

[Translation]

SHRIMATI KANTI SINGH : The hon'ble member has told about washeries. If the Minister of Steel wants that we should give these washeries to them then he can take them over...(Interruptions)

MR. SPEAKER : It does not happen.

SHRIMATI KANTI SINGH : In fact, this was the situation prevailing earlier. During Nationalisation, these were taken over. If the Minister wants to take them over...(Interruptions)

[English]

SHRI SONTOSH MOHAN DEV : Anyhow, I am happy that your mind is for that. When the Minister wants it, it can be done.

SHRI NIRMAL KANTI CHATTERJEE : Even when he is no longer the Minister of Steel, can it be done?

SHRI SONTOSH MOHAN DEV : The time is not far away.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Chairman, Sir, Chari Committee was constituted. The committee was asked to give its recommendations regarding formulation of an Integrated Coal policy for the Ninth and Tenth Five year plans. It had submitted its recommendations to the Government. How does the Government propose to implement the recommendations of Chari Committee during Ninth and Tenth Five year plans? Whether any meeting has been held with the Planning Commission in this regard?

SHRIMATI KANTI SINGH : The Chari Committee had submitted its report to the Planning Commission on 14th May. It was received by our Ministry in September. So far, we have held no meeting with the Planning Commission.

SHRI THAWAR CHAND GEHLOT : The Ninth Five Year Plan will commence from April 1997. Very little time is left. What are you doing in this regard as these recommendations will have to be implemented in the Ninth and Tenth Five year plans.

SHRIMATI KANTI SINGH : As I have already told, we are considering it very seriously. At the moment, I can say nothing more.

PROF. RITA VERMA : Mr. Speaker, Sir, the report of Chari Committee is very comprehensive. Discussion is also going on for formulating a comprehensive coal policy. When I was going through it, I found that attention has been paid to the environment issue. Environmental issue is very important for my constituency, Dhanbad because subsidence has posed a great danger to the people of Jharia. However, much has not been mentioned in it about environmental aspect. It is worth considering that if the work of coal mining is done and there are underground mines then under the conditions

laid down in this regard the Coal Companies should have left the mines as it were after stocking, but it does not happen. When there was a danger of subsidence in Jhansi, people started leaving their homes. It was after their exodus that your people were seen completing the formalities by installing wooden poles and bamboos there. They had already made arrangement for it. People have complained that as per the versions of B.C.C.L. authorities, they were not taking up mining work in those areas where there was more subsidence because one S.D.L. machine, which had been entrapped in that area was found under a house. It show that mining was being done there. Will a comprehensive inquiry be ordered into the fact that how far the policy declared in regard to environmental Control and subsidence is implemented and to what extent they give wrong statements?

SHRIMATI KANTI SINGH : The hon'ble Member has demanded investigation into this aspect. I shall get an inquiry conducted into it.

Financing Deficit

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*124. SHRI VIJAY PATEL :
SHRI ANNASAHIB M.K. PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have been getting financial support from the Reserve Bank of India to meet their annual financial deficit;

(b) if so, the details thereof;

(c) whether a proposal to fix a limit on the above financial support is being considered by the Government to ensure better control of the R.B.I. over money supply; and

(d) if so, the details thereof and the benefits to be accrued therefrom?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (d). A statement is laid on the Table of the House.

STATEMENT

Government of India has been borrowing from the Reserve Bank of India through issue of ad hoc Treasury Bills for meeting its budgetary deficit. Upto 1993-94 there was no limit on such borrowings. The year-end limit for issue of such ad hoc Treasury Bills in the current financial year is Rs. 5000 crore.

An agreement was signed in September, 1994 to gradually phase out this system by 1996-97 as a measure of fiscal discipline and to enhance the flexibility of monetary policy conducted by the Reserve Bank. A detailed scheme for the implementation of the agreement is under consideration.

[English]

SHRI VIJAY PATEL : Sir, I want to know from the hon. Finance Minister, what is the amount borrowed by the Central Government from the RBI in the current year?

SHRI P. CHIDAMBARAM : Sir, the final figure will be known only when we prepare the Revised Estimates at the end of the year. The Budget Estimates, for *ad hoc* Treasury Bills and 91 Days Bill is Rs. 6578 crore. We hope to remain within that limit.

SHRI VIJAY PATEL : It has been said in the reply that the limit will be maintained at Rs. 5,000 crore. What are the reasons for this? According to our information, because of the bonus given to certain category of Central Government employees, this budgetary deficit has been increased. I want to know from the hon. Finance Minister whether it is a fact.

SHRI P. CHIDAMBARAM : Sir, expenditure under one head cannot be directly related to the budgetary deficit. Expenditure takes place under several heads.

Now, the additional expenditure as a result of the removal of bonus ceiling for Group 'C' and Group 'D' employees has been estimated to be about Rs. 220 crore. But most Departments have been required to find these funds from within their budgetary allocations. The amount of Rs. 220 crore is indeed an additionality. It will have an impact on the budgetary deficit. But if the expenditure is controlled under some other head, we hope to remain within the estimates of the budgetary deficit indicated in the Budget Estimates for 1996-97 which is Rs. 6,578 crore.

SHRI SANAT MEHTA : Sir, up to 1993-94, there was no limit on such borrowings. May I know from the hon. Finance Minister, what the borrowings were after this limit was laid down, in respective years, viz., 1994-95 and 1995-96?

SHRI P. CHIDAMBARAM : Sir, as you know, an agreement was signed between the Reserve Bank of India and the Government on 9th of September 1994, to phase out the system for *ad hoc*s by 1996-97. The net *ad hoc*s at the year-end were assumed to be Rs. 5,000 crore and within the year the limit is assumed to be Rs. 9,000 crore. The year-end position of net *ad hoc* issued in the last two years was as under :

1994-95	Rs. 6,000 crore (RE)	Rs. 1,750 crore (Actuals)
1995-96	Rs. 5,000 crore (RE)	Rs. 5,965 crore (Actuals)

The year-end limit for 1996-97 is also Rs. 5,000 crore and within the year, the limit is Rs. 9,000 crore.

The net *ad hoc*s as on 26.11.1996 was Rs. 8,415 crore, which is within the limit.

[Translation]

SHRI BHERU LAL MEENA : My question is that at what percentage interest is paid by the Government for the loan taken by them?

[English]

MR. SPEAKER : How much interest do you pay for the borrowings from the Reserve Bank of India?

SHRI P. CHIDAMBARAM : Sir, on market borrowings, the last issue of Rs. 2,000 crore, the interest was cut off at 13.55 per cent.

[Translation]

SHRI DATTA MEGHE : The Reserve Bank of India gives Rupees five thousand crore to meet the financial deficit, but we have huge black-money in our country. Is there any scheme to unearth the black-money so that there is no need to withdraw money from Reserve Bank of India.

[English]

SHRI P. CHIDAMBARAM : From time to time successive Governments have come up with a number of schemes to presumably channelise black money into investment and to give immunity and amnesty. The overwhelming opinion among economists whom I have spoken to - and I am not saying this is my view - is that if you give a way to legitimise black money, it will only generate more black money in the future. Therefore, while it is perhaps attractive to talk about legitimising black money, as long as people know that there is an avenue to legitimise black money, a number of economists have told me that it will only encourage black money.

SHRI SOMNATH CHATTERJEE : What is your view?

MR. SPEAKER : His view is reserved!

SHRI SURESH PRABHU : Is the Government contemplating to put a ceiling on bad debt to be raised by the Government from various quarters? There is a provision in the Constitution that it can put a ceiling on borrowing of the Government because currently as the Finance Minister himself has said one of the concerns of the Government is the rising interest burden which is presently at Rs. 60,000 crore. It is almost 46 per cent of the Government's current income. Is the Government contemplating to put a ceiling on the borrowings of the Government not only from the Reserve Bank of India in terms of *ad hoc* treasury bills, but also generally of the Government to borrow? Is the Government contemplating to retire some of its domestic debt which is now currently close to Rs. 3 lakh crore and about 94 billion foreign debt during the year?

SHRI P. CHIDAMBARAM : I will answer the questions, but these two are really questions which do not arise as supplementaries to this question. They are in fact two completely separate questions also.

On capping the Government borrowings, there is a proposal and I have instructed that we seriously consider that proposal. It is under examination. On retiring the Government debt, it is easier said than done. You can

retire Government debts only if you raise resources. These resources are required to meet current consumption. Money is fungible, whether you use borrowed resources to retire old debts or pay for current consumption. Unless you can get rid of the revenue deficit and show a revenue surplus, the question of retiring Government debts does not arise.

Violation of Customs Rules

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

(a) the number of persons arrested for violation of customs rules in the country during the last three years; and

(b) the amount of drugs, gold, silver, cash and foreign articles seized from them custom zone-wise?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b). Statement is laid on the Table of the House.

STATEMENT

(a) and (b). During the last three years i.e. between 1993-94 and 1995-96, 3702 persons were arrested by the officers of the Customs & Central Excise for violation of Customs laws.

Information regarding seizure of drugs, gold, silver, currency and other articles is not compiled zone-wise. However, approximate quantities of drugs, gold & silver and value of currency and other foreign articles, seized from such arrested persons during the same period of three years, are given below :-

Qnty. of Drugs (in Kg.)	Qnty. of Gold (in Kg.)	Qnty. of Silver (Indian & Foreign) (in Kg.)	Value of Currency (Rs. in lacs)	Value of other foreign articles (Rs. in lacs)
30751.54 +5298 Ltrs. of Acetic Anhydride	2289.44	12731.354	55,09.462	181.27.71

[Translation]

SHRI K.D. SULTANPURI : Mr. Speaker, Sir, I would like to know from the Hon'ble Minister the total amount of seizures made by the Customs officials from these persons who have violated custom laws. I would also like to know the quantity of goods lying with Customs Department and on which Custom Duty was to be collected and the Government has not been able to take a decision in this regard so far.

[English]

SHRI P. CHIDAMBARAM : I am sorry, I may not have quite understood what he is saying. He wanted to know the number of persons arrested, the amount of drugs, gold, silver, cash seized from Customs zonewise. I have given that in the answer. For the last three years I have given the quantity of gold seized, quantity of silver seized, value of currency seized and value of articles seized. What more does he want?

[Translation]

SHRI K.D. SULTANPURI : Mr. Speaker, Sir, the details of arrests have been given. I would like to know the actual position of the cases disposed of. How many cases have been finalised and how many cases are still pending with the court.

[English]

SHRI P. CHIDAMBARAM : Sir, 3702 persons have been arrested during the last three years. I do not have the information about the cases pending. I will furnish this information later. The total is 3702. I will break it up and furnish it to you.

[Translation]

SHRI K.D. SULTANPURI : In reply to my question, the hon'ble Minister has said that he will send the details but I would like to know the details of the number of cases of arrest during the last three years, the number of cases pending with court, the number of cases in which challans are to be presented and the F.I.R.s lodged with the Police alongwith the cases still pending with the police. These details should be made available because it is not clear from the information given by the hon'ble Minister as to what number of cases are pending at various stages. The information about the number of cases in which political persons were arrested should also be given.

[English]

SHRI P. CHIDAMBARAM : I have some information. I do not have information about the cases pending in courts and the year of pendency. Whatever information I have now, I will give it to you and I will furnish the remaining later. In 1995-96, 1051 persons were arrested, 259 persons were prosecuted, 153 were convicted, 313 orders under COFFEPOSA were issued and 290 were detained under COFFEPOSA. In 1994-95, 1095 persons were arrested, 760 were prosecuted, 334 were convicted, 398 orders under COFFEPOSA were issued and 385 were detained. In 1993-94, going back to three years, 1214 persons were arrested, 363 were convicted, 519 orders were issued under COFFEPOSA and 383 were detained. The information about year-wise pendency of court cases, I will give him later.

SHRI V.M. SUDHEERAN : I would like to know whether the Government is considering a proposal to