China could do that and enrich their literature, why cannot India do it too?

Also, when we think of translation, we always think of the Occident or the West only. We should look to the East also. There is beautiful literature in China, Japan, Indonesia, Burma, Sri Lanka and other countries. In fact, we always forget our neighbours and look to France, Paris, London, Washington, New York, etc. The result is that we all western-oriented and we forget our Eastern brothers. So, I would suggest that due care should be taken by the Akademies and an Institution for translation should be set up so that our country gains through literary creations and their translation. This will help mutual understanding and intellectual horizons will widen.

I would support the Supplementary Demands and I would suggest that in all cases where certain regions are neglected, the Ministry of Finance should take care of them because the Ministry has a duty to the country. They are the custodians of national finance, and not of one province or one department. They are the custodians of all States and all departments in all the regions.

I would just reply in a few sentences to what my friend has said about Panchayats and decentralisation. Panchayat is not a Central subject. Article 40 gives the powers to the State to set up Panchayats in their own manner. There are States where the

[Prof. Narain Chand Parashar]

Panchayat Raj institutions are working well and I would point to the States of Gujarat, Maharashtra and Rajasthan where Panchayat Raj made much headway in the past. So, if the State Government wants, they can give as many powers to the Panchayats as they like. Holding of elections to the Panchayats is not the concern of the Central Government. It is the concern of the State. So the complaint is the other way round. While the State Governments are clamouring for more powers from the Central Government and are pleading for greater autonomy, in their own wisdom they do not like to give any powers to the Panchayats or the Zilla Parishads. Therefore, the cry for decentralisation should also be raised at the district, taluk and Panchayat level and adequate power should be given by the State Governments. The Central Government does not stand in their way and Article 40 refers to this aspect of the situation. Panchayats are a State subject.

With these words I thank the hon. Minister. He is doing quite well in Banking and Finance and I would expect greater justice from him for the other Departments also.

[Translation]

SHRI NANDLAL CHOUDHARY (Sagar) : Mr. Chairman, Sir, I thank you for the discussion on the supplementary demands. It is a good Budget, especially for the poor. It has aroused new hopes among them. You have increased the Budget by 65 per cent and have started many new programmes. Indira Awaas Yojana has been welcomed by the common people. I would like to remind the hon. Minister that a Member of the House has also been the Chief Minister of Madhya Pradesh. Shri Arjun Singh had allotted plots to the poor hut dwellers and about forty lakh people have been benefited. It is a commendable step and I welcome it. I request that the poor people who have constructed their huts on the land belonging to the Cantonment Boards in the entire country, should be given the leasehold rights of the plots. There will be no need to make provision in

the Budget for this purpose. In the entire country, the poor should be allotted the plot on which they have put up the hut. In Madhya Pradesh, Government has allotted plots to hut-dwellers at the site and they had not to apply for the same.

There are certain other points in the Budget towards which I would also like to draw your attention. Loans are granted by the Banks to the poor but at every stage bribe is demanded from them which causes harassments to the poor. In view of this I suggest that public representatives may be associated with the disbursement of loans. At present it is the bank employees who decide to whom the loan is to be given and no advice is sought from public representatives. Therefore, whenever such loan camps are organised, a committee of three to four public representatives may be formed and decision may be taken on their advice.

For the development of any backward area, a few things are most essential such as industrialisation, irrigation etc. Industrialisation is most essential. There was a proposal to establish a factory of Bharat Earth Movers at Sagar in Madhya Pradesh. Although its survey has already been done yet no factory has been established there so far.

Similarly, the area under irrigation in Sagar district is very little. And for irrigation purposes, survey work is going on for the last 15 years for Veena River Project, but no appreciable progress has been made. I request you to give clearance to the Veena River Project immediately and start the work so that irrigation arrangements may be made in that area.

In Madhya Pradesh, Shri Arjun Singh had waived certain loans which could not be recovered. Similarly, I request the Finance Minister to waive the loans of such poor people as are unable to repay their loans. I want to my constituency and saw that loans were granted to many people for digging wells but due to delay in the payment of the loan, the water level went down and the poor farmers could not get and benefit. Now loan is being recovered from these farmers. I would request that

loans may be waived in cases where the farmers were put to loss on account of the dereliction of duty by the bank employees or delay in payment of loans.

CH. RAM PRAKASH (Ambala) : Mr. Chairman, Sir, I support the supplementary demand Nos. 11 and 12 presented in the House. I am thankful to the Finance Minister for presenting so many good points in such a better way. Such demands were never presented before.

Mr. Chairman, Sir, I particularly want to talk about the Punjab Accord. I come from Ambala which is adjoining Punjab. I thank our Prime Minister who brought round Sant Longowal to negotiate a settlement in order to restore peace in the state; otherwise at that time ten to twenty persons were being murdered every day. There is reference to Chandigarh in the Punjab Accord. I belong to that area and as such I can give a brief account of Chandigarh. First general elections were held in 1952. At that time first session of Punjab, Haryana and Chandigarh Assen bly was held at Simla. After that it was suggested that Chandigarh be made the capital of Punjab and Haryana. Land was acquired there and work on building the capital was started. Many of my friends may not be knowing that Akalis had started an agitation at that time for not making Chandigarh the State Capital. Despite the agitation of Giani Karter Singh, Fateh Singh, Tara Singh and so many other leaders, work was started. Chandigarh turned out to be a beautiful city. I am living in Chandigarh since 1952 and that is why I know about it. Most of my contemporaries, who either opposed Chandigarh of supported it, are now no more except two or three survivors.

(*Interruptions*)

[*English*]

SHRI SOMMATH CHATTERJEE (Bolpur) : The hon. Member is speaking about Punjab Accord. Sir, whoever is the Home Minister should be present.

MR. CHAIRMAN : Any Minister can... Finance State Minister is present.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : I do not know who is the Home Minister. Whoever is the Home Minister should be present.

SHRI RAM PYARE PANIKA : He can speak on the Supplementary demands.

MR. CHAIRMAN : I have given my ruling.

SHRI SOMNATH CHATTERJEE : The only thing is who is the Home Minister that I donot know.

[*Translation*]

SHRI RAJ KUMAR RAI (Ghosi) : There is demand in respect of the Home Ministry also that is why he is speaking; there is nothing unusual about it.

SHRI SOMNATH CHATTERJEE : I mean the Home Minister should be present.

[*English*]

MR. CHAIRMAN : It is for the Chair to decide and not for the Members.

[*Translation*]

CH. RAM PRAKASH : Mr. Chairman, Sir, I was submitting that all the leaders who had opposed at that time, have expired except two or three. When most of the family members expire, the remaining two or three survivors get the right of inheritance and same is true of Chandigarh. I have a claim to Chandigarh. How can the Akalis demand that Chandigarh be handed over to them. (*Interruptions*)

[*Englsh*]

MR. CHAIRMAN : Kindly don't disturb.

[*Translation*]

CH. RAM PRAKASH : I have a claim to Chandigarh because I belong to it. I built Chandigarh. How can the Akalis say that Chandigarh is theirs and it should be

[Ch. Ram Prakash]

handed over to them. We are the claimants. Haryana has the claim to Chandigarh and not the Punjabis or Akalis.

[*English*]

MR. CHAIRMAN : If an hon. Member himself stands up and speaks, don't record it unless he is allowed by me to speak.

(*Interruptions*)*

[*Translation*]

CH. RAM PRARASH : Mr. Chairman, Sir, I was submitting that Chandigarh belongs to us. Punjab and the Akalis, who had opposed it have no claim to it.

Mr. Chairman, Sir, now I come to the Ravi Beas waters. It is unfortunate that Shri Surjit Singh Barnala, who is the Chief Minister of a state and a responsible man, has said on the Floor of the House that Haryana has no claim to the waters of Ravi and Beas. An international treaty was concluded in 1960. At that time it was agreed that water would be supplied to the sandy, barren and backward region of Haryana and a sum of Rs. 110 crores was given to Pakistan. Since this water was to be supplied to the backward areas and the poor people, as such the Centre had given this amount of Rs. 110 crores for this purpose. Now how can they claim these waters ?

Thereafter, Haryana also gave more than Rs. 200 crores to Punjab for digging the canal. Now Shri Barnala says that Haryana has no claim to it. Why have they no claim to it. Why did he accept Rs. 200 crores when Haryana had no claim over these waters.

Today he has no control over Punjab** he has no principle. They must keep the national interest in mind. They are quarrelling among themselves. They are

killing one another. If this continues, one day they will annihilate themselves.

What is the condition of Punjab these days ? The law of jungle is prevailing there** I have already submitted in the presence of the hon. Prime Minister that these Akalis**. There cannot be any settlement with them. (*Interruptions*) I am surprised at the weak kneed policy of the Central Government**. There is no other remedy. I am a Punjabi and know.....

[*English*]

MR. CHAIRMAN : Hereafter, nothing will go on record.

(*Interruptions*)*

What the hon. Member speaks.

(*Interruptions*)*

[*Translation*]

SHRI RAM PYARE PANIKA (Robertsganj) : It should be expunged.

(*Interruptions*)

[*English*]

SHRI SOMNATH CHATTERJEE (Bolpur) : Sir, very serious charges have been made... (*Interruptions*)

MR. CHAIRMAN : Those objectionable words will not go on record. I have already given my ruling. (*Interruptions*)* Mr. Ram Prakash, hereafter nothing will go on record. Please sit. (*Interruptions*)* I have given the ruling. Nothing will go on record. Those objectionable words will not go on record. (*Interruptions*)* Now Mr. Bhadreswar Tanti. Mr. Ram Prakash, please take your seat. Nothing you speak will go on record. I have already called Mr. Tanti.

SHRI BHADRESWAR TANTI (Kaliabor) : I thank you very much for giving me an opportunity to ventilate my

*Not recorded.

**Expunged as ordered by the chair.

grievances. As we know, Assam is famous for tea, minerals, oil, coal, jute and forest products. This country of ours is proud of these products. Assam earns 60 per cent foreign exchange out of the total foreign exchange earned by the country. The budget has given nothing for 55 lakh tea and Ex-tea garden labourers who have been giving their blood to make this country strong and united. Instead of giving something for their livelihood, they are being given sub-standard foodgrains which are being rejected by all sections of people; and they have been supplied these foodgrains by the industrialists and the government is keeping mum even in spite of great resentment.

New, 10 lakh tea garden labourers in Assam have reason to believe that in the name of *garabi hato*, the government is going to eliminate tea garden labourers, as they have been supplied foodgrains which are most sub-standard plus unfit for human consumption. A tale of tea garden labourers ventilating their grievances to the government and the people is a cry in the wilderness.

Parts III and IV of our Constitution are lenient towards the working class. The Constitution has also failed, at the instance of the government, to protect the rights and liberty of tea garden labourers in Assam. In Assam, there are 55 lakh tea and Ex-Tea garden labourers and you will be astonished to hear that there are less than .01 percent educated persons among the tea garden labourers, even after 38 years of our independence. We say the Constitution is a human document. In the Preamble of the Constitution. We, the people of India. 'these five words'—is the human document and is the Bible of the people of India. But, I do not see any reason why, during the period, in 1983, when the election was held, lakhs of people were killed at the instance of the government and the government was keeping silent? Many young girls, men and women and old ladies were brought out of their house and were killed by the police and CRPF personnel. What about Nxeillie incident where innocent babies lost their lives? What about Golpur and Panka incident? The government today has hopelessly failed to give relief to the affected

people and in the name of relief at Merapani Golaghat only one blanket was supplied to a family. In a civilized society like ours, a family of 10 members does not sleep together, but, in the name of relief, one blanket and one bundle of C.I. Sheet were supplied just before the election. Why is the government giving this step-motherly treatment to the poor people of Assam who have sacrificed a lot for the unity and integrity of the country?

Our Constitution permits to bring out laws, but it does not permit to bring out black laws. Illegal Determination and Migration Acts of 1984 have been passed just to protect foreigners. In our country where everybody has a right to ventilate his grievance, and demand deportation of the illegal foreigners, and the foreigners, under the Constitution, under the Citizenship Act and under the Foreigners Act, have no right to live in our country. But, when the people of Assam demand action against the foreigners, the government goes against the people, goes against the masses and protect the foreigners.

Now, under the 20-point programme, the government has hopelessly failed to give land to the landless and poor people, but they have given settlement right to the foreigners, even in the forest land. Why is this step-motherly attitude is being taken against the people of Assam? I want to know from the Government of India.

Sir, Kaziranga is a famous tourist centre, and it is famous for the one-horn rhinoceros. But till today the Government has failed to set up a model village to improve the tourist spots in Assam or near Kaziranga. We are earning crores of rupees by way of foreign exchange through these tourist spots, but no development of the area has taken place in Assam.

Through the tea gardens in Assam also the country is earning lot of foreign exchange. But the tea garden labourers in Assam in turn are provided only sub-standard food-grains. There are no hospitals and there are no medicines wherever there is a hospital in Assam. There is only one TB hospital of Kalapabar in Guwahati; which I visited recently. Nobody was

[Shri Bhadreswar Tanti]

nobody there. Even staff was not there when I visited the said hospital. Women ward girls who were engaged to look after the patients had to go half a mile just to bring drinking water for the diseased, as there is no provision for drinking water for the patients.

MR. CHAIRMAN : The hon. Member's time is up.

SHRI BHADRESWAR TANTI : I do not understand why this attitude has been taken. In a country like ours everybody has got a right to live, and that too properly. Nobody can be deprived of our legitimate rights.

MR. CHAIRMAN : Please conclude now.

SHRI BHADRESWAR TANTI : Just one minute, Sir.

Now, coming to communications and Railways, nothing has been done in Assam so far as Communications and Railways are concerned. Only one broad gauge line is there, and the railway communication in Assam is worse than what it is in the other parts of India.

SHRI SOMNATH CHATTERJEE : Everywhere the situation is the same.

SHRI BHADRESWAR TANTI : So the present Budget is not for the weaker sections of the society, and it is not particularly for the working classes although all the people have a right under Chapters III and IV of the Constitution. The Government should, therefore take immediate steps to improve the condition of the poorest of the poor.

[*Translation*]

SHRI RAJ KUMAR RAI (Ghosi) : Mr. Chairman, Sir, I rise to support the Demands for Supplementary Grants, 1985-86 and Demands for Excess Grants, 1983-84 presented by the hon. Finance Minister in the House. I would like to draw the

attention of the hon. Finance Minister through you to two or three points. The Supplementary Demands for Grants and the Demands for Excess Grants pertain to 1985-86 and 1983-84 respectively and the Demands for 1984-85 are yet to be considered. There is an old saying, Cut your coat according to your cloth. We should spend according to our means. At a time when we are planning to move forward, we are presenting the Demands for 1983-84 and then Demands for the current year and the intervening period will follow. What are the reasons for this way of functioning, What are the compulsions for doing so. Why is our fiscal policy wrong and why is the Budget not compact. The need of the hour is that we should prepare Budget carefully so that correct figures are given in the Budget and we do not exceed the allocations made in the Budget. If war or some unforeseen calamity occurs then it is a different thing. But presenting Demands for Excess Grants has become a practice. This will not serve the purpose. Now Demands pertaining to Ministry of Agriculture and Development, Chemicals and Fertilizers and Commerce have been presented in the House. In this way, 101 items have been included in these Demands. I think hardly any department has been left which has not been included in it. If something occurs exceptionally and accidentally for which Demands have to be presented then it may be a subject for consideration but it is not proper to make it a practice to present Supplementary Demands for every thing every year.

If these Supplementary Demands for Grants, some amounts have been sought for Agriculture and Rural Development. During the tenure of Shrimati Indira Gandhi, rural development and anti-poverty programmes were initiated and large sums have been spent on them up to date. But howsoever large amount we may allocate for these programmes, it will not be sufficient. The reason is that unless there is proper implementation of these programmes and unless there is proper monitoring of its implementation, we cannot make full use of the allocated fund. I have raised this point in the House a number of times. I am saying this with all the emphasis at my command that 60 to 70 per cent of the

funds allocated for programmes like N.R. E.P., Minimum Guarantee Programme, R.L.E.G.P. are being misused and pocketed by corrupt staff and the contractors. Only 30 per cent money is being spent on these programmes. In this way the poor people, for whom these programmes have been formulated, have not been benefited. Whatever progress you see in the villages, has been possible with this 25 to 30 per cent of money. No expenditure has been incurred beyond this. If you want, this can be verified by constituting a committee consisting of Members of this House to look into this. In this way, a mockery is being made of these programmes in the villages. Whatever money is allocated by the Centre, the officials are pocketing it openly. Moreover, a large portion of the allocation is misappropriated by the authorities who make the allocation in the Budget or make payment thereof. Attention should be paid towards this. When the poor farmers constitute 60 to 70 per cent of the total population, their interests should be kept in mind while preparing the Budget. The allocations made in the Budget are alright but the policy for the farmers should be so formulated that they get remunerative prices of their produce. It should not happen that when the farmer sells his produce to the trader, he gets less price and when the trader sells it back to him, he has to pay higher price. Attention should be paid to avoid such a situation.

Sir, Uttar Pradesh is a very big state of the country having a population of about 11 to 12 crores. In the Sixth Five Year Plan only 2.15 per cent of the total Budget allocation has been given to Uttar Pradesh, so far as far as industries are concerned, whereas Andhra Pradesh, which is comparatively a very small state, got 17.76 per cent of the total allocation. Injustice has been meted out to Uttar Pradesh, having a population of 12 crores, which is backward and reeling under poverty, in matters of industries, agriculture, rural development.

If, in view of the backwardness of Uttar Pradesh, allocations are made in the same proportion to the State, it may cause a lot of complications. Sir, I have drawn

the attention of the House to this aspect many a time.

Sir, if you see the map of eastern U. P., Bihar and particularly the western Bihar, you will find that the density of population is very high in this region. A glance at the past history reveals that the maximum sacrifice was made by this region during the freedom struggle and a large number of persons were killed. But seeing the illiteracy and backwardness of this region, it seems that even after 30 to 40 years of independence the Government do not want that the people of this region should progress. Government wants that a rickshaw puller should continue to be a rickshaw puller in Bombay or serve as a Chowkidar in Gulf Countries, Malaya and Singapore.

Sir, their lot cannot be improved until that area is treated as a separate unit and separate budget allocations are made for that. Therefore, that area should be treated as a separate unit and separate budget allocations should be made for its development.

Sir, our hon. Finance Minister represents a very prosperous area. I hope he will do the needful.

[English]

SHRI VIJAY N. PATIL (Erandol) :
Mr. Chairman, Sir I rise to support the Supplementary and Excess Demands for Grants. In continuation of the earlier speaker, I may like to recommend that the amount given to various States should not depend upon the backwardness of the State. On the contrary, it should depend on their efforts in controlling the population. You should not go on increasing the amount because of the mere fact that the State has got 12 crores of people or so many people. Similarly, for those States which try to control the population by law, the allocation should not be less on the ground that the State is a developed one. For raising money to run the Government and to carry on the developmental activities, the Government ought to increase the taxes. But what happens is that when it increases

[Shri Vijay N. Patil]

the tax say by five per cent, the middleman or the businessman increases the price by a higher percentage. For example, if the petrol price goes up by ten paise per litre, the *taxi-wala* will charge 25 paise per kilometre more. In Maharashtra, if we increase the price rice of milk by Re. one per litre in order to give more price to the farmer, the of ice-cream for 100 grams goes up by Re. one. Ten times increase is there. So, the businessmen, the middlemen take advantage of the increase in taxes. That should be controlled. There should be some control from the Government that this is the increase in the tax, so, this should be the percentage increase in the price. There should be a survey conducted to find out as to what was the price of that commodity and how much it can be increased. When we declare the minimum support price, we should control the maximum price increase also, otherwise, the unscrupulous elements take advantage, the persons who can control the production of their commodities, take the advantage. The Government has declared some concessions on tobacco but the price of cigarette has not come down. If you take the example of cotton, the price of cotton last year was about Rs. 700 per quintal whereas this year the farmer is not getting even Rs. 400 per quintal; but the middlemen, the textile millowners are not curtailing the price of cloth. It has not come down even by 10 per cent or 20 per cent. The farmers are getting only Rs. 400 per quintal. The farmer does not get any increase. So, the prices go on increasing irrespective of the decrease in the prices of farm produce. The farmers do not get any return on their produce. Therefore, I say that from the point of the long-term fiscal policy, as a result of the progressive policies of the Government, and result of our looking forward to the 21st century, and with the help of our dynamic Prime Minister, we must do something tangible.

Sir, the Finance Minister has declared that the ITOs will be given power to search the houses.— of course, some control will be there. But why should it be necessary to enter into the houses? In the first place, I would like to say that if you look at the visiting cards of the business people, you

will find that the names of so many firms are mentioned on them. The Managing Director is only one. Why can't you inquire as to how many firms are paying taxes? They do not pay the tax because in one year they close their firms. In Bombay in one flat of 10×15 sq. ft. there will be 10-15 firms in different names and they wind up their firms in one year or change the names and thus evade the tax? If you take the survey of cars all over India, apart from Government cars and company cars, cars owned by private people are many. Among them, how many car owners are paying the tax? In Delhi, if you go to Greater Kailash, Maharani Bagh, South Extension, Panchsheel Enclave and other posh areas, you will see 5-6 cars standing outside each bungalow. You need not enter into the bungalow at all, you just take the name of the owner of the car and you will find that the driver of the car is the owner himself. You ask the question whether the driver in whose name the car is registered is paying the tax because to maintain the car, it required at least Rs. 2000 per month. If he is not paying the tax, you take the car in Government custody. You need not go on house raids every time to find out tax evaders. You can find out many things at the door step of the bungalow itself.

Similarly, the paanwallahs in Bombay are *karodpathis* and *lakhpatis*. You will see that in one hour 500 to 600 paans are sold. The material that goes into a single paan is only of 50 paise, but the paanwallah sells it a Rs. 1.50 p. a paan. But when you enquire as to whether he is paying any tax, he will say: "I am poor man, see my hands are coloured with paans". But he becomes a *karodpathi*. Thus we are seeing with our naked eye that people are not paying taxes. To net such people into the taxpayers' fold, we must make some rules so that people will not be able to evade tax.

With these words, I would like to support the Supplementary Demands for Grants and I thank you for giving me the time.

[Translation]

PROF. NIRMALA KUMARI
SHAKTAWAT (Chittorgarh): Mr.

Chairman, Sir, I rise to support the supplementary demands for grants. As only five minutes are left, it is not possible to refer to all the demands.

Our Government have to bring forward supplementary demands for the welfare of the poor, to provide cheaper foodgrains to them, for the implementation of the 20 Point Programme, N.R.E.P. and other schemes. It is not unjustified to bring forward these demands. I would like to say that it is the sign of a welfare state.

I strongly support the measures taken to curb the menace of black money which was a big bane for this country.

There are very peculiar circumstances in Rajasthan these days. It is in the grip of worst famine. Due to the failure of rains for the past several years and consequently non-availability of water, a very serious situation has developed there. 23 districts out of 27 districts in Rajasthan have been affected by famine and as a result 2,20,00,000 people have been adversely affected. The amount which has been allocated to Rajasthan is very meagre. If that amount is not increased, the people in Rajasthan will die of thirst and it would not be possible to make arrangement of fodder for the cattle.

It is said that ours is a rich country where the poor also live. There are huge deposits of natural resources. We have rich mineral wealth. The nature has been very kind to us, but we have not been able to utilise the vast natural resources in a proper way. I would like to submit to the Government that our great leader, Shrimati Indira Gandhi had given us the slogan of farsightedness, dedication and discipline. If we follow this slogan, the country would definitely march forward and this would solve our problems. Rajasthan is rich in minerals deposits, but industrial units based on those minerals have not been set up there. The people of my constituency, Chittorgarh have been demanding for quite a long time that some units based on zinc and rock Phosphate be established in the area as zinc and rock phosphate are available in abundance in the area. As zinc is available in abundance in Bhilwara and

Udaipur, Government had agreed in principle to establish a Super Zinc Smelter Plant there. It was also declared in the House and a site was also selected for the purpose, but no specific provision has been made in the Budget for this project and hence the entire project is lying incomplete. The hon. Minister should, therefore, pay his attention to the setting up of this project so that people could get the opportunities of employment there. With the establishment of Super Zinc Smelter Plant, the country would be able to earn more foreign exchange and thus the foreign exchange so earned would help us to correct the balance of foreign trade.

I would also like to submit that Rajasthan is rich not only in natural resources, but has also many places of historical importance. Rajasthan is a very important State from tourism point of view, but no special attention has been paid to Rajasthan in this regard. Recently, steps were taken for setting up the Western Cultural Centre at Udaipur for which we want to express our thanks to the Government. But no special attention has been paid for the development of Chittorgarh, a place steeped in the heroic deeds of its brave people. The Government has made efforts to start a Vayudoot service to that people. An air strip of the State Government is also available between Bhilwara and Chittorgarh. A Vayudoot service should also be provided to Chittorgarh so that foreign tourists could be attracted to Chittorgarh and Government could also earn foreign exchange.

I would also like to submit to the Ministry of Information and Broadcasting that arrangement has been made to cover 70 per cent population of the country through television network, but historical places like Chittorgarh which have a rich potential from tourism point of view have not been covered under the network. I would, therefore, like to submit to you that a high power transmitter might be set up at Chittor Fort so that the people of the surrounding areas could be benefited.

Sir, Rajasthan is a very backward state and from irrigation point of view, Indira Gandhi Canal is a boon for Rajasthan,

[Prof. Nirmala Kumari Shaktawat]

with which many memories of Shrimati Indira Gandhi are linked. But a very meagre amount has been allocated to the Rajasthan Canal. I would like to submit that Indira Gandhi Canal which was earlier called Rajasthan Canal may be treated as a national project so that water could be made available to the backward and the thirsty people of Rajasthan. (*Interruptions*)

I would also like to submit that many irrigation schemes are pending with the Centre. These schemes should be immediately cleared. There is one such scheme relating to Udaipur. One project relating to Chittorgarh was approved and Rajasthan Government had started some work also, but later on this scheme was handed over to the Centre as Super Zinc Smelter Project was to be supplied water from this project.

[*English*]

MR. CHAIRMAN : We now take up the Private Members' Business.

15.30 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Thirteenth Report

[*English*]

SHRI R.P. SUMAN (Akbarpur) : Sir, I beg to move :

"That this House do agree with the Thirteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 12th March, 1986."

MR. CHAIRMAN : The question is :

"That this House do agree with the Thirteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 12th March, 1986."

The motion was adopted.

RESOLUTION RE: ELECTORAL REFORMS—*Contd.*

[*English*]

Mr. CHARMAIN : The House will now take up further Discussion on the Resolution regarding Electoral Reforms moved by Shri D.N. Reddy. Dr. G.S. Rajhans to continue his speech.

[*Translation*]

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Chairman, Sir, last time when I was mentioning about booth capturing, I had narrated the story of Mafia. In the Central Hall many hon. Members asked me to narrate this story once again. Sir, it is not a story; it is a fact. There was an independent candidate, who was a notorious criminal and belonged to a mafia gang. He used to tour the area with an entourage of one hundred elephants, one hundred camels and one hundred jeeps in which there used to be two hundred people with unlicensed arms. He used to appeal to the voters to vote for him and for that they need not go to the booths to cast their vote, as he would cast the votes on their behalf. Similarly, he asked these people who did not want to vote for him to remain confined to their houses because if they went for casting their votes, they would not come back alive. I am telling the fact ...(*Interruptions*) Whatever is happening in Bihar is happening in U.P. also.

[*English*]

MR. CHAIRMAN : Please address the chair.

[*Translation*]

DR. G.S. RAJHANS : He was such a terror that the people did not venture out to cast their votes and he used to win by a margin of thousands of votes in every election. Later, he was killed.

[*English*]

SHRI SOMNATH CHATTERJEE (Bolpur) : It is a great loss to the country.

[*Translation*]

DR. G.S. RAJHAHS : This is not confined to mafia alone. There are hundreds of such people in the country.

AN HON. MEMBER : They are in the Opposition.

DR. G.S. RAJHANS : Criminals are winning the elections. Do not laugh this thing away. It is a very serious thing. If this problem is not taken care of the democracy in this country will wither away.

SHRI SOMNATH CHATTERJEE : What do you suggest ?

DR. G.S. RAJHANS : I went to say that the people who capture the booths should be debarred from fighting elections for six years and it should be made a cognizable offence. They should not be allowed to fight elections again.

[*English*]

SHRI SOMNATH CHATTERJEE : Then Opposition will win majority in the House.

[*Translation*]

DR. G.S. RAJHANS : There is no harm, whatever the result.

[*English*]

SHRI AMAL DATTA : With retrospective effect.

[*Translation*]

DR. G.S. RAJHANS : I may tell you that when some years back Opposition was in power, I had gone to see the election scene (*Interruptions*) Kindly listen. I was new in the field of journalism. I did not know how booth capturing is done... (*Interruptions*) It is a matter of concern for all of us.

What did I see there ? At one booth, after voting had gone for 20 to 25 minutes, bombs exploded in all the four corners.

The result was that three to four persons got injured and three to four hundred persons waiting at the booth took to their heels. (*Interruptions*) I escaped unhurt; that is why I am speaking here.

After that, criminals cordoned off the booth and warned the Presiding Officer and the Polling Officer that if they valued their lives they should go on signing the counter foils; otherwise they would have to go to heavens..... This resulted in defeat of our candidate and a victory for the candidate for whom they were doing all this.

AN HON. MEMBER : To which party that candidate belonged ?

DR. G.S. RAJHANS : Yours. Had he been our candidate we would not have the moral courage to make this demand.

(*Interruptions*)

Sir, I would submit that we should not laugh this matter away. It is a very serious matter and if this problem is not attended to, democracy will be no more in this country after 10 to 15 years.

A new days back Shri Shripati Mishra had said that gangsters were ruling in a large part of the country... (*Interruptions*). As Shri Shripati Mishra has said, mafia is in power in a large part of the country. mafia issues a warning that you will not file the nomination papers and if you do you would die. The people get so terrified that they do not file their nominations. The law and order in the country is so bad that people are not able to face the criminals.

I would, therefore, say that this evil of booth capturing should be rooted out fully and it should be made a cognizable offence. The person indulging in this evil practice should be punished in the strictest possible way and no compassion should be shown to him.

Now I will talk about the role of money in the elections. Through electoral reforms the role of money will have to be

[Dr. G.S. Rajhans]

minimised. I was recently going through the New York Times regarding elections in Philippines, I read a story in that newspaper.....y(*Interruptions*)

The supporters of Marcos used to distribute envelopes in trains and buses. In the month of January, when Christmas was long over, there used to be written on the envelopes—'Happy X-mas' and inside each of them there used to be 25 to 30 dollars and a small typed slip exhorting people to vote for the greatest patriot of the country, Marcos, in the coming elections and also at the time of voting to note down the serial number of their ballot paper. The people who would note down their ballot number and submit that slip in Marcos's office will be given 30 dollars more. The correspondent of the New York Times has written that there has never been injustice of this magnitude in any other country. But I have seen even bigger injustice in our neighbouring country.

(*Interruptions*)

I am not naming the country. Few years back I had gone there during an election. I will relate a very interesting thing about that. It is my personal experience. During those elections a new twenty rupee note had been issued and a money-bag was fighting this election as an independent candidate. He cut a few new twenty rupee notes into two parts with a blade and distributed one part thereof in villages and asked the people that in case of his winning the elections, anybody coming with the half note will be provided with a new note i. e. half note will be replaced with a new note.

[*English*]

MR. CHAIRMAN : These notes must be borged notes.

DR. G. S. RAJHANS : Sir, these are genuine notes.

MR. CHAIRMAN : That is for temptation,

[*Translation*]

DR. G.S. BAJHANS : Try to understand the situation; that man won. In this way he spent Rs. 5 lakhs and won the election. Next time he will spend Rs. lakhs 50 in similar fashion and he would win the elections. In this country democracy will be run with the help of money; it is a very serious thing. You should pay attention to this. That is why I say that the role of money in elections will have to be fully rooted out and the people indulging in such malpractices need to be debarred permanently. Unless this is done, democracy will remain a distant goal for this country. Money-bags will occupy this House as well as Assemblies and representatives of the poor will never be elected to any Assembly or the Parliament.

Mr. Chairman, Sir, it is good that the money instead of being given under the table is now being given above the table and political donations have legalised. In this connection my only submission is that all the political parties should get their accounts audited and publish them in the newspapers so that the people may come to know the source of income of the parties. I am aware and I have practical experience—but I will not tell—how foreign money flows into country and how money to the Opposition. I can prove this.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Are you from CBI ?

DR. G.S. RAJHANS : Yes, I am from CBI. In your case also I can prove.

[*English*]

PROF. MADAU DANDAVATE : Let it not go on record that "I have come from CBI". At least say C.P.I.

[*Translation*]

DR. G.S. RAJHANS : I would like to submit that the political parties should get their funds audited thereby eradicating corruption to a large extent. It is still a

mystery as to wherefrom the political parties get such large funds. You may believe it or not but these funds cause inflation and price rise in the country. It has been generally observed that post election period is marked by unprecedented price rise and despite public outcry nothing is done to check it. I am speaking from practical experience (*Interruptions*). During elections the bureaucrats often harass the candidates. At that time orders are issued that no officer will be transferred. The officers act in an arbitrary manner and there is no limit to it. A candidate is entitled to have one vehicle during electioneering but he does not permit even that. I suggest that as soon as the elections are announced all the officers should be transferred by draw of lots. An officer should not be allowed to be posted at the same place as he may have vested interest there... (*Interruptions*)

[*English*]

PROF. MADHU DANAVATE : Unfortunately, they have applied that principle to the Ministers.

[*Translation*]

DR. G.S. RAJHANS : One Candidate should not contest elections from more than one Constituency. Many candidates contest elections from three or four places thereby forcing bye-elections to be held. I, therefore, submit that in national interest this practice should be curbed. Huge funds go down the drain during the Lok Sabha and the Assembly elections. A serious thought should be given to it. Lok Sabha and Assembly elections should be held simultaneously.

I suggest that there should be three Members in Election Commission. One Member is not able to cope with the increased work load of Election Commission. Moreover, the Election Commission should be vested with powers of those of a High Court. Election disputes should be settled by the Commission itself, without reference to High Courts. These disputes remain pending in the Courts for five years or so and by that time the term of Parliament is over. A separate body should be set up for speedy disposal of these disputes. I

would like to submit that the people in this country will have to be made politically conscious and told that their vote is precious and it should not be cast on community or any other considerations. It often happens that the candidate who is to contest elections, is not able to find his name on the electoral rolls and to run from pillar to post has, to get it inserted in the roll. Therefore, the electoral rolls should be carefully revised. I have to say a few things regarding election expenses. There is a great disparity in the returns that are filed and the actual expenses incurred by the candidates. A reasonable limit for expenses should, therefore, be fixed to enable all the candidates to incur reasonable expenses. If democracy has to be safeguarded, all the political parties should sit together and formulate a code of conduct. The State should provide funds to political parties to contest elections as is prevalent in many countries. They should not be paid in cash but in kind. They should be given petrol vouchers and a watch should be kept whether they have utilised it or not. The expenses on account of printing posters and postage stamps should be borne by the state. We should gain from the experience of foreign countries in this regard. They need not necessarily be wrong every time.

Therefore, Sir, I would like to submit that we should seriously think about electoral reforms as the future of democracy depends on it.

15.52 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

*DR. PHULRENU GUHA (*Contai*) : Sir, at the very outset I support the amendment tabled by Shri Daga on the resolution under discussion.

In our country elections have been held umpteen times. It can be said that at most places they have been more or less fair. Of course we cannot say that there has not been any irregularities or illegal happening

*The speech was originally delivered in Bengali.

[Dr. Phulrenu Guha]

anywhere. In a vast country like ours, some irregularity is bound to creep in somewhere or other in the elections. But in recent times we have noticed that before and after any election a lot of hue and cry is raised that everything is going to ruins. This is not always true. Right from the beginning when elections started in this country, some irregular or immoral incidents were there. But their number was very small. But as days are passing and more and more elections are being held, the incidence of corrupt practices are immoral incidents are rising. We have all to guard against this. This is very denger signal.

Now Sir, I will like to draw your attention to a very important item viz., the Voters' List. This is the most important item in any election. Unless the voters' list is uptodate and properly drawn up, unless it includes the names of all legitimate voters, elections can never be proper or fair. Here I will like to narrate two incidents. In a certain house there were 42 persons living. In the voter's list it was found that the name of only one person out of them has been included and the other 41 persons were missing from that list. Some people were naturally surprised at this and asked the local leader how it happened. The reply was, "there is only one person of my party in that house and I have verified that his name appears in the voters' list. I am not interested in the others and have not verified their names." Therefore, I say that the voters' list is the most important factor in any election. Without a correct and uptodate voters' list elections can never be held properly. The other incident I am narrating from my personal experience. A boy used to live in my house. When he attained the age of 21 years, he was naturally desirous of exercising his right to vote and I also encouraged him to do so. I personally took him with me and got his name duly entered in the voters' list. When the final voters list was printed, his name was in that list. The different political parties contesting the election had also sent him slips soliciting his vote. That boy accompanied me to the polling booth to cast his vote on the election day. At the

polling booth we found that his name has been struck off the voters' list in red ink. This was very surprising and an enquiring the officer told us, "I do not know this is the list that has come to us. We cannot allow him to vote." I did not pursue the matter further for want of time and also because. I knew that my party was going to win at that centre, on other party could win there. That's why I did not pursue the matter.

In this context I will request the Government to examine whether the casting of vote by every adult citizen of the country can be made legally compulsory and obligatory. I think that this is very necessary and this may please be properly examined.

I will draw your attention to one more point Sir. It is generally seen before any election that a large number of people suddenly come into the election-zone from outside. This must be prevented through legislation. If genuine voters are staying outside they will surely come to vote. But the influx of large numbers of outsiders must be stopped. During my long association with elections, since 1946, I have noticed that this influx of outsiders to the election area greatly disturbs the election process and also causes disturbances. The Government may kindly examine whether this can be stopped by law. Then, many a times it is seen that the number of candidates in some areas is very large. The ballot paper becomes so cumbersome that ordinary people find it confusing and they find difficulty in casting their vote.

Now, a word about election expenses. The prices of all items have gone up. The general price level in the country has risen considerably. In view of this it is necessary to raise the limit of election expenses. Many times we have heard the candidates saying that their friends have given them funds to fight elections. Who are these friends? These friends are the rich people.

Poor candidates can't have rich friends. Only rich candidates can have rich friends or the rich people will help those with funds

whom they can utilise for getting their various work done when they win the elections. There should be some law to cover this aspect also. All the political parties have rules and regulations to be followed for elections. I will request these political parties to ensure that the candidates whom they nominate abide by these rules. Unless all the political parties realise what crisis is descending on the country it will be difficult to preserve that very democracy in the country which we all cherish and pride so much.

Sir, we are hearing about electoral reforms since 1969. A committee was set up in 1970 for this purpose. After the new Lok Sabha was constituted in 1972, again a Committee was formed. That Committee had submitted its report. But before it could be implemented, fresh elections were held. After the Janata Government came to power, a sub-committee was formed in this respect in 1977. But before that Committee could submit its report, the Janata Government went out of power. All the time the Congress Government is being blamed for not effecting electoral reforms. But when the Janata Government was in power, they too could not do anything effective although they set up a Committee for this purpose. I therefore raise this question that the Janata Government set up a Committee when they were in power. There were many prominent leaders of that party in that Committee. But could they do anything in this regard in their tenure of 2½ years! I admit that this is a very difficult task. But this has to be done, however difficult the task may be.

Sometimes we see that issues of caste and religion are raised in elections. This is a very unhealthy thing. I appeal to the Election Commission to pay special attention to this also.

One more point Sir, in our country there is discrepancy among the different constituencies in regard to population as well as area. This has to be considered seriously. There are hill areas and other areas also which are so extensive that it is virtually impossible to visit all the places in a constituency. Delimitation of constituencies has also to be taken up in right

earnest. After considering all aspects, if it is found necessary to make changes in the electoral laws then that should be effected speedily. There is no point in lingering over it. It is not desirable to leave the same lingering for years together.

Sir, being intimately associated with the elections in our country from the very beginning, I am of the firm view that at many places foreign money is playing an important role. I will request the Government, to pay special attention to this aspect and to take appropriate measures to counter this. I am speaking from my experience of elections over a long period. As I said earlier, I am intimately associated with the elections since 1946. There are hardly anybody here who have that long experience. Many of our friends were mere children at that time. Therefore, I can't help sharing my feelings with the Government and different political parties.

In the context of the role of foreign money I will give an example. At one place I found that a certain political party has used a devastatingly beautiful colour. I naturally made enquires about its price. You will be surprised that particular colour so costly that it is difficult for a candidate to afford to use that on their own. If you make enquiries you will find that there are two aspects of this hand of foreign money. There are certain foreign powers who do not want our country to progress and they provide funds and there are some parties inside the country who do not want our country's progress and they accept money from these foreign powers to fight the elections on money power.

In the end I submit that it is necessary to carry out the electoral reforms at the earliest. Unless we do that in consultation with all the political parties, there will be great difficulties faced in the coming days and we will not be able to reflect our ideals. Gradually we will fall in such a situation which none of us will like. With that Sir, I conclude my speech.

SHRI BRAHMA DUTT (Tehri Garhwal) : Mr. Chairman, Sir, the House is discussing a serious matter. Though it is true that every system has scope for

[Shri Brahma Dutt]

improvement in some form or the other yet it seems from the words used in the Resolution that our electoral system has been corrupted by money, muscle power, communalism and other wrong practices. I do not fully agree with it. It is of course true that there is still much scope for improvement.

I first saw elections in 1937 when I was 10 years old. Had the elections in those days been influenced by these things, big Zamindars and landlords would have been elected because they had money and support of the British Government. But we found that the Congress candidates—some of the Members sitting on the Opposition benches today were at that time in the Congress—routed those Zamindars in the elections.

One thing has been noticed. In 1977 we saw the fall of Congress Government and the Janata Party came to power. It did not have organisation though it somehow managed to get funds. It was a conglomeration of all the castes which led to the defeat of Congress. But in 1980, though the Janata Party had been able to gain ground it was routed in the elections. That is why we praise the sagacity of our electorate which has always given a good account of itself. The Congress (I) is in power at the Centre and in 9 States it is in the Opposition. The CPM has been given an opportunity to show its mettle in Bengal. Similarly, Janata Party has also been given a chance to show its performance in Karnataka. The AIDMK has been given a chance in Tamil Nadu. Besides this, an interesting phenomenon is that the DMK controls the local bodies and corporation in Tamil Nadu. Similarly, though Congress is in power in Maharashtra, yet Shiv Sena is in power in Bombay Municipal Corporation. So the electorate has tried various parties at various levels. There is no doubt that the people and the electorate in this country are very mature and sagacious. If we cast a glance at the countries around India. We will have to agree that the electoral system, democracy and peaceful transfer of power have stood the test of time in our country. The countries which achieved independence with us are no more democratic. Therefore,

it is a matter of pride for us and we should not denigrate our electoral system. With the passage of time, some maladies are bound to creep in the electoral process and it needs to be reformed. When we adopted the Constitution we had many alternatives, open to us. One of the options was adult franchise. We adopted it and conducted direct elections to local bodies, town Area Committees, Corporations, Assemblies and the Parliament. We could have adopted a single party system where 99.99% of voting is based on 'Ayes' and 'Noes'. We did not adopt this system because we did not have a single ideology. Political parties were formed on the basis of political ideology. To my mind, the malady did set in at a time when we recognised the parties tentatively and they could not develop in the desired way. The political parties should have developed on the basis of an ideology and I agree that some of the parties have developed on that basis. Our Indian National Congress has an ideology. Both the Communist parties and the BJP have an ideology. But there are many such parties which do not have an ideology of their own. Some dissidents in the Indian National Congress formed a separate party. Similarly, there were splits in other parties and they were divided. With the passage of time regional parties and parties based on other considerations came into being. These maladies crept in and we should try to remove them. Besides this, we should not forget that our electoral process is a democratic process and we should be proud of it. India is the only country in Asia where democracy is firmly entrenched and we will not let it weaken. We are disappointed by those who try to denigrate it. I agree that money and casteism do influence elections to some extent, but I do not agree that the entire electoral process is corrupted. In my constituency there may be only 25 voters out of 7,50,000 voters who belong to my caste. But it does not influence the elections in any way. Many rich people also contest the elections. But we shall have to start the practice to provide clean elections. This is not the work of Government alone but of everybody. All of us should think over it together. At the outset the political parties will have to be identified. If our democratic set up breaks, it will be only because of weak political parties.

Democracy will be in great danger. History reveals that German Republic had come into existence but it could not withstand the onslaught of the Fascist forces, because it had no firm base. When the people do not support ideology or the political party do not have any ideology, it creates a dangerous situation. Any person can take advantage of our weakness and destroy democracy. We are as yet not facing this danger but our neighbouring countries are facing this danger. We are having a true reflection of the political parties in the Lok Sabha, whether they belong to an area, a state or the entire country. The Members of Lok Dal and Janata Party are far less in number than Telugu Desam, AIADMK and CPM. I feel that a dialogue should be started with all the concerned parties in this regard. A dialogue about the constitution of the parties should be undertaken. It should be examined whether the parties possess genuine membership register and which political party gets donations. The political parties often complain that they should have a strong base. I agree that there is no party which is not working in the interest of the country or which is not patriotic. The paths can be different and they should be different. There has never been any alternative to the ruling party in the country, and who is to blame for this. You may be aware that Congress was defeated in 1977. A namesake party came to power though it is agreed that Congress was the only political party which had a nationwide base. Though Janata Party was in power at the Centre yet at that time if there was a national party it was the congress party. Congress was in power in many states and in some states it was in the Opposition. The party at the centre was neither in the opposition nor in Government in many of the states. Congress was the only party which has been in power and in Opposition also. Even today Congress is in power at the Centre and in all the states except a few states. The Leader of the Opposition is from our party. Therefore, every party should examine how it can strengthen its base. I agree that Casteism is raising its ugly head and it is not only affecting elections but also the party. It is eating into the vitals of the party.

It is corruption not only our party but other parties also. But it needs to be eradicated. Mere preaching cannot remove casteism. When we undertake some economic, social or welfare programmes, we can lift the people above caste consideration. While voting, our people rise above caste considerations, otherwise many of the Members belonging to this side or that side would not be sitting in the House. We should not mistrust our people and our system.

[English]

MR. CHAIRMAN : There are so many hon. Members, who want to speak on this resolution. If the House agrees, we may extend the time for this Resolution by two hours.

MANY HON. MEMBERS : Yes, Sir.

MR. CHAIRMAN : The time for this Resolution is extended by two Hours.

[Translations]

SHRI BRAHMA DUTT : I was saying that the present malady is the result of casteism and religion and not of our electoral process. This is also due to our cultural backwardness.

Our country has not been exposed to cultural renaissance and I am of the opinion that no programme can succeed in the country without cultural regeneration. Otherwise how can you reduce the influence of caste, religion and curb the tendency of those people, who seek votes on the basis of caste and religion.

If all our political parties clearly chalk out their economic programmes and on the basis of these programmes they go to the voters and tell them about their economic programmes and promise that if they come into power, they would implement this programme, we can reduce the influence of caste and religion to some extent. The parties will have to take initiative in this respect.

[Shri Brahma Dutt]

I agree with the opinion that it is the responsibility of the Government also and not of the parties exclusively. All the parties can sit together and discuss it with Government. But it has to be done. The parties will have to make a code of conduct. I feel, if these parties chalk out good and constructive programmes, they will be given a chance by the people of the country. Opportunities are given to everybody.

16.16 hrs.

[SHRI SOMNATH RATH *in the chair*]

Booth-Capturing is a common phenomenon in India. Allegations and counter allegations in this respect are made by us as well as the opposition. When bye elections were held in 1980, I was the opposition leader in U.P. Legislative Council. We were of course complaining, but the Janata Party-members also complained of atrocities and booth-capturing by Lok-Dal. The result of the complaint was that the former Prime Minister Morarji Bhai was assaulted. One of their constituents was in power in the centre. They protested to Government for not making proper arrangements.

That responsibility also came upon us and we bore all that. Why did this all occur? This all occurred because that party was organized on the basis of casteism. Neither the ideology of the Janata Party nor of the Congress party appealed to them.

Our political parties as well as our political leaders should think how to improve the system. We shall consider whether parties should be registered and their membership verified. We must organise them on the pattern of trade unions. But we shall have to secure consensus for this purpose. It cannot be accomplished through legislation.

But, it is more urgent to make a code of conduct for the political parties. I would not like that our Government or law ministry should make it. Code of

conduct should be formulated through a general consensus. All the parties should make it jointly, because discipline can be effective only if it is imposed from within.

Our Election Commission is working impartially. But it needs to be strengthened. It is responsible for holding the elections. It should be empowered to check malpractices in elections and to take action against people indulging in malpractices. There is also the wrong voting.

I am totally against providing funds to anybody for contesting elections, because it would become a source of corruption. Money can be spent, Government can spend the money if it wants. It can issue identity cards to the voters. At the time of elections, you have already permitted the candidates to speak on T.V. and Radio. This facility can be further improved by allowing the candidates to speak face to face at the local T.V. Stations. One more thing. A lot of expenditure is incurred on printing. Some specifications should be laid down for printing such as the size of the poster, the total number of the posters and handbills, and their quality etc. If Government want to spend money it can provide each voter with an identity card. It would reduce cases of bogus voting.

I would reiterate that if money or muscle power could win the elections, Marcos would have won the election. You must have heard that he has one thousand million dollars to his credit and Philippines has a loan liability of three thousand million dollars which means that he took away one-third of the total loan liability with him. Mr. Chatterjee, Moscow also had supported Marcos.

[*English*]

SHRI SOMNATH CHATTERJEE : Is he day dreaming that I am supporting ?

SHRI BRAHMA DUTT : I never day dreamed.

SHRI SOMNATH CHATTERJEE : Why are you saying that I am supporting Marcos ?

SHRI BRAHMA DUTT : No. No, I am not saying that you are supporting.

SHRI SOMNATH CHATTERJEE : Marcos may give inspiration to some.

SHRI BRAHMA DUTT : Within a month, Moscow was sympathetic. I am sorry, I look towards Moscow with a great hope.

[*Translation*]

We had noticed that Marcos had the backing of military power as well as money power, but Aquino won the elections. The conscience of the persons, who were deputed to create disturbances during the elections, revolted and they deserted him. The people rose against him and faced the military tanks. Therefore, if the people are alert neither money power nor muscle power can corrupt the elections.

Sir, once again I repeat that we are proud of it that our nation builders have given us a system which could be helpful in maintaining democracy. In spite of all the difficulties and in spite of the fact that around us democratic process is crumbling everywhere, we could see the peaceful consolidation of power and also experienced co-existence. The party which is in power in a State is not in control of local bodies. Every party has been given a chance to show its performance. But still there is the possibility of malpractices for which identity cards should be issued.

We have to see how Political Parties should be registered? They should have a constitution of their party, membership register, accounts etc. We have to see all these things. Today, anyone can contest election after depositing Rs. 500; and thereafter he withdraws from the contest by accepting Rs. 5000. There must be some restriction on it. For this purpose is necessary, amendment may be made in the Representation of the Peoples Act to make it an ideal system. I agree that there must be discussion on it to find out some suitable improvement because there is always room for improvement. But I do not agree that our electoral system has been corrupted

because it will be an aspersion on ourselves. Have we been elected under such a corrupt system? It is far from the truth to say that our whole system is faulty and everything is influenced by money, muscle power, caste and religion. There is room for reform. Political Parties should work and fight on the basis of their ideology and programme and not on the basis of caste or religion. There should be more stringent law in this regard.

SHRI SOMNATH CHATTERJEE : It happens in U.P. and Bihar.

SHRI BRAHMA DUTT : Not only in U.P. and Bihar but also in West Bengal.

SHRI SOMNATH CHATTERJEE : Not on the basis of caste.

SHRI BRAHMA DUTT : But on the basis of muscle power.

SHRI SOMNATH CHATTERJEE : On Political basis.

SHRI BRAHMA DUTT : It may be money or muscle power or anything else, but such things should not be there... (*Interruptions*) We should not forget it that we have adopted democratic system and there is always room for improvement. I oppose this Resolution but agree with its intention. In this regard, political parties should take initiative and start deliberation on in.

[*English*]

SHRI SOMNATH CHATTERJEE (Bolpur) : Mr. Chairman, Sir, every hon. Member who has spoken today has said that the electoral laws require changes and that electoral reforms are necessary. Even Shri Brahma Dutt, an old Congressman—of which brand I do not know—has said that he supports the spirit behind this.

SHRI BRAHMA DUTT : I said that...

(*Interruptions*)

MR. CHAIRMAN : No side talk please.

AN HON. MEMBER : Original brand !

SHRI SOMNATA CHATTERJEE :
AGMARK Congress !

AN HON. MEMBER : Fire-brand !

SHRI THAMPAN THOMAS : ISI Brand !

SHRI BRAHMA DUTT : Forty years back our fore-fathers have said...

(Interruptions)

SHRI SOMNATH CHATTERJEE :
Why don't you come here ? We shall take you over.

Sir, even Shri Brahma Dutt who is a very veteran politician of this country, certainly we all respect him, he has also felt that he opposes the Resolution because of the party whip and anti-defection law, but he supports the spirit behind this Resolution.

Sir, this is not a new discussion which is coming up for the first time today.

I had the privilege of being a member of a committee which was formed by the Hon. Speaker of this august House in 1971, comprising the representatives of all the political parties and the majority of whom were no doubt belonging to the then Congress Party. Various recommendations were made on an unanimous basis—rather unanimous recommendations were made. With regard to some there were differing viewpoints.

AN HON. MEMBER : You had dissented.

SHRI SOMNATH CHATTERJEE :
Yes, on some points I had given a note of dissent. That, all of us know. But a majority of this recommendations were unanimous. Now, Sir, we are in 1986. How many have they accepted ? How many were accepted by the Government ? And, I would request Shri Brahma Dutt to kindly

see and consider whose responsibility it was to bring about the necessary changes in the electoral laws of the country and who could do it ? You accepted the necessary of the changes.

There may be different views about what changes are necessary, or there may be different emphasis on one aspect or another. But I would request you to kindly consider what changes are considered necessary. Though, you have been in power what steps were taken seriously to bring these changes ?

I was in the Consultative Committee of the Law Ministry for a long time. I had that privilege and this issue had come up before the Consultative Committee on numerous occasions. I believe my hon. friend, the Minister here was also a member in that committee and he would also agree with me; I believe he also asked for these changes and agreed that some necessary changes had to be brought about. Shri Jagan Nath Kaushal, the last Law Minister, and I believe Shri Shiv Shanker, were also never opposed to reforms in electoral laws, when they were the Law Ministers.

And, Sir, Shri Kaushal had said that the recommendations which had been made, —along with the comments of the Election Commission—had been sent for consideration of a Cabinet Sub-Committee, that the Cabinet Sub-Committee was considering them, and he said that his hands were tied until the Cabinet Sub-Committee gave their recommendations and their views on it. Then an unfortunate tragedy had happened and the House was dissolved.

Now, the other day, I was surprised to hear Mr. Ashok Sen, the present Law Minister, saying, while replying to a question on electoral reforms, that our electoral laws had stood the test of the time—precisely, these were his words—and therefore, he did not think any necessity of changing these laws. Which is the voice which truly represents this Government in this country ? The present Law Minister says that there is no necessity of any change. And other hon. Members, speaking from treasury benches, are strongly advocating changes,

may be different types of changes. But everybody, not only from this side but from that side also, is speaking of money power, muscle power and so many other abuses which have crept in our electoral system. If we are able to identify the deficiencies and defects, then what has stood in the way? Why the unanimous recommendations of 1971-72 have not been implemented? Why the matter is pending determination, decision or discussion by some Cabinet Sub-Committee, of which, I believe, the present Minister of Commerce and Civil Supplies is a member.

THE MINISTER OF COMMERCE, FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : I am not a member of any committee.

SHRI SOMNATH CHATTERJEE : Perhaps, this is a Cabinet secret which you do not want to divulge.

That is why, I am saying that merely paying lip service to this will not solve the problem. Those who have got the authority and power they should do it. Otherwise, the people will call the whole discussion as an exercise in hypocrisy. Let us not be described as sanctimonious hypocrites that as a ritual this question of electoral reforms is coming and everybody is saying about that. Dr. Rajhans seems to have all sorts of information. I think, he can give that information to the Minister. He seems to be an authority on mal-practices. Therefore, there is an urgency of bringing about electoral reforms. And for that matter a comprehensive electoral reform cannot be gainsaid. But let us do it. Those who can do it, let them do it. Will you allow us to bring a Private Member's Bill? Will you accept it? You will not. But you are talking of Marcos. I do not know from where you got that idea. Is this the way to deal with such matters in this hopelessly partisan manner? I treat this allocation with the contempt it deserves. I am happy that he has referred to the peoples' power, namely, unarmed people have stood against the military tanks and military might of a reactionary Government backed up by imperialist power, USA and there the people have won. That should be the lesson to this Government and not to us.

SHRI BRAHM DUTT : May I ask who is fighting Mrs. Acquino today?

SHRI D.N. REDDY (Cuddapah) : This is completely irrelevant to the debate.

SHRI SOMNATH CHATTERJEE : The progressive forces will always fight for the liberation of the people. The people are not liberated yet.

Therefore, I am submitting that the Government must make its intentions clear whether it really wants electoral reforms in this country. Let us not take the valuable time of this House in discussing something which is for the sake of formality. When we find that there is something which is deemed exceedingly important and urgent but there is a procrastination on the part of the Government that shows that the ruling party has got vested interest in the deficiencies of the present electoral system because they are getting benefit out of this.

We have seen that posthaste changes have been made, with much greater speed than the speed of Rajdhani Express, or even the speed of Concord. We have seen changes in electoral laws by way of amendment to the Representation of People Act in 1975 when a judicial determination was attempted to be nullified by legislation, but that did not succeed. The Constitution amendment that was brought about to set aside the judicial verdict, did not succeed but the laws were changed retrospectively to uphold one election. Then we did not find committee, sub-committee, Cabinet committee, M. Ps. committee; nothing was necessary! Even by ordinances the electoral laws were changed. So, it is a question of a political will of this Government. Therefore, it is no good accusing the Opposition. If Opposition had been taking the benefit of the electoral perversity in this country, then we would have been there and you would have been here. People will decide at one time what is good for them. There is no doubt about that. Let us not brag about this. I have said that don't always gloat over your temporary majority. This is a temporary majority; don't think it is

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permanent. This unreal situation can never continue. Mr. Brahma Dutt said some of us should not have been here. Precisely, that applies to your party. Many of you have come on the bandwagon, many of you have come on the basis of T. V. projections, and not on merits. That you all know.

One of the changes in the election law, we are being told, is about the money power. Now only the expenses to be incurred by the candidate from his own pocket need to be accounted for. All expenditure made by the party, made by the so-called friends, made by the so-called benefactors, made by the so-called supporters, need not be accounted for. Even previously there was a pretended compliance with this, but now everything has been thrown upside down. Which candidate can spend or afford to spend? Even the party's expenditure was included. Mr. Amar Nath Chawla, our good friend, unfortunately was made the victim. His election was set aside. Mr. Brahma Dutt, you remember that. I had said in this House that Mr. Chawla was unfortunate. In his case there was no retrospective change in the law. In the Rae Bareilly case, there was a retrospective change in the law but Mr. Chawla did not get the benefit. He had to go out because the party expenditure on his election was included in his electoral expense account according to the then law, and having exceeded that limit, he had to go. His election was set aside by the Supreme Court. Today, lawfully any amount can be spent and that is being spent. How many jeeps worked for you, Mr. Brahma Dutt, you need not disclose.

SHRI BRAHMA DUTT : There were no roads.

SHRI SOMNATH CHATTERJEE : That is the much better. That shows the performance of your Government. For 30 years you are there, in 38 years you have finished your State also. (*Interruptions*). I was respectfully requesting for information. I cannot cross-examine him. Why should I ?

Sir, kindly see the other thing. Company donations are permitted. To whom? Not to candidates, but to parties, and those parties are spending all the money. It was said, it will cleanse the system. How? Now, there need not be payment in black money, all by Account Payee cheque in the name of Mr. Sitaram Kesari, the Treasurer of the Party, (*Interruptions*). Or Somnath Chatterjee, I am not the Treasurer unfortunately. We have no Treasurer, we have a system of maintaining Accounts. Of course, I did not mean him personally, just as an example I gave.

Those expenses can be unlimited and donations can be unlimited and a number of companies can go on making donations as they are doing. But, Sir, how many donations are coming now in the balance sheet, Mr. Brahma Dutt? I would request the hon. Minister here, Mr. Bharadwaj, a very knowledgeable person, let him employ his Company Affairs Department—it does not come under him any longer probably, it has gone to Mr. Tiwari. Let the Company Affairs Department make a search as to how many donations have come into the balance sheets since this Law has been passed. I have not got that information, but I suspect if at all this is shown in the balance sheet because it does not help them, the donors, nor does it help the donee. (*Interruptions*). If you want to get that satisfaction that it happens in every case, have that satisfaction. That means, you include yourself at least. (*Interruptions*). Comparatively, disclosure is better, but this is all a paper provision. Money is coming. Everybody knows who is spending how much in election, which political party. You may go on speaking here utilising your majority against us, go on abusing us, but go to the street and ask anybody which party is spending how much or who is spending more.

We are hearing of muscle power. It has become an integral part of election in some of the States, yes, in my neighbouring States also. Casteism, communalism, muscle power depends—Mr. Brahma Dutt is very happy, in some cases caste considerations have not been successful.

SHRI BRAHMA DUTT : In majority of cases.

SHRI SOMNATH CHATTERJEE : That is there. Then the muscle power is being applied with guns and what not arms...

PROF. N.G. RANGA (Guntur) : Elephants.

SHRI SOMNATH CHATTERJEE : Elephants also. That is the humble experience of Prof. Ranga. I bow down to his experience. He also mentioned elephants, though I missed it. Sorry. Therefore, I believe Andhra cannot match U.P. with elephants...

PROF. N.G. RANGA : Camels also, he said.

SHRI SOMNATH CHATTERJEE : Yes, Sir. But what is being done ? Who are the beneficiaries ?

PROF. N.G. RANGA : All of us.

(Interruptions)

SHRI SOMNATH CHATTERJEE : I did not know Prof. Ranga will be in such a mood of confession. Always I respect him so much, I know he is making a correct confession. Very well, very significant.

AN HON. MEMBER : Confession with allegations also.

(Interruptions)

SHRI SOMNATH CHATTERJEE : My respect for Prof. Ranga is not lessened by his frank confession of using elephants and camels and what not. Though money and muscle power is required for his electoral victory, my respect for him is not lessened.

MR. CHAIRMAN : It is not a motivated confession.

SHRI SOMNATH CHATTERJEE : But it shows the malady and how for the malady has gone. Even Prof. Ranga takes

recourse to such dubious methods for his elections. He is a respected leader of our country.

PROF. N.G. RANGA : No, no.

SHRI SOMNATH CHATTERJEE : The malady has gone deep and has spread. Nobody is sure of his victory in the elections in Andhra Pradesh and Uttar Pradesh, it seems.

SHRI BRAHMA DUTT : We are sitting in our precious State.

SHRI SOMNATH CHATTERJEE : Sir, we have experience in Tripura. A the then of this House was apprehended, in the last elections, in a jeep carrying arms. He has been rewarded with the Ministerial post in this present government. How do you stop the use of muscle power ?

Sir, there are various suggestions which have been made from time to time. The control of the money power can be effected through a system of Government financing or funding the elections. I do not know, one of your Party Members advocated this. This is a good proposal. There are many expenses, everybody knows. I do not know whether you have been shunted here. I do not know. Otherwise, you have to fight the elections.

MR. CHAIRMAN : No, no. Not shunted at all.

SHRI SOMNATH CHATTERJEE : I take it that you have come voluntarily here. *(Interruptions)*. He is a respected friend of mine. I have a special interest in him because he is my namesake.

Sir, everybody knows the expenses involved mainly in printing. A party like ours, we do not have to engage paid volunteers, like you have to do. Everybody knows it.

PROF. N.G. RANGA : We have had experience of you and also your Party.

SHRI SOMNATH CHATTERJEE : The main items of expenditure are on

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account of printing, transport and conveyance. Now regarding printing costs, it has been not only our Party suggestion but also various political Parties including the Congress Party have said about it. Who speaks, for what Congress, I do not know. Nobody knows, it is Congress with parenthesis or without parenthesis. I do not know. What is within the parenthesis also, it depends on many things. Therefore, regarding the expenditure on this account, I would like to very keenly hear the hon. Minister's reaction, of course, if the Cabinet Subcommittee has decided up till now. But don't leave it to the Cabinet Subcommittee's deliberations which are unending. He will say, it is yet to be decided. However, these are valuable suggestions and we will consider them. These are the usual things we have been hearing. We have been seeing it.

There have been suggestions even from the Election Commission that some part of the printing cost, at least booth slips—it was somewhat been implemented—and the voters' list should be borne by the Government.

SHRI BRAHMA DUTT : What about Identity card ?

SHRI SOMNATH CHATTERJEE : I am supporting identity card. But Mr. Brahma Dutt, your Party will never accept it. We write it down.

SHRI BRAHMA DUTT : That is your forecast.

SHRI SOMNATH CHATTERJEE : I know your Party as much as you know.

PROF. N.G. RANGA : Why do you say so ?

SHRI BRAHMA DUTT : It seems now a days Marxism and astrology go together.

SHRI SOMNATH CHATTERJEE : I find Mr. Brahma Dutt represents a hopeless minority in his Party.

As far as these expenses are concerned, it should be borne by the Government. Then, to that extent, the candidates of the political Parties are to bear lesser expenses. There should be a vested interest of everybody in free and fair elections, not in manipulating election. Therefore, let us be happy to hear so much that poor people cannot contest. You say so many things on the floor of the House. How can they contest unless they get the backing of a big political party like yours or unless there is a popular support like ours !

PROF. N.G. RANGA : How frankly you put it !

SHRI SOMNATH CHATTERJEE : Therefore, instead of shedding crocodile tears for poor candidates, the Government must be wholly concerned about this. Only Government can afford and can do this. Public Exchequer has to bear the expenses.

We have heard about booth capturing.

SHRI JAI PRAKASH AGARWAL (Chaudni Chowk) : In West Bengal.

SHRI SOMNATH CHATTERJEE : In West Bengal, in which year ?

SHRI JAI PRAKASH AGARWAL : Every time it is a complaint.

SHRI SOMNATH CHATTERJEE : You have heard of that in 1972. You supported us then, Rangaji. You accepted the position. That is, in 1972, there was a farce of an election in West Bengal. Shri Siddharth Sankar Roy went from Delhi to Calcutta as the Chief Minister Subedar of Bengal. During the President's rule, he was the West Bengal Minister from the Centre, who was deputed there and thanks to his performance ! Now Birbhum and Bholpur have shown the way with the result of 98,999 votes. He has lost.

SHRI BRAHMA DUTT : Bengal always has subedars, no kings !

SHRI SOMNATH CHATTERJEE : Booth capturing we have seen in its most

crudest form. Only 12 Opposition Left candidates by mistake were allowed to be elected. 12 only. And with your vast majority there, what did you achieve? A Wanchoo Commission to find out the corruption amongst the Ministers. Your Chief Minister had constituted a judicial commission in West Bengal, Mr. Siddharth Sankar Roy, to find out which Ministers were guilty of corruption and two Ministers had to resign on the basis of these findings.

SHRI JAI PRAKASH AGARWAL : What happened to Finance Minister this time ?

SHRI SOMNATH CHATTERJEE : He has his own ideas to resign, not on charges of corruption.

SHRI BRAHMA DUTT : He has resigned in protest.

SHRI JAI PRAKASH AGARWAL : Without naming what are the charges !

SHRI SOMNATH CHATTERJEE : No charges.

MR. CHAIRMAN : Please finish.

SHRI SOMNATH CHATTERJEE : There are various perversions. These things require political and administrative will. We have seen how character assassination is being done, with impunity !

I request let us not treat every matter on partisan considerations. I support many things Shri Brahma Dutt said. Many things I support. But I am requesting you, "Please be serious about this. Please do something. You got the power."

SHRI BRAHMA DUTT : Government is very serious. Anti-defection Bill is there.

SHRI SOMNATH CHATTERJEE : I am glad you have reminded me of that. Anti-defection Bill was passed in record time. The other day Prime Minister took credit ! "See, how quickly we got the anti-defection bill." What about the other

suggestions you are making with your valued experience, Mr. Brahma Dutt ?

SHRI BRAHMA DUTT : That also will come in time.

SHRI SOMNATH CHATTERJEE : There is a perversion creeping in. I do not wish to make any reference personally. But I am very unhappy and worried to see that retired Chief Election Commissioner was made a Governor. On principle, this is dangerous. I have got nothing against the present Governor of Gujarat as a person. I may not be misunderstood of making personal reflection on him. But he would have gone up in everybody's estimation if only he had decided to refuse the offer of Governorship. This is the way you pollute the system. You dangle the carrot before them. That is why on principle, in my humble capacity on the floor of this House, in the previous Lok Sabha, I said 'Please don't offer post-retirement jobs or benefits Judges.' So many things have been done. This attitude to appease, especially before retirement is a dangerous phenomenon. After all human beings are prone to fall into this attitude of appeasement for their future benefit. But why do you do it ? I have great respect for the person who is the present Chief Election Commissioner. I have had the benefit of working with him in so many committees and all that. They are eminent civil servants. I hope this type of allurements will not be brought before the holders of high positions like the Chief Election Commissioner. That is why a demand is made and that demand is the unanimous recommendation of the committee—I mentioned earlier—in 1972 that the Election Commission must be a multi-member body. This is not the first time this idea has come. The Constitution itself envisages that it can be a multi-member body. Even Dr. Ambedkar said that it can easily be made a multi-member body if the situation and experience so demand. So many judicial powers have been vested in the Commission.

PROF. N.G. RANGA : It is an independent body.

SHRI SOMNATH CHATTERJEE : Now you are giving them these post-

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retirement benefits. All the more necessary it has become now that you should make it a multi-member body. Dr. Rajhans has supported this....

SHRI BRAHMA DUTT : You agree with all his ideas ?

SHRI SOMNATH CHATTERJEE : Not all.

There are one or two things. Mrs. Phulrenu Guha, a very respected Member of this House, referred to the voters' list. Nobody can deny that the voters, list should be correct. But who is responsible for this ? I cannot forget....

PROF. N.G. RANGA : Make it non-political. Why do you make it controversial ?

SHRI SOMNATH CHATTERJEE : With all respect that I have, may I remind you what happened in 1982 ? Your Party had gone to the court with the allegation that the voters' lists in West Bengal were all manipulated and you obtained an *ad interim* injunction from the Court which resulted in the stoppage of the electoral process in West Bengal. The whole object was that within the time provided no election could be held so the Governor's rule could be imposed and 1972 could be repeated in 1982. There were full hearings before the Supreme Court for days together and the Supreme Court said that the allegations of manipulations in the voters' lists were all concocted by the Congress Party. That is the judgment of the Supreme Court. Therefore, who is abusing these processes ? Mr. Sidhartha Shankar Ray, Mr. Ashok Sen, Mr. Ajit Panja, Mr. Bholanath Sen—some of them are member of this House now—but for days together they tried to prove the so-called allegations and everyone of them has been gone into by the Supreme Court and they were all held to be bogus allegations and charges. Therefore, you are utilising this and your people are in charge of this.

We are asking for this and we say this is necessary, and the most important thing is to avoid the biggest distortion in our

electoral system and in our political system which is there now. Governments are constituted and we are reminded of the so-called massive mandates.

17.00 hrs.

When this Government could come into existence on the basis of minority votes. Even in 1971, you had got minority votes.

PROF. N.G. RANGA : Less than 50 per cent !

SHRI SOMNATH CHATTERJEE : In 1980, with all that massive voting, Shri Satyendra Narain Sinha, my respected colleague who is here, his votes were then part of our votes, the opposition votes. But even then the Congress got in here by minority voter.

(Interruptions)

Even this time the point is if you want to avoid distortion in this system, if you want proper reflection of the people's will in the composition of the House, you must necessarily have it by proportional representation with list system. Otherwise there cannot be true projection of popular choice in the composition of the House.

(Interruptions)

Therefore, Sir, with all humility, Professor Ranga says "Don't bring politics."

PROF. N.G. RANGA : You are spoiling the whole case.

SHRI SOMNATH CHATTERJEE : I am spoiling their case. I am not spoiling my case. I only wish that they should speak in one voice. *(Interruptions)* One thing we know that they are not able to speak in one voice. I am waiting to listen to Mr. Daga. Therefore, please bring about this for the sake of this country; for the sake of electoral purity in this country. Please do not pay only lip-service. It will earn the name that the entire House and the country is a band of hypocrites as you are.

(Interruptions)

SHRI SHARAD DIGHE : (Bombay North Central) : I am happy to participate in the discussion on this resolution of the Electoral Reforms. But unfortunately, the previous speaker, hon. Member Shri Somnath Chatterjee has made a political speech on this very good issue. He should have reserved all his allegations and comments for some other occasion and not on the occasion of discussing electoral reforms. Sir electoral reforms is a continuous process. We should continuously think what reforms should be brought in our electoral process. I share the view of Shri Brahm Dutt in one respect that in the first place let us be proud of our democracy; let us be proud of our electoral process because, it has stood the test of time for all these years. We are having peaceful elections in this vast country unlike several other Asian countries. Therefore, let us not paint a picture that the whole electoral process in this country is wrong and those who get majority get it only due to money power and muscle power. The voters of this country are also very wise. They have shown wisdom in every election and always given a good leadership; a good Government to this country. Let us not forget their wisdom and let us not blame the electorate and the whole party which comes to power.

Let us take a view that our system is good but we would like to make it ideal; we should remove the shortfalls the failings in the system so that it will be still better and it will be ideal for this country. From this point of view, I may say, this subject of electoral reforms should be approached and not merely from partisan point of view or from the political point of view.

As I said, it is a continuous process. Since 1972 several Committees have been appointed. In that year a Parliamentary Committee viz. Jagannath Rao Committee was appointed to which hon. Member Shri Somnath Chatterjee has also referred and its report is also on record. Non-official Committees also like that of the Citizens for Democracy have formulated their reports in February 1975 and thereafter in August 1977. Justice Tarkunde Committee's recommendations are also there. Not only that, the Election Commission have from

time to time made their own recommendations : we have on record their Report of 1983 and also their Report of 1984. Several recommendations are there in these report also.

Now, all the persons who are in politics as well as all social reformers should have a public debate on this and come to some consensus as to which reforms should be immediately introduced as far as electoral reforms are concerned. One cannot say that the Congress Party is not serious about the reforms. As some Members have already referred to, the anti-Defection law was also one of the electoral reforms that was pressed in this country for several years and which we have been able to pass in this Lok Sabha. The second electoral reform which was also pressed throughout was the amendment to section 52 of the Representation of the People Act, and that was also passed at the time of the Punjab election, namely, countermanding the election on the death of a candidate only of political parties. Before that, we also passed the amendment to the Companies Act whereby the electoral reform which was demanded by several parties, not only by the Congress Party alone but by some Parties from the Opposition also, that the donations should be legalised and made open, was also made. That reform was also an electoral reform and that has been undertaken by this Government only.

Therefore, as I said, this a continuous process and one after another we may consider several reforms on which there could be a broad consensus as far as this country is concerned.

No doubt, there are three major evils : the money power, the muscle power and the media power. These are the three major evils on which we have to come to some consensus.

Let us first take the money power. For that, State funding of elections is a suggestion which has been made and which is debated everywhere. Of course, even Election Commissioners have had difference of opinion on this. Shri Shaktidhar was very much for State-funding of elections. Mr.

[Shri Sharad Dighe]

Trivedi was also, to a certain extent, in favour of that. But the present Election Commissioner, Shri Peri Sastri, has expressed differently on this issue. So, what I say is that there is no unanimity on these questions and we shall have to consider them properly. As far as I am concerned, I am firmly of the opinion that State-funding of elections should be introduced as early as possible. That will curtail the money power which exists to a great extent. Therefore, what I say is that that reform should be considered as early as possible from all aspects. It is given by Mr. Shakhdar in several speeches that it will be costing nearly Rs. 100 crores. If it is to be divided between the States and the Centre, the Centre will have to bear Rs. 50 crores and the States will have to bear Rs. 50 crores. This will amount to about Rs. 10 crores every year in the budget of the States as well as of the Centre. It is not an impracticable suggestion. It is a practicable suggestion which will go a long way if it is undertaken as early as possible.

If that is not possible, if that is not practicable at least this aid should be in kind on which I think there is an unanimity. More facilities should be provided such as postage, diesel or petrol. They should be given to certain recognised parties. In order to do this, the political parties should have some status in our Constitution. In the Constitution there is no status for political parties. That will have to be defined first.

At the time of Anti Defection Act we had to refer to political parties, at the time of allowing Donation from Companies we had to refer to political parties. Slowly political parties are getting some status in our law. It must be defined now and that idea should be introduced in our Constitution, so that not only it will be recognised, but some checks will be there on the political parties—on their accounts, on their audit, on their constitution. All these things will have to be checked so that a great reform would be there as far as the election machinery is concerned.

The suggestion which is often made

now-a-days is about the electronic voting machine system. By way of experiment it was introduced. But the Supreme Court struck it down in the case of Shri A.C. Jose versus Shri Sevan Pillai. That was a case from Kerala. It was a CPI candidate from Parur. The Supreme Court in that case had given only two points. The first was that the Election Commissioner was not empowered. It was beyond the powers of the Election Commissioner. He had no powers to introduce this new system. Secondly definition of the term "ballot" which is envisaged in the Representation of the People Act does not envisage this system of machine.

If we can introduce proper amendment or necessary amendment in law, I think the electronic voting machine system could very well be introduced.

The greatest advantage of this system is that several invalid votes can be avoided. It is reported that last time 39 seats had a margin of success which was equivalent or perhaps less than the invalid votes. Therefore, this will reflect the proper will of the people if this is introduced. That will have a great advantage which will cut down several problems as far as the procedure is concerned.

On this system the first objection is that whether our illiterate people will be able to operate. The experience has shown that it is not difficult it is just like switching a light. Therefore, it will not be difficult for even an illiterate of India to work up this.

As far as the financial consideration also is considered, it is stated that it will cost about Rs. 160 crores to introduce this throughout the country. Considering our present expenses without this machine or with our usual ballot system, this will be recovered in three elections. So, it must be 1/3 of this.

Our indigenous undertaking viz., ECIL and BEL—both are public sectors—are in a position to manufacture this. So, we shall not have to rely upon any foreign machinery for this purpose and the financial

barren also will not be too much. Therefore, this reform also may be considered as early as possible.

Sir, several references have been made to the muscle power. It is true that in some cases muscle power has been playing a dominant part and the examples which were given are also very significant. In some cases out of 297 booths nearly in 69 booths the repoll had to be ordered. Then in Gopalganj a candidate let loose a rogue elephant followed by another elephant with armed men riding on it. Then in Mokameh an Independent candidate had 200 armed horsemen going around scaring any supporters of his rival. Of course, these things occur in some exceptional cases but still....

[Translation]

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Chairman, Sir, I belong to Gopalganj. Hon. Member is an elderly person, but his allegations are baseless because I contested and won elections from jail. Do not go by what appeared in the Press. (*Interruptions*)

[English]

SHRI SHARAD DIGHE: This is in the Report of the Election Commission. Therefore, I have referred to it. These are merely examples. Whether they are true or untrue that has to be found out. But these are the allegations made and examples given. So, for this purpose a firm election law should be made so that any person using this mode of intimidation or capturing of booths may be severely punished and disqualified for another six years as far as elections are concerned.

Sir, we say that several criminals are supporting. Now the time has come when some criminals themselves contest. Those who are detained or convicted under the National Security Act or Essential Services Act.....

SHRI SOMNATH CHATTERJEE: No. No. That cannot be.

SHRI SHARAD DIGHE: At least

you will agree that those detained or punished under COFEPOSA or Smuggling Act should be debarred. About National Security Act it is a controversial point. You fear if it is done then it may be used as a political weapon. That may be considered carefully.

Sir, it is also necessary to give identity cards to avoid bogus voting. This should also be considered. Then places of worship should not be used as a podium for electioneering purposes. For that also law is necessary. It may also be necessary to consider to reduce the age of the voters from 21 to 18 years.

Sir, I am not in favour of this proportional representation or list system because that will bring fragmentation of the parties and a sort of a weak and heterogeneous government. For a vast country like us it is not advisable to have coalition government or heterogeneous government with no strong political party ruling because this House or as far as Parliament is concerned it is not merely for intellectual debates. It is after all to form a strong government to run the Government of this country and to have the economic development, to have a good Defence and for all these purposes my submission is that proportional representation or list system will not be useful to us. The present system of the West-Minister is the best system.

[Translation]

SHRI P. NAMGYAL (Ladak): Mr. Chairman, Sir, I would like to express my views on the Resolution moved by Shri D.N. Reddy. The resolution has lost its usefulness because it has already been mentioned in the Presidential Address that a Bill for electoral reforms would be introduced shortly. The second point raised in the Resolution was that reforms should be effected in consultation with the Opposition parties. It is a good suggestion. It is an electoral matter and if we have to strengthen our democracy, it is necessary to consult the Opposition parties.

In this regard I wish to refer to the directives of the Election Commission issued on February 18, 1985 to the effect

[Shri P. Namgyal]

That election results be withheld in the States where booth capturing is resorted to. I am the first victim of that directive. Whenever rules are made, they must take into account the situation, difficulties and populations of each area. I would like to read a few lines of the directive dated February 18, 1985. The subject of that directive was—

[English]

'Special Measures for Prevention of Booth Capturing'.

[Translation]

He has said therein :—

[English]

"I am directed to inform you that according to existing directions of the Commission, in the matter of prevention of booth capturing, the polling stations which have recorded more than 90% votes and where at the time of counting of votes, it is found that votes cast in favour of the candidate is abnormal from normal standard or almost entire lot have gone in favour of one candidate, the votes in such polling booths should be set apart and after the counting of ballot papers of other polling stations is completed, if it is found that the margin of votes secured by the leading candidate and the next candidate is less than the votes assigned to the polling stations, the Returning Officer should not declare the result but should make a reference to the Commission for its directions and orders to which further action to be taken in the matter".

[Translation]

In this regard I would like to say that this directive is applicable to the Polling Stations where the number of voters is a few thousand and on an average 8 to 9 hundred voters cast their vote. But my constituency is spread over a large area and the population is scattered. The area

of my constituency is two-third of Jammu and Kashmir state but its population is only one lakh and thirty five thousand.

In my constituency there are 336 polling stations and out of them at 84 polling booths, counting was not done. The total number of voters in those 84 polling stations was 15,000 and at one polling station the number of voters was 4. In 65 Polling Stations the number of voters is less than 100, in 56 Polling Stations it is less than 200, in 26 polling stations it is less than 300, in 7 polling stations it is less than 400, in 5 less than 500, in 9 less than 600, in 4 less than 700, in 3 less than 800 and there is one polling station in which the number of voters may be 900. There are 2 polling stations where the number of voters is 1000 and at 3 polling booths the number is 1000 to 1100 voters.

It has been mention in the directive that it was intended to prevent booth capturing, but whether booth capturing is possible where there are only four twenty or fifty voters ?

Secondly, it is also mandatory as per the directive that in case a complaint is made by a candidate about booth capturing, the counting would be withheld. But when there is no complaint and all the candidates are satisfied with fair polling, then where is the necessity to apply this directive ? I think it is the law of the jungle. It is may request that if you wish to bring about any electoral reforms, these things must be taken into consideration.

There is a polling station Damjog which is generally in news on the Radio during every election. There, at the international border one family is living on our side and the rest of the families are on Tibetan side. For publicity, you have opened a polling booth there for four voters only. Obviously, all the four votes have gone in favour of one candidate, but their votes were not counted. Now they ask whether they are Indian citizens or not ? They ask us that they cast their votes and are they being treated as Indian citizens ? So this thing creates adverse effect on them. Hence, it is necessary to see such things while enforcing this directive.

Similarly, there are 50 polling stations, where the number of voters is less than 50. Therefore, this rule does not apply everywhere.

Therefore, we feel that it is necessary to enact legislation to effect electoral-reforms. Whenever you frame these laws. You must bear in mind the problems of every region.

I want to speak about delimitation of constituencies, for which population has been adopted as the norm. My constituency is spread over an area of one lakh square metres. I cannot do justice to my voters because I cannot go to every region. This is my second term. So far I have not been able to reach all the villages, and it is not possible also. Of course, if somebody remains here continuously for ten terms then it might be possible. This is a difficult terrain. I am pleading it because perhaps in 1991 you propose to undertake delimitation. At that time you must consider population also besides the area. While considering such areas, you should take it in account the fact whether the area is accessible and whether an M.P. or M.L.A. can cover it in five years? Nobody can cover it during his five year term. Therefore, I suggest that where the constituency has a large area, the population should not be taken as the criterion so that the people can get justice in the assembly and Parliament.

I would also like to say something about the State financing. Election expenses should be financed by the State. This is clear that the candidates who belong to recognized national parties will definitely contest the elections. But there should not be recurrence of what happened in Kerala recently. There, three hundred candidates contested for a single seat and the ballot paper was bigger than a newspaper. There should be state financing to curb it. If the contesting candidate gets votes below a certain percentage, all those expenses should be recovered from him. This may create a sense of fear otherwise the problem will become complicated.

Identity-cards should be issued to curbe

bogus voting. Mr. Somnath Chatterjee is not present. We know how he managed to win elections this time.** There are two states, which are notorious for bogus voting—West Bengal and Jammu and Kashmir. I know that it is a practice in my constituency, I myself have brought this to the notice of the Election Commission. My constituency has 15,000 bogus voters. In a constituency where the total number of voters is 88,000 there even 10,000 bogus voters can tilt the balance. It being a small constituency, population-wise, even a thousand bogus votes can reverse the results. Therefore, at such place you should make special arrangements to maintain records at such places. Our Muslim brothers also live there. The female members of their families do not come for voting. Their husbands come in *Burqa* and cast their votes. Identity-cards should be issued to stop such malpractices. Separate polling booths can be provided for ladies. Our election machinery can stop bogus voting in this manner. I feel that it does happen in other places also and it is not confined to Kashmir alone. It happened during the rule of Shri Farrukh and afterwards also. We made a complaint about it.

Another important thing is canvassing on the basis of communal considerations. Professor Madhu Dandavate has left, he might be aware that in 1977 we were of the opinion that Janta Party would win the elections because their posters appeared to be pasted everywhere. Next day we saw that all the posters were changed overnight and the posters of National Conference had replaced the Janata posters. The reasons advanced for it was that Islam was in danger and they exhorted the voter either to vote for Islam or for *Kafir*. The same thing was repeated in 1983 and 1985. It may also happen in the next election.

I am not saying it because our party is not having good position in Kasamir Valley. It is not so. There the balance is tilted on the plea of Islam and Pakistan. Therefore, I wish that those who seek votes in the name of religion or any other communal basis, should be disqualified.

*Not recorded.

[Shri P. Namgyal]

There should be a provision for it in our electoral laws. Otherwise, one cannot hope for fair elections in a place like Kashmir. Electronic machines should be introduced in elections. No doubt, it is expensive but for holding fair elections it is a must. It may prove convenient in areas like Ours. One has just to push a button. It should be used in every region.

My last point is that generally polling takes place in the month of December or January. My suggestion is that it should be held in November, because November is a favourable month as there are neither rains, cold nor snow in this month (*Interruptions*) I do not think that harvesting affects polling. It has been seen in previous elections that it is weather which affects polling. Therefore, I am of the view that polling should be held in November. On account of acute winter, elections are always deferred in my constituency. We do not bother about the cold weather. From our side, we are ready for elections at any time, be it the month of January or December. The elections are deferred for the convenience of the election personnel. Everywhere election should be held simultaneously, so that justice is done to everybody. I was of course benefited by the late elections, as Congress Party had already come to power in the Centre and people had made up their mind to vote for me. But otherwise postponement of elections unnecessarily disturbs the peace of mind for five to six month.

(*Interruptions*)

I was saying that during this inter-rugnum of six to seven months, electioneering causes a lot of problems for everybody. It involves extra expenses and it also creates law and order problems. We also fight with one another. Therefore all over the country the General Election should be held simultaneously. And within 15 to 20 days the results should be declared. These points should be taken into account.

I think the Resolution introduced by Mr. Reddy has already been included in the Presidential Address because Government is introducing a Bill to this effect, and secondly this Government is always

ready to discuss it and our Prime Minister is always ready to consult everybody on every issue. Therefore, I feel that he should withdraw this Resolution.

[*English*]

SHRI THAMPAN THOMAS : (Mavelikara) : These election reforms are the need of the hour. We have an expectation the we, the largest number of people, are participating in our democracy. But, unfortunately, if we analyse it, we may see that our democracy, unless there are election reforms, will go to a mockery.

Even, at present, a government, which is formed, is not by the majority, because of the participation of people in the election process. A party which has got less than 50 per cent votes claims that it has a mass support and they form the government. The other party, when compared, is having much less representation. How the will of the people is reflected? So, in India, unless the will of the people and the majority view is brought out, the democracy itself will become meaningless; and in that direction, the election reforms will have to take place in the country at the earliest possible opportunity. Therefore, I support the views expressed by some of my friends that there should be a proportional representation; and if proportional representation is given, that may rectify this mistake to some extent.

Secondly, there is a feeling in the mind of certain people to go to vote, they can opt either to go for voting or not to go for voting. But, I have seen in certain newly democratic countries, in Europe and in other parts, where democracy has developed, there the system is that if they are not going for the voting, they will be liable for a fine.

It is the duty of a citizen to go for voting. It is a right which one has to exercise. There is no compulsion in our country to go for voting. I am not going into the details of it. If it is analysed, only a minority takes part in the election, and out of the majority which gets a much less percentage than 50 per cent, they come to power. This situation has to be avoided

for the maintenance of democratic principles in this country.

Second thing is manipulation of the elections. The possibility of manipulation of the elections by the persons in power, and the range is very wide. Those who are in Government whether it is the Centre or the State they take every opportunity to manipulate the elections. This has been my experience. I am only telling—just as an example—how the Government or the persons in power manipulate, the Government and the Government machinery are used for the purpose of the elections. They use the governmental power, may be collective bribing of the constituents or the people or they bring out some legislation that may benefit the electorate, they may bring in new actions favouring a community, or caste and other things. This has been my analysis of the election process with different parties in power. Just before the elections even opening of new factories in a constituency are promised. They promise that a new factory would be opened, or they lay some foundation stone and that stone will be there even after the elections. Several promises will be made; many many promises are made.

I will just give you a small example to show how far these things are done. People in the electorate are promised so many things. I am not going into the details.

You can see, that they give a new coach factory to Punjab. They thought that they could purchase the electorate by that.

In my own constituency I narrate a small example, without going into it elaborately. On the 8th November there was a train going to Trivandrum from Ernakulam. On all the days it is a fast train which stops at only two stations. Just when the election was announced some of the members who were wielding power went to the Railway department and ensured that the train stopped at all the small stations in that constituency. This happened in my own constituency. It stopped at every station just on the day of the elections, but on the very next day after the elections when the people elected me,

they stopped that privilege and the train went back to its original schedule of not stopping at those small stations. This is only a small example, but there will be bigger examples. There are bigger examples. Government officers and the Government machinery are used by the party in power to manipulate the elections, or the process of elections.

Just before the elections some measures are taken favouring the Christians, or some measures are taken favouring some other community or the Muslims or there will be some other promises.

How are we going to restrain these things in this country? We have to ensure that all these things are curbed. Because those who are in power, try to patronise the people and purchase people and use the opportunity for elections, these things happen in the country at all times. If that experience is not to be repeated the first and foremost thing to be done, is when an election is taking place, governmental action has to be supervised. It has to be censured by the public and it has to be watched. Influencing the public in that process is the most important thing. I am not going into the details of that aspect. I am only mentioning that this is how manipulation of elections is taking place, using the administrative machinery for these things.

Then, Sir, comes State funding. This is a very important aspect, but I say that in the present context State funding shall not be in addition to the governmental collections. Because the party in power will be able to take money from all the big guns and in addition to that if they are also permitted to use the State funding, then there will be no meaning. In the elections, whether it is the party in power or in opposition, after formulating, regulating the party's functions and duties and defining them properly, each party should get equal share. It shall not be over and above the ruling party's collections and other things. State funds can be used for election purposes. There should be guidelines criteria and code of conduct in these things. The first

[Shri Thampan Thomas]

fraud that is committed by all the parliamentarians, who are elected here and also by the Members of the State Assemblies, is in respect of accounting. There is a limit for expenditure. From the candidate's side, we give the return. But in reality, in the name of the party, in the name of collections, in the name of other voluntary organisations, we have to spend much more in the elections. How can we reduce this expenditure on elections, how can we get the exchequer spend for the common purposes and how the people should be given an opportunity select candidates? There should be an opportunity for them over and above the party considerations, party's propaganda, acceptance of the party's principles and ideologies. People should be in a position to evaluate the candidates. Proper opportunity should be given to the people to exercise their free will in evaluating a candidate.

With regard to the composition of Election Commission, I support the view expressed by Shri Somnath Chatterjee. There should be a multi-member Election Commission in this country. I would suggest that the members of the Election Commission should be selected jointly by the Prime Minister, the leader of the opposition and the Chief Justice of India. Only then that body will have some recognition and also some sort of individuality. I am not going into details on this subject any further.

About the mass media, any one, who is qualified to context the election, should have free access to mass media. At the time of elections, mass media is used by the party in power for the propaganda of its candidates. At least during election time, there should be freedom given to every party to use mass media for election purposes.

From the start of the process of election till the counting stage, there should be reforms, because the present system is very much capable of manipulation. Therefore, necessary reforms in consultation with the political parties should be made.

With these words, I conclude.

SHRI RAJ MANGAL PANDE
(Deoria) : Mr. Chairman, Sir, I will not hesitate to say that there is some sense in this Resolution moved by Shri Reddy.

It looks nice to talk about free and fair elections. But may I very humbly ask the Members from both sides, who are present here, are we not responsible in some way or the other to either abet or do something to affect the course of free and fair elections? There is hardly a person who does not exploit an opportunity if at all offered to him.

SHRI MOOL CHAND DAGA (Pali) :
I am an exception to that.

SHRI RAJ MANGAL PANDE : If Mr. Daga is an exception, then every Member of this House could be an exception. There will be on denying the truth that some rot has set in which is going to vitally affect the course of democracy. The very democracy depends on an independent election machinery and an independent judiciary. Many Members from this side and from the other side have spoken a lot about the rot that has set in in our election machinery. It is not the law alone that can cover up the whole thing and that can give a guarantee to the free and fair elections. Are there not such laws in Philippines? Was there no such law when Bhutto was the President? Even in Pakistan at that time it was a rumour and it was subsequently conclusively proved that Bhotto rigged the election, and that was a very serious cause of concern among the people of Pakistan against Mr. Bhutto. So, it has been amply demonstrated that it is not the law alone that can give guarantee for a free and fair election, it is the machinery, it is the people who virtually manage the election machinery, which go a long way to see whether the elections could be conducted freely and fairly or not. Even when the amendments were not there until 1967-69, or even as late as 1971, there was hardly any individual or sporadic case of booth capturing or violence employed therein or false voting. But after 1971, the rot started. Not only this, it started more when our bureaucracy started taking interest in the course of election on the

basis of caste, creed, religion or some kind of a bias against a particular candidate. Subsequently it developed to such an extent that now our course of election is very much affected by this bureaucracy because the bureaucracy is interested either in some particular government or in some particular candidate. So whether this law is changed or not, whether some amendment is made or not, it will be only worth the name. What we have to do is to check the bureaucracy, to see that bureaucracy does not take undue interest in the conducting of the free and fair elections.

So, Sir, our problem is this rot that has set in, this bureaucracy, especially the State bureaucracy that has got conscious of it that no government can be sustained or can be formed without their connivance or without their support. And that is the worst part of the functioning of democracy. This we have to stop. It does not matter how much price we have to pay for it.

The next thing is that when we talk of

electronic machines and everything, we forget that an ordinary Home Guard sepoy used to be there to safeguard the booth and there was not one false voting or a case of impersonation. But now, in spite of all the battalions and companies that we deploy, we find the booths being captured. Whether it happens in Bihar or West Bengal or Jammu and Kashmir or Uttar Pradesh, the fact is that... (*Interruptions*)

MR. CHAIRMAN : Mr. Pande, you can continue next time.

The House stands adjourned to reassemble on Monday, the 17th March, 1986 at 11 A.M.

18. 00 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, the 17th March, 1986/Phalguna 26, 1907 (Saka)