

by the beneficiary. The Rural Group Life Insurance Scheme (RGLIS) provides an insurance cover of Rs.5000/- payable to the nominees on the death of the insured before attaining 60 years of age on payment of an annual premium of Rs.60 to 70 depending upon the age of entry of the beneficiary. In the case of one member belonging to the below poverty line families 50% of the premium is subsidised. The beneficiary is required to pay only 50% of the premium. The LIC also operates group insurance schemes for 23 professionals in the age group of 18 to 60 which provides for a death cover of Rs.5000/- on natural death and Rs. 25,000/- on accidental death or permanent total disability, on payment of premium of Rs.50/- per annum of which Rs. 25/- is subsidised by the LIC.

The GIC provides for a Personal Accident Insurance Social Security Scheme (PASS) for poor families whose family income from all sources does not exceed Rs. 7200/- per annum. A sum of Rs. 3000/- is payable to the dependents of the deceased earning member of these families. No premium is payable by the beneficiary. The GIC also operates Hut Insurance Scheme for poor families in rural areas which provides relief to the extent of Rs.1000/- if their hut is destroyed and Rs. 500/- if the belongings also get destroyed in fire. No premium is charged from the beneficiary. The GIC also provides compensation to victims of Hit and Run motor accidents where identity of vehicle cannot be established. A sum of Rs.25,000/- is payable in case of death and Rs.12,500/- in case of grievous injury.

Rubber Park in Kerala

2721. SHRI P.C.THOMAS:

SHRI MULLAPPALLY RAMACHANDRAN:

SHRI MADHUKAR SARPOTDAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have approved some Rubber Parks to be set up in Kerala;

(b) if so, the details thereof;

(c) whether Rubber Parks are proposed to be set up in association with KINFRA; and

(d) if so, the number of industrial units are likely to be established in these parks?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (d) Government have approved the proposal of Rubber Board to set up a Rubber Park at Irapuram in Ernakulam District of Kerala in association with Kerala Industrial Infrastructure Development Corporation (KINFRA).

The park aims at developing 100 acres of land providing infrastructure facilities such as electricity and water, centralised testing and certification of quality of rubber products, common treatment and discharge of

factory effluent, communication facilities etc. In the park, 60 to 70 industrial units are likely to be established.

O.R.H.D.C.L. and N.H.B.

2722. SHRI BHAKTA CHARAN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether Orissa Rural Housing and Development Corporation Ltd., has become the first public sector unit in the country which qualify for refinancing by National Housing Bank;

(b) if so, whether the Corporation has also got approval from the National Housing Bank to implement the proposed rural housing scheme; and

(c) if so, the funds sanctioned by the NHB for the purpose?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) National Housing Bank (NHB) have reported that at present there are 25 Housing Finance Companies eligible for refinance. The Orissa Rural Housing and Development Corporation Ltd. (ORHDCL) is the second government company to become eligible for refinance facility from NHB. ORHDCL has been included in the list of primary lending institutions which will provide financial assistance under the proposed Rural Housing Scheme. NHB has also reported that the ORHDCL has been given a target of 100 loans to be disbursed during the first year of operation of the scheme. Assuming an average loan of Rs. 1 lakh per house, the amount to be lent by ORHDCL would be Rs.1 crore. There is no bar on the ORHDCL to sanction more than 100 loans in the first year. The refinance assistance from NHB to the ORHDCL would depend on various parameters such as the company's net owned funds, NHB's exposure to the company and the recovery performance by the company.

[Translation]

Price of Coal

2723. SHRI VIRENDRA KUMAR: Will the Minister of COAL be pleased to state:

(a) whether the price rise in respect of coal has been more in comparison with other mineral products and other items after the Nationalisation of coal mines;

(b) if so, the steps taken by the Government to check the said rise in the prices of coal in the country;

(c) whether the production cost of coal is very high in the country in comparison with that of other countries; and

(d) if so, the steps taken or proposed to be taken by the Government to check the price rise by reducing the production cost of coal in the country?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) The Price rise in respect of coal has not been more in comparison with other

mineral products and other items during the last decade after the nationalisation of coal mines. During the last ten years upto 1996-97, the annualised increase in coal prices has been 8.63% whereas the Wholesale Price Index has increased by 8.99% during the corresponding period. The Wholesale Price Index is based on the prices of various items including the mineral products.

(b) Does not arise in view of the answer given to Part (a) of the question.

(c) and (d) As per the latest information, the cost of production of coal in the mines of CIL is much lower than the per tonne production cost of coal in a number of other countries like Germany, United Kingdom, France and Australia. The steps taken to reduce the cost of production of coal in India are:

- (i) Rationalisation of manpower;
- (ii) Increasing the capacity utilisation;
- (iii) Phasing out uneconomic operations.

Royalty on Coal

2724. SHRI VIRENDRA KUMAR SINGH:

DR. KRUPASINDHU BHOI:

Will the Minister of COAL be pleased to state:

(a) whether Coal India Ltd. propose to pay royalty to coal producing States on the basis of its price instead of weight;

(b) if so, the details thereof;

(c) whether royalty paid to State Governments is likely to increase if it is paid on the basis of price of coal; and

(d) if so, the percentage of increase as a result thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) to (d) Under Section 9 (3) of the Mines and Minerals (Regulation and Development) Act, 1957, the Central Government is empowered to fix the royalty rates on coal. Under the proviso to this Section it can enhance the royalty rate on coal not more than once during any period of three years. As the royalty rates on coal were revised last on 11.10.94, the next upward revision falls due only after 10.10.97. In order to go into the details of the question of revision of royalty rates on coal, a Study Group has been constituted in Ministry of Coal on 28.1.97 to consider all aspects of coal

royalty including the mode of fixation of royalty, that is on the basis of price or weight. The Study group is required to submit its report by 31.8.97 where after a decision will be taken.

[English]

Foreign Debt

2725. DR. KRUPASINDHU BHOI:

SHRI RAMESHWAR PATIDAR:

SHRI HARIN PATHAK:

JUSTICE GUMAN MAL LODHA:

SHRI NITISH KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government have repaid the instalment of loan along with interest thereon within the stipulated time as per the terms of foreign loan during the last three years;

(b) if so, the amount paid to each foreign financial institution as instalment of loan together with interest during 1994-95, 1995-96 and 1996-97;

(c) the foreign debt in rupee as well as in dollars, in March, 1995, March, 1996 and March, 1997 and the extent to which it is likely to increase by March, 1998;

(d) the reasons for increase in foreign debt, if any; and

(e) the measures taken/proposed to be taken by the Government to repay all foreign debt in a reasonable time frame and to reduce the burden of foreign debt on the country?

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

(b) A Statement is attached.

(c) to (e) According to the latest available estimates, the total foreign debt outstanding was Rs. 311,685 crore (US\$ 99,008 million) as on March 31, 1995 and Rs. 315,435 crore (US\$ 92,199 million) as on March 31, 1996.

The main features of the debt management strategy followed by the Government includes sustaining a high growth rate of exports, encouraging non-debt creating inflows and keeping the maturity structure as well as the total amount of commercial debt under control.