

# **LOK SABHA. DEBATES**

**(English Version)**

**Seventh Session**  
**(Eighth Lok Sabha)**



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**LOK SABHA SECRETARIAT**  
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# LOK SABHA DEBATES

## LOK SABHA

Friday, November 14, 1986/Kartika 23,  
1908 (Saka)

*The Lok Sabha met at Eleven of the Clock*

[MR. SPEAKER *in the Chair*]

### ORAL ANSWERS TO QUESTIONS

[English]

#### Repayments of Loans Disbursed at Credit Camps

\*162. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a general impression is being created amongst borrowers that the loans disbursed at the credit camps represented more or less moneys doled out by Government and consequently do not carry the obligation to repay ; and

(b) if so, the steps taken/proposed to improve the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A Statement is given below :

#### Statement

The credit camps are being organised by public sector banks as a part of their overall efforts to increase the flow of credit to weaker sections of the society. The sanction, disbursement and recovery of loans in all cases including those relating to credit camps have to be in accordance with the guidelines issued by Reserve Bank of India.

However, it has been reported that in some cases, in order to undermine the programme for weaker sections, certain vested interests have sought to create an erroneous

impression that the loans disbursed at credit camps did not carry an obligation to repay. Opportunity is being taken at credit camps to educate borrowers about the correct position regarding utilisation of credit and repayment of loans.

SHRI HANNAN MOLLAH : In the Statement, it is said that loan camps are organised in accordance with the guidelines issued by the Reserve Bank of India.

Now, I wrote to the Prime Minister about lot of complaints of malpractices and he replied on 28th May that there were complaints of malpractices in some cases and that such malpractices could, however, be controlled by better coordination between rural banks and development agencies.

I want to know whether Central Vigilance Commission had to interfere later on in this wide range of complaints all over the country and whether a Study Team of Reserve Bank had gone into the details of the case and made some comments. I want to know that from the Minister.

Regarding Delhi, I want to know whether they asked for proper identification and assessment of credit needs was not done in Delhi.

In Karnataka, bank manager had no opportunity to meet prospective borrowers for assessing the credit needs.

MR. SPEAKER : Please don't read out all that. You put a question.

SHRI HANNAN MOLLAH : In Maharashtra also, the complaints are there.

In West Bengal, there are lot of complaints.

I want to know whether these complaints are there, whether the Vigilance Commission had interfered and whether the Study Team had gone into the details. May I know from the Minister whether the Vigilance Commission and the Study Team have vested interest.



(Interruptions)

SHRI A. CHARLES : Lakhs and lakhs of people are benefited.

(Interruptions)

They are aware that poor people are benefited.

MR. SPEAKER : Let the Minister reply. I think at the hon. Minister can better explain that.

SHRI S. JAIPAL REDDY : Sir, it only shows the vested interest of the Congress.....

MR. SPEAKER : They will be proud of that if you say that.

SHRI DINESH GOSWAMI : Not only that. The Question may be deferred because Miss Mamata Banerjee is not here.

[Translation]

MR. SPEAKER : Did you not give notice to her earlier to this effect ?

[English]

SHRI JANARDHANA POOJARY : It is true that the Vigilance Commission has referred to a case. But the case pertained to the year 1976 and in that credit camp in Haryana, there was some complaint. They referred to that case. Now, this case has been highlighted. Their case has been highlighted to discredit the Credit Camps which are held during this period. There is another thing also. Now, the Reserve Bank has conducted a study. It is an internal assessment that has been done in order to help the administration to find out if there are any deficiencies in the working of the Credit Camps and also functioning of the administration. Only some of the portions have been taken out and highlighted saying that all these things are bad in the Credit Camp. I will just read what they have stated in the Reserve Bank Report :

"Loan Mela is a useful method of identifying the borrowers and eliminating the possibilities of the borrowers' complaining that they did not receive the loan amount or they receive less."

It has been observed that the Melas do generate an awareness among the rural folk about the various types of concessionary assistance under the priority sector schemes available to them under the Banking System.

Now they have found out certain deficiencies also which have been highlighted in the Press. Some of the/hon. Members have also been highlighting this. In the Credit Camps, loans under the IRDP, even under the educated unemployment Scheme and other schemes also, are distributed. So far as IRDP beneficiaries are concerned, these are the major beneficiaries. They are big in numbers. While we are granting loans through Credit Camps, these beneficiaries are identified by the State Governments. Regarding DRDS, in some States even local authorities are identifying. It is not that the banks were identifying the beneficiaries under IRDP and also under the Scheme for the Educated Unemployed, State Govts. are identifying the beneficiaries. If the hon: Members are complaining that there is some defect in identification, then the State Governments should be pulled up for that-- whether it is the Congress=ruled States, whether it is Opposition—ruled by States.....

(Interruptions)

SHRI ANIL BASU : It is not at all related to IRDP case. It is exclusively meant for the Loan Melas.

SHRI JANARDHANA POOJARY : I just give an example because the hon. Member who has put the question is coming from West Bengal. In Jalpaiguri District about 16000 and odd people were given loan. The Deputy Commissioner, the Collector and also the Additional Collector there told me. "The backlog which was pending for three years is covered because of your, coming here, because of loan function. The backlog for last many years is covered—because an expeditious and accelerated flow of credit has come". This is the statement of State Government officials.

Sir, in every system there is deficiency. We have to rectify it and remedial measures are also to be taken.

SHRI HANNAN MOLLAH : The Reserve Bank Report says that in Jalpaiguri beneficiaries were identified by outside parties, without much regard to the usual norms. I will give one example...

MR. SPEAKER : Put your question.

SHRI HANNAN MOLLAH : One Chairman of the Sagar Gramin Bank in West Bengal asked the Manager to identify the applications. 13,000 applications came—7th April was the last date—and they were finalised in two days; Rs. 3 or 4 crores were disbursed : 13,000 applications were identified and the Minister distributed the money. In Bangalore, 35,000 applications came with a red stamp with the direction from the top that those applications with red stamp should be given loans. This is the report everywhere. I want to know whether the Confederation of bank officials have complained about mad and wild interference by the ruling Party in the activities of the bank officials and whether they have demanded that such interference should be eliminated.

SHRI JANARDHANA POOJARY : So far as the Jalpaiguri function is concerned, we have not received any complaint. Whether it is Jalpaiguri or whether it is Karnataka or Rajasthan or Haryana, these complaints are saying that these applications are forwarded by some political parties or social organisations.....

SHRI HANNAN MOLLAH : One Party.

SHRI JANARDHANA POOJARY : In Jalpaiguri if at all the applications are identified by political parties, if they say that it is done by the Communist Party, CPM, for identification under IRDP, we do not have any objection. Any Party can submit the application...

*(Interruptions)\*\**

MR. SPEAKER : Order, order. What the hon. Members have said is without my permission and it will not form part of the record. I did not allow. The Minister is replaying to Mr. Hannan Mollah's question.

\*\*Not recorded.

SHRI JANARDHANA POOJARY : We are receiving complaints and also a statement has been made on the floor....

*(Interruptions)*

MR. SPEAKER : Order, order, Let us listen to the reply.

SHRI JANARDHANA POOJARY : Complaints have been received from other parts also and here also on the floor of this House hon. Members from our side have complained saying that these loans are given to some Party people in West Bengal and they have also identified the CPM. The complaint was here...

*(Interruptions)*

MR. SPEAKER : Let him finish. I cannot allow.

*(Interruptions)\*\**

MR. SPEAKER : Not allowed. This is not the proper way. I cannot allow. Mr. Acharya, will you take your seat? It is very wrong. Nothing of whatever he has said will go on record.

*(Interruptions)\*\**

MR. SPEAKER : This is utterly irresponsible. This is an utterly irresponsible behaviour. No. Not allowed. Mr. Acharya, have you ever learnt the rules and regulations of this House? I cannot allow you. You can ask another question, but not like this. If I think that it is fit, I will allow you, otherwise not. I am the person to decide this.

*(Interruptions)\*\**

MR. SPEAKER : Not allowed.

SHRI JANARDHANA POOJARY : I can understand the concern of the Hon. Members. I share their concern.

*(Interruptions)*

MR. SPEAKER : I am going to listen first.

\*\*Not recorded.

SHRI JANARDHANA POOJARY : I understand the concern of the Hon. Member. I share their concern also. What I am just telling is that if the applications are forwarded by this party or that party or any social organisations...

*(Interruptions)*

MR. SPEAKER : Why can't you listen properly ? Let him first complete. He is not putting anything. He is just answering. I am not going to allow you Mr. Acharia. Please sit down, he is not naming anyone. Behave properly. Don't transgress your limits now. He is not naming you.

*(Interruptions)*

SHRI INDRAJIT GUPTA : All these hullabaloo can be avoided if he only replies to the point which has been raised. The point to be clarified is whether under this scheme the identification is to be done by political parties or not. Why doesn't he reply to that ?

MR. SPEAKER : He is going to reply to that ; but nobody is listening. Order, order. This is highly irresponsible on the part of the members of this party.

*(Interruptions)*

They are most irresponsible. I will ask you to withdraw from the House if you persist like this.

*(Interruptions)*

SHRI JANARDHANA POOJARY : Anybody can submit the application to the bank or to the identifying authority including the political parties and social organisations or any citizen of the country. It is not a crime.

*(Interruptions)*

MR. SPEAKER : Why can't you listen to the reply ? What is wrong with it ? Anybody can apply, there is no bar. It is not improper, it is perfectly all right.

*(Interruptions)*

MR. SPEAKER : I warn you again to sit down. Mr. Acharia, I warn you to sit

down now. This is the last time I am warning you. If some poor people are to be given like this...*(Interruptions)*...I will ask you to completely adhere to the question. To hell with the political parties, I want the poor people to get the benefit.

SHRI JANARDHANA POOJARY : I am grateful to you Sir.

*(Interruptions)*

MR. SPEAKER : I am not taking his side. I said that I am not concerned with any political parties. *(Interruptions)*... Not allowed.

*(Interruptions)\*\**

MR. SPEAKER : That is what I said, to hell with the political parties. Now take your seat or withdraw from the House. This is too much. You are transgressing all the limits today. I don't know what is happening here. If you are going to raise your voice like this I am not going to allow you.

SHRI JANARDHANA POOJARY : It is open to any citizen of the country. Irrespective of the party affiliation, they can submit their application on behalf of the poor people to identifying authority. It is not a crime. Wherever the identification authority is the State Government, DRD, it is for them to assess. It is their assessment to identify. Anybody can submit the application on behalf of the poor people...

MR. SPEAKER : Is it right that the identification lies with the authorities in the bank ?

SHRI JANARDHANA POOJARY : Yes, Sir. *(Interruptions)* Please hear me. Whenever identification is to be done by the local government, anybody can on behalf of the poor people submit their applications to the identifying authority.

MR. SPEAKER : What I would like to ask is that the application can be forwarded by anybody but the sole responsibility of identification lies with the bank.

SHRI JANARDHANA POOJARY : Yes. Sanctioning and processing...

MR. SPEAKER : You can forward applications but the identification lies with the bank.

SHRI JANARDHANA POOJARY : Yes. Identification, processing and sanctioning should be done by the bank people. It is their own judgement. Nobody can interfere.

*(Interruptions)*

MR. SPEAKER : Please sit down. The responsibility squarely lies on the bank people who have to advance the loan.

AN HON. MEMBER : Sir, I want to seek a clarification.

MR. SPEAKER : There is no question of clarification. This money belongs to the nation. It is not anybody's money. If this money is just devoured or vanishes then everything will come to a stop. It must revolve. It must go to the poor. Whatever the situation has been so far in this country mostly it went to the industrialists. It must come to the rural sector also. We have to evolve ways and means whereby there is nothing hanky panky in it. We must stop irregularities. We must stop something like that. Bank people must take it on their shoulder that it is given to the authorised persons and that the money goes to the poor people who are really there.

*[Translation)*

SHRI V. TULSIRAM : Mr. Speaker, Sir, we too are not rich. Please get a LOAN MELA arranged for us also. That will set things right.

MR. SPEAKER : Shri Tulsiram, we shall get a special loan MELA arranged for you.

*[English]*

SHRI SHANTARAM NAIK : Sir, the loan melas are governed under a scheme prepared by the Government. It has become very popular and some people are very jealous of it. Since the scheme has become

very popular and there are various aspects of the scheme are you going to enact a legislation to cover these loan melas ?

SHRI JANARDHANA POOJARY : No legislation is required. It is under administrative set-up.

SHRI K. RAMAMURTHY : There are two kinds of assistance given to the needy people of this country. One is under IRDP and the other is through loan Melas. The State Government sponsored or identified persons are given the IRDP loans. I would like to know whether any complaint, particularly with regard to the State Governments that they are not identifying properly the needy persons but only their party people has been received and what actions have been taken ?

SHRI JANARDHANA POOJARY : We have been receiving such complaints throughout the country that in a particular State some interested persons or some of their party people are submitting applications. We are trying to rectify these deficiencies.

DR. KRUPASINDHU BHOI : Sir, I want to congratulate you and the Prime Minister for having intervened in the doctors' strike...

SHRI C. MADHAV REDDI : Is there any machinery in the Government to see that the loans given at the loan melas to the beneficiaries are being properly utilised for the purpose for which these loans are sanctioned ? Is there any machinery to see that the recoveries are properly made ?

SHRI JANARDHANA POOJARY : Not only it is the duty of the bank people, the entire banking sector, to give loans, but it is also their duty to monitor it and see that the amount so loaned is utilized properly. Apart from that whenever I go, I make personnel enquiries and supervision in this regard.

The hon. Member has made a very important point about paying back the amount of loan. According to the reports which I have got from some branches in Madras, earlier the rate of recovery was 27 per cent, after these loan functions, it has gone upto 77 per cent. In my district there was a big procession of ten thousand people,

who had paid back the amount. They were honoured ; a small gift was given to such persons. Besides, the bank people who are responsible for good recovery were also honoured. In a public meeting, when I asked about the recovery position, I was told that it was 95 per cent, 97 per cent and 98 per cent. In the case of two branches at Tadapatri in Andhra Pradesh, the recovery was hundred per cent. There is a lot of improvement.

MR. SPEAKER : It must be workable. It is the most beneficial thing and it must work properly.

SHRI SAIFUDDIN CHOWDHARY : Nobody objects to the poor people getting loan. What we are talking about is about corruption and manipulation. He said that the party people should also come forward ; I want him to exclude political parties, otherwise manipulation and corruption would remain....

*(Interruptions)*

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : What the Minister had stated was workers of the political parties.

MR. SPEAKER : Let us be reasonable. You cannot be segregated from the people ; you are out of the people, you work for the people and for the good of the people. You can send the applications for loan, but you are not the arbitrary authority. You can only forward.

SHRI SAIFUDDIN CHOWDHARY : Manipulation means you can do it otherwise also.

MR. SPEAKER : You can help the people, you can educate them. That is right. I think, it is our duty as representatives of the people to see that the repayment is also made by the people.

SHRI JANARDHANA POOJARY : About corruption, these loans are given in the open house meetings and if there is any report about corruption, immediate action is taken there itself.

MR. SPEAKER : Action should be

taken and this should be looked after properly. It should not go by default. It must work.

#### Reduction of Anti—Dumping Duty

\*163. SHRI KAILASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether Government have reduced anti-dumping duty on PFY and if so, how much and since when ;

(b) the purpose behind this reduction ;

(c) whether the benefit of price reduction in PFY is reflected in the prices of cloth for the commonman ; and

(d) if not, the reasons therefor ?

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

#### Statement

(a) and (b) There is no anti-dumping duty as such on PFY. The basic customs duty on PFY was reduced from 200% ad valorem plus Rs. 15 per kg. to 200% with effect from 18th June, 1986 to create a salutary effect on the prices of indigenous PFY.

(c) and (d) The price of cloth depends on a variety of factors such as demand-and-supply position, cost of inputs, scales of economy, etc. besides the duty on yarn. It is therefore, difficult to assess the impact of import duty reduction for PFY on the price of cloth.

*[Translation]*

SHRI KAILASH YADAV : Mr. Speaker, Sir, through you, I would like to know from the hon. Minister as to how the duty was decreased instead of increasing when there was a steep decline in the price of oil in the international market ? If there was a decrease in duty, how much it was and whether the benefit of reduction in duty was reflected in the price of cloth for the common man ?

[English]

**SHRI JANARDHANA POOJARY :** We have reduced the duty and because of the reduction in duty, the consumers were benefited. For the benefit of the hon. Members, I can say how the prices of polyester filament cloth have come down.

The rate for polyester filament yarn 76-denier was earlier Rs. 166.67 per kg. and after the removal of the duty, it has come down to Rs. 157 per kg. For POY 115-denier, earlier the price was Rs. 160 per kg., now it has come down to Rs. 142 per kg. I have got all these details. The consumers were benefitted because of the removal of this duty.

#### ACCI Suggestions for Bifurcation of FERA

\*164. **SHRI KRISHNA SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the suggestion reportedly made by the Association of Chambers of Commerce and Industry of India for bifurcation of contents of the Foreign Exchange Regulation Act into two separate pieces of legislation, one dealing with the currency movements and the other dealing with foreign investments in India and technology imports etc. ; and

(b) if so, the Government's reaction thereto ?

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

(b) The proposal has been received very recently. It is too early to offer any comments thereon.

**SHRI KRISHNA SINGH :** May I know in this context what are the main objects which according to the ACCI would be achieved by the bifurcation of the FERA ; whether this is in any way aimed at preventing the leakage of foreign exchange under the provisions of the Act : if so, what specific provisions are sought to be modified by the ACCI in this regard ?

**SHRI JANARDHANA POOJARY :** Sir, we have received proposals from the Asso-

ciation of Chambers of Commerce and Industry, FICCI and also other organisations. A lot of suggestions have been made for the amendment of the Act. They also say that there should be two separate Acts. We are examining all these aspects. Some time will have to be given for examining all these and then we will come forward with concrete solutions.

**SHRI KRISHNA SINGH :** Now that the Government are reviewing the Foreign Exchange Regulations Act in the context of the ACCI proposals, may I know whether Government would take up a thorough revision of the Act, to modify all the provisions which are often misused by unscrupulous elements to deprive the Government of its legitimate share of foreign exchange or to drain out the exchange reserves of the country ; if so, what steps are being taken in that direction ?

**SHRI JANARDHANA POOJARY :** Suggestions have been made to remove hurdles. If we take into consideration all the suggestions that have been made, then that will amount to scrapping of the FERA Act. So, Government should be more responsible. Wherever it is possible to find some solutions and wherever it is required in the interest of the nation, we are definitely considering that. That is why, I request that some time may be given because we are examining all the aspects in detail.

#### Modernisation of Textile Mills

\*166. \***DR. DATTA SAMANT :**

**SHRI G.S. BASAVARAJU :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government have taken a decision to identify hundred textile mills for modernisation and for boosting textile production;

(b) the names of the mills selected; and

(c) the criteria for selecting these mills ?

**THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) :** (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

**DR. DATTA SAMANT :** Sir, there is a statement in the Press. But I am not going into that controversy. This is happening at present after the Textile policy. The Government has given excise concessions amounting to Rs. 131 crores to the textile magnates and another Rs. 130 crores is given to these textile magnates with 6 to 11 per cent interest. In Bombay, the Century Mills, Morarji Mills, Bombay Dyeing, Reliance and all the 14 Mills have taken this concession. This year they have made a profit of Rs. 70 crores. The tragedy is, in this Textile Policy all my 40,000 workers are out. Today in Kanpur 14,000 workers will be thrown away. After this Textile Policy, Government has accepted all those people who are robbing the country and they are encouraging these textile magnates and giving them money. These few mills and a few textile magnates who are robbing the country are growing stronger and stronger day by day and Government is encouraging them.

Sir, I am asking a categorical question. Before giving such sanctions and subsidies—and now Rs. 700 crores will be given in three years—I would like to know whether the Textiles Ministry is going to see that firstly, there should be minimum retrenchment so that at least the existing workers are able to survive ; secondly, if at all the workers are going to be retrenched, then they must be properly compensated and rehabilitated. Your present policy does not provide for this.

Thirdly, I want to know whether the workers who are working in the Mills—I am asking you a simple question—will get the benefits of this modernisation or not. It is the duty of the Textile Ministry to see that the benefits go to the workers. They are given hardly Rs. 60 as their wages and they are not given the bonus also. At the same time, they are putting their labours, three or four times more than others. So, I am asking you a categorical question, whether the Textile Ministry is going to regulate immediate retrenchment and whether the retrenched workers will get the proper compensation for their rehabilitation ?

Will the workers who are working in the Mills get the genuine benefits from this modernisation or not ? This is your duty don't leave it to anybody else.

**MR. SPEAKER :** Why not, fourthly, let the farmers sow cotton and produce it.

**SHRI S. KRISHNA KUMAR :** Sir, the modernisation fund of about Rs. 750 crores has been established and has come into operation from 1.8.86 as one of the very important measures resulting from the New Textile Policy. Modernisation does not essentially involve retrenchment and it has been acknowledged as one of the long term solutions to the ills of the textile industry. I would also like to remind the hon. Member, as he is no doubt aware, that no modernisation scheme is implemented in any of the Mills, except on the basis of consultation with trade unions and agreement with the workers.

In any retrenchment, the benefits to be given to the workers are already laid down. As you are aware, in existing mills there is a rationalisation scheme in order to reduce the surplus labour and improve the productivity of the enterprise. The gratuity as well as the retrenchment compensation together has been given....

**DR. DATTA SAMANT :** Not given,

**SHRI S. KRISHNA KUMAR :** It is given wherever labour rationalisation is implemented. The Textile Policy itself incorporates the safeguards for labour in the event of any of the elements of the policy adversely affecting the individual worker.

**DR. DATTA SAMANT :** Sir, the hon. Minister has given the reply. My 60,000 workers are however not given the retrenchment compensation. The reply given here is something and what is happening there is another thing. Our union is INTUC. Everywhere it is making adjustments with the employees. Now, you please do it. That is my desire. It is the second largest industry in the country where we are spending thousands of crores of rupees. It is your duty to look into it. Don't leave it to my union or your union of anybody, else's union.

My another question is this. What is happening in the country is that very few big textile magnates such as Bombay Dyeing, Reliance, Morarji, are taking advantage of these concessions and are prospering in one way

and at the same time, they are also giving loans to others to run their industries. By means of this, they are handing over the sick industries to the Government. They have handed over 125 mills to the Government. So such types of things are going on. Even the powerloom and handloom sectors are also dying.

So the Government should consider that whatever money is given to these maganates, whether they have used it properly or not during the last ten years, and for that an Inquiry Commission should be appointed. They have committed many frauds in Bombay. I have the details with me. Still you are giving them money. Instead of giving money to those people, you give that money to the small powerloom, handloom and other people in the villages. Because, by means of this Textile Policy, we are making these highly influential people more profitable at the cost of the poor workers.

SHRI S. KRISHNA KUMAR : Sir, this a very rambling question.

MR. SPEAKER : The relevant point you have to answer is whether that money, which has been given for the specific purpose has been properly utilised or not? Have you monitored that?

SHRI S. KRISHNA KUMAR : Sir, there has been a soft loan scheme for the modernisation of industry the benefits of which have been availed of by the textile industry also about Rs. 400 crores from 1974 to 1984.

As regards the utilisation or the modernisation funds, set up now, each of the projects is sanctioned by the IDBI as per laid down parameters. There is an inbuilt monitoring system and the money has to be utilised for the purpose for which it is sanctioned.

SHRI S. JAIPAL REDDY : Sir, the New Textile Policy was based on the report of the Experts Committee which has been so far kept a secret. Secondly, I would like to know from the Minister as to whether the new textile policy has met with trenchant criticisms from various quarters such as cotton growers, handloom weavers and organized labour. In view of the trenchant criticism, will Government consider revising and reviewing

the new textile policy and releasing the secret report of the so-called experts' committee?

SHRI S. KRISHNA KUMAR : The new textile policy of Government aims to, harmonize these three competing sectors. It tries to impart impulses of growth at all vital points of the textile economy. In fact, the main objective of the new textile policy is to increase production of cloth and its availability, especially to the common man and to the weaker sections of society. The figures available with us show that the textile production has increased by 500 million metres in a year as a result of the declarations of the policy. Handloom production has increased by more than 10%; power loom production has also increased. There is a marginal decrease in organized textile sector production. The rate of increase in the price of cloth has come down after the declaration of the textile policy, when compared to.

*(Interruptions)*

SHRI DATTA SAMANT : The Minister—Mr. Khan—had made a statement that the prices had gone up.

SHRI S. JAIPAL REDDY : The prices have gone up.

*(Interruptions)*

MR. SPEAKER : Let us hear him. That is theory.

SHRI S. KRISHNA KUMAR : I said the rate of increase. There is a normal rate of increase due to inflation as regards all commodities in the economy.

*(Interruptions)*

In the case of cloth whereas in the previous year the prices had risen by 5.1% and 3.1% for mill cloth and hand loom cloth respectively, in the next year, i.e. after the declaration of the policy, the rates have risen only by 2.3% and 1.4%—which represents only 50% of the previous rate of increase. So, this is no indication that the textile policy is not working. On the other hand all available information suggests that the textile policy has worked reasonably well. It is



too early to make a very definitive judgement on every single aspect of the policy.

*(Interruptions)*

MR. SPEAKER : With a corresponding decrease in cotton prices, Mr. Minister.

*(Interruptions)*

SHRI S. JAIPAL REDDY : He has answered your question. He has not referred to the adverse effect produced on cotton growers. He should answer that.

MR. SPEAKER : That is what I was asking.

*(Interruptions)*

SHRI THAMPAN THOMAS : ROSE

*[Translation]*

MR. SPEAKER : Do not do such a thing. Mr. Thomas, do not do this. You are again repeating it. Shri Vyas, you may ask the question about cotton.

SHRI GIRDHARI LAL VYAS : Mr. Speaker, Sir, my question to the hon. Minister is exactly opposite to what Shri Datta Samant has earlier asked. Government are giving money to big industrialists for modernisation. The State Government and the financial institutions have taken over the management of the Mewar Textile Mill. The financial institutions had promised to advance Rs. 5 crores to this mill for effecting modernisation. But neither the financial institutions nor the banks are giving them money. A number of permanent and casual workers have been retrenched from there. They have been given neither the retrenchment compensation nor gratuity. I would like to know whether the Government would arrange to provide funds to this mill either through the financial institutions or through the banks with a view to run it properly so that retrenched permanent and casual workers could get both retrenchment compensation as well as gratuity ?

*[English]*

SHRI S. KRISHNA KUMAR : If the hon. Member wants such details about any

specific mill. I would require notice ; but I would like to say that a nodal agency has been established, with the participation of the Ministry and the IDBI, to monitor the progress in respect of modernization of each mill.

*[Translation]*

SHRI GIRDHARI LAL VYAS : Will you advise them to do monitoring ?

*[English]*

MR. SPEAKER : You did not answer the question of Shri S. Jaipal Reddy regarding the downfall in cotton prices which the farmers getting.

SHRI S. JAIPAL REDDY : How can the Report of the Expert Committee be secret ? It cannot be secret.

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : As regards the cotton prices, it is a firm and well established policy of the government that the Cotton Corporation of India will have purchases at the support prices of any quantity that might be tendered at the purchasing centre. It is because of this policy that over the years production of cotton has increased. Ten years back, we were importing cotton worth about hundred crores of rupees every year : it was partly because of this policy; and above all by the efforts made by the Kisans under the leadership of a person like you that the cotton production has reached such a stage that we exported Rs. 200 crores worth of cotton last year; and even now, we are in surplus. Now the cotton production has increased but the consequent consumption of cotton to that extent has not increased. So, in this year, one of the things that I did after joining my present responsibility was to announce three year old, what we can call a long term policy of export and we had decided that we will export 6 lakh bales of cotton every year, in the next three years, if it is found necessary, even more, so that over production that has resulted due to various factors is removed from the market and the prices are reasonable for the Kisans as well as for the consumer.

MR. SPEAKER : Not Yet.

SHRI ASUTOSH LAW: Is it a fact that the cotton mills which are managed by NTC are suffering huge losses, if so, what are the reasons? Is the government considering to make a probe regarding the working and incurring losses by the cotton mills which are run by NTC ?

SHRI RAM NIWAS MIRDHA : The problems concerning NTC why they are making losses had been discussed in the House on a number of occasions. We, in the Ministry, are very much conscious of the fact that their performance should be improved. For the last two days, we had a very detailed and indepth discussion on every unit on every subsidiary with the officers concerned. It was our constant endeavour that the performance of the NTC mills should be improved. As a matter of fact, they have improved over the years if you take it from the point of view of the amount of loss that has increased in many mills. The number of mills that are making profit is also increasing. Some of them are marginal; they may change from here and there, but some of the things, utilization of machinery has improved, whether it is on the spinning side or on the weaving side; whatever parameters we have about efficient working of the mills are gradually improving. But one fact remains is that we cannot invest as much on the modernisation in these very old and antiquated mills as we wish to; we are trying to get help from the budgetary support, from the Planning Commission as well as from the financial institutions; and if we are given sufficient funds, I think we can overcome this distress and these mills can be made more viable.

#### Promotion of Cardamom Cultivation

\*167. †DR. K.G. ADIYODI :

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

(a) whether Government are considering any programme for the promotion of cardamom cultivation; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI (P.R. DAS MUNSHI) : (a) and (b) A statement is given below :

#### Statement

(a) and (b) To promote cardamom cultivation Government have already been implementing specific scheme through the Cardamom Board, the details of the which are as follows :-

- (i) Transfer of technology to growers through extension advisory services.
- (ii) Supply of quality planting material to farmers.
- (iii) Hire Purchase load and subsidy for purchase of irrigation equipment.
- (iv) Pest and disease control by supply of plant protection chemicals and equipment at subsidised cost.
- (v) Subsidy for construction and maintenance of conventional curing houses.
- (vi) Replanting of old and un-economic plantations by offering subsidy.
- (vii) Research.

DR. K.G. ADIYODI : Cardamom production in India is dwindling year after year and cultivators are going in for conversion of crops and to other revenue yielding crops. What are the steps taken during the last three years and what is the amount spent for helping cardamom growers?

SHRI P.R. DAS MUNSI : The cardamom consumption in our own country is very limited and the world market is also limited. Guatemala very recently developed cardamom productivity in a very increased style than that of India. Even then our quality and things are very better in international market. Now government took certain measures and a very definite approach to this problem to increase the productivity and the cultivation as well as to help the cardamom growers. There are a number of cash subsidy schemes for the

cardamom growers. There is a cardamom replanting subsidy scheme which helps by Rs.2, 500 per hectare to small grower ; that is limited to 8 hectares and Rs.1,500 to the larger growers.

The Extension Advisory Scheme, Departmental Nursery Scheme, Certified Nurseries Scheme, these are all subsidised and in the Certified Nurseries Scheme a subsidy of Rs. 6000 is given for 18 months old nursery having 12,000 seedlings and Rs. 2500 for 10 months old nursery.

And then, under the Western Ghat Development Programme subsidised supply of copper sulphate and supply of plant protection equipments also have been sanctioned Soil conservation programme is also one of the very major subjects that we have taken in which the subsidy at the rate of 20 per cent of the actual cost of construction subject to a maximum of Rs.1,000/- per hectare has been granted to the grower. And, subsidy for construction of Curing houses also is given.

Apart from these in the Western Ghat Project the Kerala Government have also participated and released Rs.25 lakhs. The Cardamom Board has also participated and public financial institutions and planters have also participated. All this we hope to achieve by the end of the Seventh Five Year Plan.

**DR. K.G.ADIYODI :** The actual amount spent by way subsidy etc., has not been mentioned.

The other thing is, now a Spices Board has been formed and the Cardamom Board is to be amalgamated with it. What are the steps taken to enrich the Spices Board?

**SHRI P.R. DAS MUNSI :** It is a fact that the Spices Board has been formed and it is also a fact that if the Cardamom Board is to be merged with the Spices Board. We are looking into this matter, how to do this merger, and we are working out the other details.

**SHRI THAMPAN THOMAS :** The main aspect of this cardamom is that of marketing and for the purpose of marketing and sale, the private agencies are dependant,

and though the Cardamom Board is there, they are not involved in any way with the marketing programme for cardamom. Therefore, the cardamom which is the main product in Kerala's forest areas, it is auctioned by the traders in Tamil Nadu and they take it to be other parts ; the actual cultivators are not getting any profit out of the real price which is realised by cardamom produced there. In this respect, I would like to ask the Government what its policy is for marketing cardamom and to see that the review profits generated from the cardamom sale go to the cultivators.

The second aspect is, for increased cultivation, forest is necessary, and forest is not available in this area. Has the Government any programme to see that forests are created and then leased for cultivation?

**SHRI P.R. DAS MUNSI :** It is not correct that the cardamom price and the market availability is not commensurate with the profit of the growers and all these things. The fact remains that cardamom Trading Corporation is going to the market very fast and they are already in the market and as a result of that, I may inform the hon. Member that the price of cardamom which had come down from Rs.152 to Rs.124 and in the subsequent period after the Cardamom Trading Corporation entered the market the price has been stabilised at Rs.134 per Kg. We are further trying to consider the problem and see whether we can find some more promotional avenues so that the growers can get the benefit. We are definitely concerned in the matter. We will visit Kerala shortly so that we can have direct acquaintance with the growers and go in depth into the problem. We are considering every aspect of it.

The second part of the question of the hon. Member is about increasing plantation. The problem is the forest area you—know it—is very limited in the world, and as regards plantation we should concentrate more on increased productivity to bring down the cost of production.

**SHRI THAMPAN THOMAS :** Only Rs.50/- is the rate which is available to the grower, while Rs.134 is the market price or rate.

MR. SPEAKER : Shri Manik Reddy absent.

Shri K. Ramachandra Reddy.

**Tourist Potentialities in Anantapur,  
Andhra Pradesh**

\*169. SHRI K. RAMACHANDRA REDDY : Will the Minister of TOURISM be pleased to state :

(a) whether Union Government are considering any proposal for development of (i) Lepakshi, (ii) Sri Laxmi Narasimhaswami Temple Kaderi and (iii) Pennahobilam Temple in Anantapur district of Andhra Pradesh as tourist spots ; and

(b) if so, the details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The Central Department of Tourism has sanctioned Rs. 16.08 lakhs for construction of way-side facilities at Lepakshi during 1985-86, out of which an amount of Rs.4,00 lakhs has already been released.

No proposal has been received from the State Government for development of Sri Laxmi Narasimhaswami Temple Kaderi and Pennahobilam Temple in Anantapur district of Andhra Pradesh as tourist spots.

SHRI K. RAMACHANDRA REDDY : I would like to know from the hon. Minister, even though an amount of Rs.16.08 lakhs had been sanctioned in 1985-86, we are now in 1986-87, why was this amount not released and spend previously? Who is the executing authority? What happened to Rs.4 lakhs that had already been released? What are the wayside facilities that the Government is contemplating to establish?

MUFTI MOHD. SYED : Already an amount of Rs.16 lakhs has been sanctioned for the construction of tourist complex there. Even this amount of Rs.4 lakhs which has already been released, has not been utilised by the State Government. The Department of Tourism has not got any utilisation certificate in order to enable it to release the balance amount.

SHRI K. RAMACHANDRA REDDY : The temples at Lepakshi, Kaderi and Penna-

hobilam possess wonderful architecture, sculpture and paintings of rare beauty and grandeur. But due publicity should be given about this aspect so that we may attract tourists to these places. Will the hon. Minister depute a team to go and see these temples and give due publicity to the excellent art and sculpture available there so that tourists may be attracted?

MUFTI MOHD. SYED : It is for the State Government to give due priority to tourism. As far as these places of pilgrimage are concerned, we have not got any proposal from the State Government.

**New Export Entitlement Distribution Policy**

\*170. DR. G.S. RAJHANS : Will the Minister of TEXTILES be pleased to state :

(a) whether the Union Government have recently announced a new garments export entitlement distribution policy for the year 1987 :

(b) if so, the details of the new distribution policy ; and

(c) to what extent the exporters of garments will be affected by the new policy ?

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

(b) and (c) A statement is given below :

**Statement**

The various details of the New policy are as follows :

1. As per the Export Entitlement Distribution Policy for garments and knit-wear announced by Government, there will be five systems of allocation in 1987. The systems and the levels allocated in each system are indicated below :

<i>Systems</i>	<i>% of the annual level</i>
(a) Past Performance (PP)	65
(b) FCFS Small Orders (FCFS)	25
(c) Manufacturer/Exporter (ME)	7

- (d) Central/State Corporations 2  
 (e) Non-quota Exporters 1

*Division of Allotment Year and Apportionment of Quantities :*

2. Under the Past Performance System, Non-Quota Exporter System and the Manufacturer Exporter System, there will be a one time allotment with three periods for performance. 50% of the allotment should be utilised before 30th April '87, another 25% by 31st July, 1987 and the remaining 25% by 30th September 1987, failing which the unutilized quota will have to be surrendered. Under the First Come First Served Small Order System, there will be three periods for woven items as before. The allocations in these three periods for the above items will be 15% for the first period, 7% in the second period and 3% in the third period. The periods for knitted items under First Come First Served System will be 85% of the level marked being allowed in the first period and 15% in the second period.

*Past Performance System :*

3. As in the previous year, the base period for calculation of past performance will be 2½ years, namely 1984, 1985 and January-June 1986. The exporter will be eligible for allotment under this system only if he has export performance in the relevant country/category during any two years of the three years.

*First Come First Served Small Order System :*

4. The applicant should be an income tax assessee and should file an affidavit giving the list of associate firms for applying under the system. Exporters registered with registering authority upto 30.6.1984 are eligible to apply under this system.

*Manufacturer Exporters System :*

5. The allocation under this system will be made by the Textile Commissioner. The total allocation for a Manufacturer-exporter under Past Performance and Manufacturer Exporter system should neither exceed 110% of his average annual performance nor his manufacturing capacity.

*Central State Corporation System*

6. Allotment under this system will be made only for Central/State Corporations

and Apex Societies having their own production facilities.

*Non-Quota Exporter System*

7. In order to encourage exports to non-quota countries, 1% of the annual levels have been reserved for allocation to exporters with specific export performance in the GCA non-quota countries. For this purpose, the export performance for the periods July 1985 to June 1986 will be taken into account.

The Garment Export Entitlement Distribution Policy for 1987 will help in better utilisation of annual levels in countries with which India has Bilateral Textile Agreements. Besides there will be encouragement to exporters who show good export performance in non-quota countries because of the new system of allotment viz. non-quota exporter system.

DR. G.S. RAJHANS : The statement referred to by the hon. Minister is quite confusing. I do not know whether he can explain it. I would like him to explain it in simple terms so that the whole House is benefitted by that.

SHRI S. KRISHNA KUMAR : The statement gives details of the quota distribution policy asked for by the hon. Member. It is the most concise form we could arrive at because we have to explain various parameters of the policy. There are various sub-segments, various interests and technical details involved. It is only in this form we can give it.

DR. G.S. RAJHANS : I refer to item 4 of the statement, wherein it is mentioned that the exporters registered with the registering authority upto 30.6.1984 are eligible to apply under this system. May I know the reason of this cut off date ? Again I want to know how the exporters will be benefitted by this policy ?

SHRI S. KRISHNA KUMAR : The hon. Member is referring to the first come first served segment of the distribution policy. As the hon. Member is aware, the total quota available under that segment is limited. Therefore, we are not able to extend it more. We have extended it by six months to give benefit to a larger number

of exporters who have started since then. We do not want to encourage people who just come everyday and who may not be genuine exporters. We want to strike a balance between those who have already exported in the past and those who are coming in the export field now. This has been arrived at after interaction with various interests including the new exporters. This we do every year.

**DR. G.S. RAJHANS :** He will the exporters be benefited ?

**SHRI S. KRISHNA KUMAR :** The extension of the cut off date will mean that those who are registered in those six months can also come in to the it. That is how they are benefited.

**MR. SPEAKER :** Can they transfer these quota to somebody else ?

**SHRI S. KRISHNA KUMAR :** Transferability is allowed subjects to certain safeguards in the case of two segments, namely past performance and non-quota exporter systems. It is allowed so that the utilisation of the quota may be maximised. If somebody gets the quota and is not able to discharge the export obligation, he is allowed to transfer so that our quota may not lapse.

**MR. SPEAKER :** Question Hour is over now.

## WRITTEN ANSWERS TO QUESTIONS

[*Translation*]

### Branches of Nationalised Banks

\*165. **SHRI K.N. PRADHAN :** Will the Minister of FINANCE be pleased to state :

(a) the number of branches of nationalised banks opened in 1985 in the country ; and

(b) the position in regard to loans advanced and recoveries made in 1985 ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) According to the information provided by the Reserve Bank of India during the year 1985 the 28 Public Sector Banks opened 1910 branches in the country.

(b) The present data collection system does not yield information relating to loans advanced during the year. However, the total outstanding advances of 28 Public Sector Banks as on the last Friday of December, 1984, were Rs. 43989.90 crores. The corresponding figure of outstanding advances as on the last Friday of December, 1985 was Rs. 49902.40 crores. The incremental outstanding credit during the year 1985 was therefore, of the order of Rs. 5912.50 crores.

The recovery of direct agricultural advances by the 28 public sector banks during the year ending June, 1985 was Rs. 1,808.35 crores and was 54.2% of the annual demand.

[*English*]

### Commission for Stock Markets

\*168. **DR. CHINTA MOHAN**

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

(a) whether there is a proposal to set up an independent commission with legal powers to check malpractices in the stock markets ; and

(b) whether "Insider" trading is proposed to be controlled early ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Government is examining a proposal to set up an independent Commission to play both a regulatory and a developmental role in the Indian capital market. The functions of the Commission, if it is set up, are inter alia, expected to include control of "Insider" trading.

### Introduction of New Life Insurance Schemes

\*171. **SHRI BANWARI LAL PUROHIT :** Will the Minister of Finance be pleased to state :

(a) whether the Life Insurance Corporation of India has announced any new Life Insurance Schemes to be introduced this year ;

(b) if so, the broad outlines thereof ; and

(c) to what extent the poor people in the country will be benefitted by these new schemes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) In pursuance of the Budget announcements made for the year 1986-87, the Life Insurance Corporation of India has introduced a Group Insurance Scheme for railway porters and municipal sweepers. The Scheme, which is operated through Workers' Unions, provides insurance cover of Rs. 5,000/- payable on death of the member and an additional amount of Rs. 5,000/- if death occurs due to accident within 90 days of its occurrence. Yearly premium under the Scheme is Rs. 48.75 inclusive of premium for the double accident benefit.

Under individual assurance business, LIC has introduced three new plans with effect from 1st September, 1986, viz., Bhavishya Jeevan, Beema Sandesh and 25 year-Term New Money Back Plan.

"Bhavishya Jeevan" has been specially designed for professionals and expatriates whose earning period is short but, during this period, their earnings are high. The Plan is so structured that the premiums under the Plan during the first five years are three times the premiums during the remaining term. "Beema Sandesh" is a form of temporary assurance policy providing death benefit at cheaper rates. In case the policyholder survives the term of the Plan, the premiums paid for death benefit are returned to him. The New Money Back Plan provides for payment of instalments of 15% each of the sum assured at regular intervals of five years for the first 20 years and balance 40% at the end of the full term of 25 years. The death benefit under the Plan is equivalent to the basic sum assured irrespective of the number of instalments paid earlier and the bonuses are also calculated on the full basic sum assured.

The Group Insurance Scheme indicated above is specially designed for the benefit of the poor and weaker sections of society. The poor people will also stand to benefit under the Money Back Plan by availing payment of sum assured in instalments at regular intervals, as also by the Beema Sandesh Scheme which provides death benefit at cheaper rates.

#### Change in Foreign Travel Scheme Rules

\*172. SHRI R.S. MANE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the hardship caused to Indian travellers due to change of FTS rules;

(b) the total foreign exchange released by Government for the FTS scheme in 1984, 1985 and the current year, giving figures for each year separately;

(c) whether Government propose to reconsider making FTS available once a year for Indian travellers; and

(d) whether a certain amount of foreign exchange saved by travellers on FTS will be permitted to be retained by them on declaration of the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) This decision has been taken in the interest of conserving foreign exchange.

(b) As per the latest available information, the quantum of foreign exchange released to Indian travellers going abroad under Foreign Travel Scheme (FTS) during the last three years is given below :-

(Rs. in crores)	
Year	Quantum of foreign exchange released
1983	90.72
1984	153.37
1985	196.82

(c) No, Sir.

(d) Under the Rules, there is no provision for allowing foreign exchange saved

by travellers on FTS to be retained by them on declaration of the same.

### Export of Rice

\*173. SHRI SRIHARI RAO : Will the Minister of COMMERCE be pleased to state :

- (a) whether there is any proposal for export of rice; and
- (b) if so, in what circumstances and under what conditions ?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) and (b) Export of basmati rice is allowed under Open General Licence subject to the Minimum Export Price of Rs. 7,500 per MT (f.o.b.). Export of non-basmati rice is allowed, within a limited ceiling, subject to the Minimum Export Price of Rs. 3,000 per MT (f.o.b.) against 100% confirmed Irrevocable Letter of Credit only. Export of 5115 MT of non-basmati rice has been allowed for export during the current policy year upto 21.10.1986.

### Encouragement to Private Sector

\*174. SHRI ANIL BASU :  
SHRI ANANDA PATHAK : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item appearing in the Indian Express dated 15th September, 1986 under the caption "India encouraging private sector ; IFC" which states that India is liberalising and encouraging its private sector ;

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

(c) the areas and details of the said liberalisation allowed so far ; and

(d) the results achieved through these measures ?

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

(b) to (d) A number of measures have been announced by the Government within the framework of provisions of the Industrial Policy Resolution of 1956 with a view to promoting rapid industrial growth. The measures taken towards liberalisation of Industrial Policy and Procedures include : Broad banding in 30 selected groups of industries ; Delicensing in 27 broad categories of industries and 82 bulk drugs and related formulations ; Raising the threshold limit of MRTP companies from Rs. 20 crores to Rs. 100 crores ; Liberalised scheme of re-endorsement of capacity ; Simplified procedure for recognition of modernisation/replacement/renovation of plant and machinery ; Revision of Appendix I list of industries ; Reduction in export obligation in regard to industries set up in Centrally declared backward areas ; Encouraging export production by exemption of licensing for capacities set up in excess of the licensed capacity.

These measures were announced recently and it is too early to indicate the precise impact of these liberations.

### Show Cause Notices to Cigarette Companies for Under-Valuation of Excise Duty

\*175. SHRI THAMPAN THOMAS :  
SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Collector of Central Excise (Calcutta II) has served show cause notices on some cigarette companies demanding payment of excise duty for under-valuation of cigarettes during September, 1981 and February, 1983 ;

(b) if so, the details thereof ; and

(c) which of the companies served with notices have paid the arrears of excise duty till date ?

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

(b) Collector of Central Excise Calcutta-II has issued a show cause notice dated 1.10.86 to the following companies:



- (i) M/s National Tobacco Company Ltd. (A division of M/s Duncan Agro Industries Ltd. Calcutta).
- (ii) M/s Duncan Agro Industries Ltd. Calcutta.
- (iii) M/s New Tobacco Company Ltd. (A fully owned subsidiary of M/s Duncan Agro Industries Ltd.).
- (iv) M/s New Tobacco Company, Agarpara, for evasion of central excise duty amounting to Rs. 97,55,56,362.00 through undervaluation of cigarettes during September 1981—February, 1983.
- (c) None of the Companies have so far paid any amount of duty demanded in the show-cause notice mentioned in (b) above.

#### Development of Shillong and Sunderbans as Tourist Resorts

\*176. KUMARI MAMATA BANERJEE: Will the Minister of TOURISM be pleased to state :

- (a) whether Government have prepared any scheme for the development of Shillong in Meghalaya and the Sunderbans in West Bengal as places of tourist resorts;
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) No scheme for development of Shillong as a tourist resort has been received from the State Government. As regards Sunderbans in West Bengal, the State Government proposes to gradually open up the reserved forest area of the Sunderbans to tourist traffic. A 60-bedded tourist lodge was constructed and commissioned in 1984 at Sajnakhali in the Sunderbans. The Central Department of Tourism has also given Rs.16.50 lakhs to the State Government for acquisition of a motor launch for ferrying tourists to and from the Sunderbans. In 1984-85 an amount of Rs.7.00 lakhs has been sanctioned for bare-barge for floating accommodation.

#### Loss in NTC (WBABO), Calcutta

\*177. SHRI ATISH CHANDRA SINHA: Will the Minister of TEXTILES be pleased to state :

- (a) whether it is a fact that the National Textile Corporation (WBABO) Limited, Calcutta has still been suffering from huge financial loss every month ;
- (b) if so, the extent of loss and the reasons identified therefor :
- (c) whether some of the units are still working with less capacity ;
- (d) if so, the facts thereof ; and
- (e) action proposed to be taken to bring about effective management of the units under the said subsidiary ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b) The net losses of NTC (WBABO) during April-September 1986 were of a level of Rs.1.96 crores as compared to the monthly average losses of Rs.2.19 crores in 1985-86 and Rs. 2.74 crores in 1984-85. The major reasons for the losses, incurred by the mills under NTC (WBABO) are as under :-

- (i) old and obsolete machinery in most of the mills;
- (ii) increase in the prices of inputs;
- (iii) power-cut and high cost of captive power, resulting in under-utilisation of installed capacity in various mills;
- (iv) increase in cost of coal, fuel, petroleum products etc;
- (v) increase in cost of dyes and chemicals;
- (vi) wage increase on account of increased DA etc;
- (vii) excess labour force ; and
- (viii) difficulties in effecting sales in an adverse market environment.

(c) and (d) A statement showing the spinning and weaving utilisation of mills under NTC (WBABO) Ltd., during the period April to September, 1986 is given in the statement given below.

(e) : The performance of NTC and its subsidiary corporations, including NTC (WBABO), is reviewed by the Government from time to time. The strategy to improve the effective functioning of the units under NTC (WBABO) would include the following steps :-

(i) Strict control and supervision over the operations of the mills;

(ii) Infusing better management at all levels;

(iii) Rationalisation of labour, in agreement with trade unions;

(iv) Strict control and supervision on the filling up of vacant posts ;

(v) Implementation of workers' participation scheme in the management of mills;

(vi) Improvement in product-mix; and

(vii) Developing a greater sense of ethics in the organisation's work culture.

**Statemen**  
**Spinning and Weaving utilisation in mills under NTC (WBABO) Ltd., Calcutta**

Name of the Mills	Spinning Utilisation (%)						Weaving Utilisation (%)					
	April '86	May '86	June '86	July '86	Aug '86	Sept '86	April '86	May '86	June '86	July '86	Aug '86	Sept '86
1. Bengal Textiles	61.2	70.7	72.3	68.4	78.0	76.6	—	—	—	—	—	—
2. Manindra Mills	—	—	—	—	—	—	77.0	79.2	83.6	87.8	80.5	80.0
3. Central Cotton	58.3	46.1	35.9	38.3	45.7	59.5	57.4	50.6	39.4	47.1	41.0	53.6
4. Bengal Fine No.1	52.4	56.8	49.8	56.8	65.1	67.6	38.9	39.2	47.2	49.5	69.4	60.2
5. Bengal Luxmi	45.0	51.3	51.0	55.7	61.8	62.7	36.9	58.8	43.1	40.6	47.3	47.3
6. Sri Mahalaxmi	76.2	67.5	59.0	71.4	75.4	68.9	75.5	65.4	60.9	68.7	74.4	76.6
7. Rampooria	63.8	62.7	52.8	62.3	70.0	66.5	52.6	36.9	43.3	72.0	53.3	48.9
8. Luxminarayan	70.8	57.6	54.1	71.6	74.6	72.0	—	—	—	—	—	—
9. Arati Cotton	66.1	64.1	67.2	82.3	80.2	69.1	—	—	—	—	—	—
10. Bangasri	70.5	66.2	61.1	74.3	75.7	61.1	53.3	50.7	49.2	57.3	62.4	44.9
11. Bengal F.No.2	58.5	50.4	60.0	64.9	67.3	65.6	—	—	—	—	—	—
12. Jyoti Wvg.	—	—	—	—	—	—	34.8	37.8	44.4	40.0	43.0	37.0
13. Kanoria	76.0	67.5	48.4	42.0	72.9	78.5	—	—	—	—	—	—
14. Sodepore	70.0	69.4	56.4	72.9	79.3	74.7	—	—	—	—	—	—
15. Associated	51.6	76.0	71.0	81.2	79.3	72.1	—	—	—	—	—	—
16. Bihar Co-op.	64.2	65.6	65.7	56.3	68.4	67.5	—	—	—	—	—	—
17. Gaya Cotton	64.8	54.6	60.2	57.2	54.1	56.0	31.8	42.4	44.0	47.2	48.0	50.2
18. Orissa Cotton	31.2	23.1	24.0	55.7	60.8	79.8	—	—	—	—	—	—
Overall	60.2	57.2	53.5	61.7	67.5	67.3	52.0	47.3	46.7	54.0	54.0	53.9
Mohini Mills (Managed unit)	66.0	70.6	65.8	57.5	74.3	55.6	65.5	66.0	68.1	61.5	65.0	50.5

### Display of Sikh Flag at Fund Raising Function in New York

\*178. SHRI INDRAJIT GUPTA :

SHRI SUBHASH YADAV : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether attention of Government has been drawn to a news-item appeared in the 'Patriot' regarding display of a Sikh flag along with the Indian Tricolour at a fund-raising function in New York :

(b) if so, whether it is a fact that a Pakistani immigrant objected to removing of the Sikh flag; and

(c) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) and to (c) At a fund raising dinner arranged in New York by a non-official organisation called the International Immigrants Foundation the flag of an individual organisation was displayed along with the national flags of some countries. Some questions were raised about this flag. A person claiming to represent the Pakistani community stated that his group would walk out if this flag alone was removed. Subsequently, all the flages were removed by the organisers. Government deplore the attempt to display a non-national flag at a function at which only national flags were displayed.

### Loss Suffered by ITDC Hotels

\*179. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of TOURISM be pleased to state :

(a) the names of hotels under the India Tourism Development Corporation running at a loss at present;

(b) the total loss suffered during this year; and

(c) the steps being taken to improve their working?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) *The names of*

*the hotels under the IDTC running at a loss at present .*

According to the last balance sheet of the Corporation as available, ending 31st of march 1986, 12 hotels out of a total of 24 incurred net losses. The names of these hotels are : (1) Ranjit Hotel, New Delhi; (2) Ashok Bangalore ; (3) Akbar Hotel, New Delhi ; (4) Aurangabad Ashok, Aurangabad; (5) Khajuraho Ashok, Khajuraho; (6) Temple Bay Ashok Beach Resort, Mamallapuram; (7) Varanasi Ashok, Varanasi; (8) Patliputra Ashok, Patna; (9) Jaipur Ashok, Jaipur; (10) Kalinga Ashok, Bhubaneswar; (11) Madurai Ashok, Madurai and (12) Samrat Hotel, New Delhi.

(b) *The total loss suffered by them during this year :*

Aggregate of the losses suffered by these units this year was Rs. 190.55 lakhs. However, Hotel Division as a whole made a net profit of Rs. 260.63 lakhs. The Profit and Loss Statement of the Corporation for the current financial year will be know only after 31st March, 1987.

(c) *The steps being taken to improve their working :*

The following steps have been taken to improve their working :-

—Product improvement through investments to upgrade the product and intensive inspections by High Powered Committees constituted for this purpose.

- Marketing (i) International linkages
- (ii) Intensive sales promotion abroad
- (iii) Intensive Sales promotion in the domestic market
- (iv) Value for money--international and domestic packages.

—Strict control over expenditure.

### Decline Trend in Price of Shellac

\*180. SHRIMATI MADHUREE SINGH: Will the Minister of COMMERCE be pleased to state :

(a) whether the declining trend in international prices of shellac has adversely affected the interests of growers of stick lac and seedlac ; and

(b) if so, the remedial measures proposed to be taken by Government in this regard?

THE MINISTER OF COMMERCE (SHRI P. SHIV SHANKER) : (a) The International prices of shellac have declined, resulting in fall in prices at grower's level, compared to the previous year.

(b) Minimum Export Price of Lemon Grade I shellac has been revised upwards which will ensure a reasonable price for seedlac and sticklac.

#### Mixing of Man-Made Fibre in Textiles

\*181. SHRI UTTAM RATHOD : Will the Minister of TEXTILES be pleased to state :

(a) whether an All India Cotton Growers Seminar was held in Gujarat on 25th August, 1986;

(b) whether the cotton growers from all over India demanded that stipulation on the mixing of man-made fibre should be relaxed as it would go against the cotton grower in the country;

(c) whether Government have studied the effect of mixing of man-made fibre in textiles on the cotton growers; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b) A national Seminar on Cotton was held in Ahmedabad on 24th August, 1986, under the auspices of Gujarat State Cooperative Cotton Federation Ltd. It was observed in the Seminar that there was increase in the use of man-made fibres due to favoured treatment in New Textile Policy. It was also recommended that there should be specific favourable treatment for the units which undertake to produce either cotton fabrics of specific cotton blended fabrics.

(c) and (d) The new Textile Policy was announced only in June, 1984. Since

then there has been no decrease in the consumption of cotton. Therefore, it is too early to study the effect of mixing of man-made fibres in Textiles on the cotton growers.

#### Disbursement of Income Tax Free Cash Awards

\*182. SHRI SIMON TIGGA : Will the Minister of FINANCE be pleased to state :

(a) the method and system adopted in distributing 20 per cent income tax free cash rewards to informers and officers responsible for seizure of gold, silver, narcotic and other contraband goods:

(b) whether Government have received any representations from employees or others for some changes in the existing method of distribution and whether there is any proposal for the amending the present method ;

(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) Under the existing Reward Scheme, rewards are paid upto a maximum of 20% of the estimated market value of the contraband goods seized/duty evasion detected/realised under the Customs Act, Central Excise and Salt Act, Gold Control Act and Foreign Exchange Regulation Act, to the informers and departmental officers separately. In respect of gold, silver, arms/ammunition, opium and other narcotic drugs etc. subject to the overall ceiling for rewards, 50% of the entitled reward is paid immediately after seizure as advance reward.

Final rewards are paid on completion of appeal/revisionary proceedings, if any. The rewards sanctioned to the informers/Government servants are tax free. Rewards in excess of Rs.10,000/- to a Government servant are decided by a committee of Senior Officers at different levels depending upon the quantum involved. This arrangement would ensure utmost objectivity and fairness in the rewards sanctioned to Government servants.

(b) No Sir.

(c) and (d) Do not arise.

#### **Violation of FERA by Company Executives and Directors**

\*183. SMT. GEETA MUKHERJEE ;  
SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) the number of company Directors and Executives fined and arrested upto September, 1986 for violating provisions of the Foreign Exchange Regulation Act ;

(b) whether some persons arrested and detained under FERA during 1984 and 1985 have been released ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Directorate of Enforcement (FERA) has arrested 36 Director(s)/Executive(s) of company(ies) from 1.1.86 to September, 1986 for violating the provisions of the Foreign Exchange Regulation Act. After the conclusion of investigations, as per the usual procedure, the adjudication proceedings will be initiated and appropriate penalty imposed. Besides, where the facts of a case so warrant, prosecution proceedings will also be launched.

(b) and (c) During 1984 and 1985, 41 Director(s)/Executive(s) of Company(ies) were arrested and have been released on bail subsequently by the concerned court(s).

#### **Investment Earmarked for Tea Industry**

1631. SMT. JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) the production target for tea in the Seventh Five Year Plan ;

(b) the investment earmarked to achieve the target ; and

(c) the break-up of the investment to be contributed by the Union Government and

the tea growing States ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) (a) Target of production for the terminal year of the 7th Five Year Plan Period has been fixed at 760 Million Kgs.

(b) and (c) : The Central Plan assistance through the Tea Board is likely to be of the order of Rs. 40.40 crores. In addition the industry and financial institutions would also be contributing to the developmental activities during the Seventh Plan Period.

#### **Viscose Fibre Production**

1632. DR. B. L. SHAILESH : Will the Minister of TEXTILES be pleased to state :

(a) the details of the viscose fibre plants in the country at present and their authorised production capacity ;

(b) whether the capacity is being fully utilised and if not, the reasons therefor ;

(c) the target for viscose fibre production during the current plan ; and

(d) the prospects for viscose fibre being increasingly used in India separately or mixing it up with the cotton and keeping its price structure under control ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The licensed capacity for regular viscose staple fibre and modal viscose fibre is 76,500 tonnes per annum. According to available information, the total installed capacity is about 1,10,000 tonnes per annum. The capacity is not fully utilised, largely because the plants of two companies are presently closed.

(c) and (d) At present, the availability of viscose staple fibre from domestic production is supplemented by imports under OGL. According to VIIth Plan projection, the consumption of viscose staple fibre is expected to increase to about 1,74,000 tonnes. In order to increase availability of VSF at reasonable prices, Government have, from time to time, issued letters of intents for fresh capacity.

**Rate of Occupancy in ITDC Hotels of Orissa**

1633. SHRI K. PRADHANI : Will the Minister of TOURISM be pleased to state :

(a) the occupancy rate in the hotels maintained by the ITDC in Orissa during the last two years ;

(b) whether the rooms available in these hotels are sufficient and suitable for foreign tourists ; and

(c) the steps proposed to improve the tourist traffic to this State during this year and next year ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The occupancy of Hotel Kalinga Ashok at Bhubaneswar during the previous two years is given below :

Year	%age room occupancy
1984-85	46
1985-86	29
1986-87 (upto Oct. 86)	37

With a total number of 8 hotels functioning in Orissa in the approved sector and many others in the unapproved sector, hotel accommodation in the State is considered adequate.

(c) The following steps have been taken to improve the tourist traffic to Orissa :

- (i) providing basic amenities to tourists at Chandrabhaga, Konark.
- (ii) construction of Shopping Complex and Day Centre at Konark.
- (iii) setting up a Yatri Niwas at Satpada, Chilka Lake and at Konark.
- (iv) providing mini-buses, and elephants at Simlipal Wildlife Sanctuary.
- (v) tourism survey is being carried out to develop beach between Puri and Konark.

**Cotton Monopoly Procurement Scheme in Maharashtra**

1635. SHRI R.M. BHOYE : Will the Minister of TEXTILES be pleased to state :

(a) whether Government of Maharashtra has approached the Union Government for permitting the State to continue the Cotton Monopoly Procurement Scheme for another three years ; and

(b) if so, the decision taken in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The Government of Maharashtra approached the Union Government for extension of the Cotton Monopoly Procurement Scheme for another ten years with effect from 1st July, 1986.

(b) The Government have decided to allow Maharashtra Government to operate the Scheme for a further period of three years with effect from 1st July, 1986 in its present form subject to the condition that their guaranteed prices shall be the same as support prices of different varieties of cotton approved by the Government of India.

**Cheating of Foreign Tourists**

1636. SHRI PARASRAM BHARDWAJ : Will the Minister of TOURISM be pleased to state :

(a) whether some cases have come to the notice of Government of cheating, touting, overcharging and misguiding of tourists by unscrupulous persons connected with the Ministry, particularly in Jammu and Kashmir;

(b) if so, the details thereof ; and

(c) the action taken in the matter ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) A few allegations of this nature have been received.

(c) The Matter is under investigation.

**Japanese Assistance in overcoming Rise in Project Costs**

1637. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Japanese Government has agreed to help India

overcome the rise in project costs as a result of the appreciation of the Yen currency; and

(b) if so, the details in this regard ?

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

(b) Question does not arise.

**Proposal to Provide Assistance for Development of International Tourism**

1638. SHRI P.M. SAYEED : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to launch a scheme to provide assistance for development of international tourism ;

(b) if so, the details of the scheme ; and

(c) whether the scheme would be applicable to the Union Territories like Lakshadweep also ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) Yes, Sir. The scheme of Assistance for Development of International Tourism is proposed to be launched from the current financial year. Under this programme, assistance would be available for schemes/projects with special reference to the following activities :

1. Research/study of tourist markets abroad.

2. Publicity, advertising and other means of promoting tourism to India from foreign countries.

3. Cost of publicity material including printed material and films.

4. Participation in tourism exhibitions, fairs, festivals and similar activities in foreign countries.

5. Promotional delegations.

6. Organising travel to India by travel agents, tour operators, media people or TV films including fam tours.

7. Public relations/promotional activities relation to tourism to India.

8. Setting up of show rooms/display centres (not overseas offices).

9. Assistance to Air charter operators.

10. Organisation of seminars/workshops in India relating to foreign tourists arrivals.

The assistance would be available only to approved hotels/restaurants, approved travel agents/tour operators, IATA Airlines and domestic airlines and other approved/recognised entities and would be in the form of reimbursement in Indian currency. This assistance would be available to such approved agencies located in any part of the country including Lakshadweep.

**Opening of Branches under New Branch Licensing Policy**

1639. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has allowed opening of any new branches in 1985-86 and 1986-87 by the nationalised banks, licences for which were granted prior to launching of new Branch Licensing Policy in 1985 :

(b) if so, the number of such branches opened State-wise, by each nationalised bank during 1985-86 and 1986-87 ;

(c) whether some applications for licences from some banks were not entertained and returned for fresh survey identification in accordance with the new Branch Licensing Policy ; and

(d) if so, the details thereof State-wise and bank-wise and the reasons for returning them ?

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

(b) Reserve Bank of India (RBI) has reported that 1397 branches opened during the period 1.4.1985 to 31.3.1986 and 325



branches opened during the period 1.4.1986 to 30.6.1986 by all scheduled commercial banks were opened against licences issued under the Branch Licensing policy for 1982-85. The State wise details of such branches opened by all scheduled commercial banks are furnished in the statement given below. Bank-wise information is not readily available with RBI.

(c) and (d) The period of last Branch

Licensing Policy came to an end on 31.3.1985. RBI has reported that the applications and requests received from the banks after 31.3.1985 for opening bank offices have not been considered by RBI with the exception of 142 centres for 44 Regional Rural Banks which had been recommended by National Bank for Agriculture and Rural Development and 3 centres for the public sector banks which were allotted on account of immediate needs.

#### Statement

<i>Name of the State</i>	<i>No. of branches opened between 1.4.85 to 31.3.1986</i>	<i>No. of branches opened between 1.4.1986 to 30.6.1986</i>
1. Assam	105	19
2. Andhra Pradesh	41	8
3. Bihar	210	65
4. Gujarat	76	13
5. Haryana	17	7
6. Himachal Pradesh	21	7
7. Jammu & Kashmir	19	1
8. Karnataka	94	4
9. Kerala	18	6
10. Madhya Pradesh	120	39
11. Maharashtra	103	29
12. Manipur	1	1
13. Meghalaya	3	2
14. Nagaland	2	1
15. Orissa	40	7
16. Punjab	23	2
17. Rajasthan	99	19
18. Tamil Nadu	25	6
19. Uttar Pradesh	155	26
20. West Bengal	192	58
21. Andaman & Nicobar Islands	1	—
22. Arunachal Pradesh	4	3
23. Chandigarh	2	—
24. Delhi	16	1
25. Mizoram	9	1
26. Pondicherry	1	—
<b>Total</b>	<b>1397</b>	<b>325</b>

### Liberalisation of Import Policy

1640. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government has liberalised its import policy ;

(b) if so, the details thereof ; and

(c) how far it has helped in increasing the export ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) and (b) The Government have been following a liberal import policy with a view to provide essential inputs to the industry so as to meet the interests of the domestic consumption as also for exports. The details are contained in the Import and Export Policy, 1985-88, copies of which are available in the Parliament Library.

(c) While the liberal import policy has provided easier access to capital goods, raw materials and components required for export production, it is not possible to quantify its contribution in increasing exports.

### Foreign Exchange Reserves

1641. SHRI SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) the Foreign Exchange reserve as on 1st April, 1st July, and 1st October, 1986 and the corresponding figures for the previous financial year ; and

(b) the reasons for the drop in the reserves ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The foreign exchange reserves (excluding Gold and Special Drawing Rights) as at the end of March, June and September, 1985 and 1986 were as indicated below :

	(Rs. Crores)	
	1985	1986
31st March	6816.78	7384.35
30th June	6679.80	7084.91
30th September	6776.20	6754.27

The detailed Balance of Payments data, indicating individual items affecting movements in foreign exchange assets during this period, are not yet available.

### Incentives to Hotels at Tourist Centres

1642. SHRI ANANTA PRASAD SETHI: Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that Union Government have initiated steps to identify important tourist Centres in the country to give special incentives to hotels in those areas ; and

(b) if so, the details regarding the incentives alongwith the scheme of Government in this regard ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The development of infrastructure at places of tourist importance is a continuous process. The Department of Tourism in consultation with the State Governments/ Union Territories have identified important tourist centres all over the country for integrated development in a phased manner with the combined resources of Centre, State and private sectors. During the Seventh Five Year Plan, 80-100 centres are proposed to be developed in a phased manner.

Already, several incentives/concessions are available to hotels. These include exemption from the MRTP Act in the matter of both new projects and expansion of existing hotels ; income tax holiday to new hotels ; higher depreciation allowance ; central subsidy for construction of new hotels in specified backward areas ; interest subsidy on hotel loans advanced by IFICI ; Foreign Exchange Incentive Quota for overseas advertising/publicity, promotional tours, import of provisions, equipment including vehicles (upto two in a year) ; concessional customs duty on a number of items imported by hotels for actual use ; priority in the allotment of telephone/telex connections, etc. Besides, some of the State Governments have also accorded hotels/ tourism the status of an industry, which entitles hotels to such concessions/incentives

as are available to other industries in the respective States.

#### **Investigation in White Tallow Import**

1643. SHRI SODE RAMAIAH : Will the Minister of COMMERCE be pleased to state :

(a) whether investigations regarding the misuse of 442,590 metric tonnes of White Tallow imported by Hindustan Lever Limited have been completed;

(b) if so, the results thereof; and

(c) the action contemplated thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (c) The allegation regarding misuse of imported tallow was referred to CBI. CBI have informed that no material during the course of their verification came to their notice regarding the misuse of imported beef tallow by this party.

#### **Central Plan to Encourage Powerloom Industry in Sindhudurg and Ratnagiri Districts**

1644. PROF. MADHU DANAVATE : Will the Minister of TEXTILES be pleased to state :

(a) whether there are any Central plans to encourage powerloom industry especially in the Sindhudurg and Ratnagiri districts of the backward Konkan region of Maharashtra to provide jobs to the unemployed in the region; and

(b) steps being taken to implement these plans?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) While the policy of the Central Government is to encourage a healthy development of the powerloom sector, the formulation and implementation of schemes for individual districts is taken up by the concerned State Government and not in the Central plans.

#### **Export-Import Bank Support to Bids by Indian Companies**

1645. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) the total number and value of bids of Indian Companies which were supported by the Export-Import Bank of India during 1985-86 ;

(b) the total amount and percentage of the bids which were successful; and

(c) the reasons for the lost contracts and steps taken to improve the position?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Export-Import Bank of India (Exim Bank) has reported that it has supported 150 bids valued at Rs. 2315 crores during the period April 1985 to March 1986. Out of the bids submitted during the above period, 86 bids valued Rs. 329 crores have so far been successful. The successful bids as a percentage of bids submitted whose results are known according to value was 21%.

(c) The Exim Bank has reported that in nearly 80% of the cases, price has been the factor responsible for the lost contracts. To improve the position, Exim Bank has taken steps to track opportunities and access advance information as also to provide advisory services on tender documentation and related processes to Indian Exporters/Contractors.

#### **Theft of Indian Passports in U.S.A**

1646. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have made any enquiry into the recent spate of thefts of Indian passports reported in the USA;

(b) if so, the findings thereof ; and

(c) the total number of passports reported to be lost?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K.NATWAR SINGH) : (a) and (b) A press report alleging the theft of Indian passports in the United States has been investigated and found to be without foundation.

(c) Losses of passports by individual Indian nationals have been reported to our Missions in the USA. These figures for 1986 are being collected and will be placed on the Table of the House.

**Government Directive for Economy Measures**

1647. SHRI SRIBALLAV PANIGRAHI:  
SHRI KAMLA PRASAD SINGH:

Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently restrained top Government officials from officially exchanging greeting cards on Independence Day, New Year Day, Republic Day and numerous other festive occasions;

(b) whether Government have also issued guidelines or directions through a circular to Ministers and top bureaucrats in this regard; and

(c) if so, the details regarding such directions issued?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) to (c) Guidelines issued in December 1971 have been reiterated in February 1986 for compliance by all concerned. A copy is laid on the Table of the House [Placed in library. See No. LT 3283/86].

**Visit of Foreign and Domestic Tourists to Kashmir Valley**

1648. PROF. SAIFUDDIN SOZ : Will the Minister of TOURISM be pleased to state :

(a) the number of foreign and domestic tourists who visited Kashmir valley in the years 1984, 1985 and 1986 (till end of October, 1986) year-wise ; and

(b) estimates, if any, of earnings made by various sectors of the State economy due to tourist trade?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) As per the

information available from the State Government, the number of tourists who visited Kashmir valley during the years 1984, 1985 and upto October, 1986, are as given below :-

Year	Number of tourists	
	Domestic	Foreign
1984	192,684	36,458
1985	465,599	38,015
1985 (Jan-Oct)	492,507	49,330

(b) No estimates are available in this regard.

[*Translation*]

**Compulsory Retirement of Officers and Employees in Income Tax Department**

1649. SHRI SARFARAZ AHMAD :  
SHRI VILAS MUTTEMWAR :

Will the Minister of FINANCE be pleased to state the number of the Income tax employees and officers who have compulsorily been retired during the last one year (September, 1985 to September, 1986) ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Two officers and three other employees of the Income-tax Department were retired compulsorily as a measure of penalty during the period from September, 1985 to September, 1986.

However, twenty seven officers and two other employees were prematurely retired during this period.

[*English*]

**Separate Banking Scheme for Rural Areas**

1650. SHRI H.B. PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of Government regarding the need for a separate banking scheme for rural areas in the country ;

(b) whether some representations have been received in this regard ; if so, the details thereof ; and

(c) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Some suggestions had been received by

Government to consider the formulation of a separate banking scheme for rural areas in the country. Considering that Commercial Banks and the Regional Rural Banks are already participating in a large number of schemes in the rural areas and that the banks are playing a major role in the implementation of the Integrated Rural Development Programme, the suggestion to have a separate banking scheme for rural areas has not been accepted. Government have no proposal, at present, before it to have a separate banking scheme for rural areas as such.

#### **Scheme to Purchase Vehicles through State Finance Corporation**

1651. SHRI LAKSHMAN MALLICK : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that Government have recently approved a scheme under which State Finance Corporations have been asked to grant loan for purchase of tourist vehicles; and

(b) if so, the details regarding this new scheme ?

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

(b) The Scheme of Interest Subsidy approved by the Government of India will be applicable to all approved travel agents, tour operators, car operators and State Tourism Development Corporations. These agencies have been advised to apply directly to State Finance Corporations, financial institutions and Nationalised Banks for raising loans for purchase of tourist cars and coaches.

Under the Scheme of Interest Subsidy the above categories approved by the Department of Tourism would be entitled to interest subsidy at the rate of 3% on the rate which is operative at present, for the timely repayment of loan instalments.

#### **Impact of CCS Increase on Export of Fruits and Vegetables**

1652. SHRI BALASAHEB VIKHE PATIL : Will the Minister of COMMERCE

be pleased to state :

(a) whether the recent increase in Cash Compensatory Support (CCS) for exports of fruits and vegetables has encouraged their export ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (c) The revised rates of Cash Compensatory Support for exports of fruits and vegetables became effective only from 1.7.1986. As such it will take some time for the export trade to respond to the increased rates of Cash Compensatory Support.

#### **Export of Cotton by Private Agencies**

1653. SHRI C. SAMBU : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have decided to allow export of cotton/raw cotton by private agencies ;

(b) if so, the reasons therefor ; and

(c) whether Government's decision to allow private trade in cotton export will not go against the interests of the Cotton Corporation of India (CCI) and cotton growers of Andhra Pradesh ?

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

(b) The inter-agency allotment to various exporting agencies including private trade is done on the basis of their purchases, the expertise they have developed in exports etc.

(c) Cotton Corporation of India has been assigned a major role in exports, keeping in view its purchase operations. Andhra Pradesh Federation has also been given adequate export quota. The interests of cotton growers in Andhra Pradesh were not adversely affected by this decision.

**Credit to Agricultural Sector in Karnataka**

1654. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether commercial banks have been advised to increase the flow of credit to the agricultural sector ;

(b) if so, the target set for the Sixth Five Year Plan and achievement made in granting credit to the agricultural sector in Karnataka in that plan period ; and

(c) the target fixed for the flow of credit to agricultural sector in Karnataka in the Seventh Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India (RBI) had advised all scheduled commercial banks to ensure that direct advances to agriculture should reach a level of at least 15% by the end of 31st March, 1985.

In the State of Karnataka, according to provisional information available, the direct agricultural advances of the 28 public sector banks were Rs.556 crores as at the end of June, 1985 representing 18.9 percent of their total advances in the State of Karnataka.

(c) No target, as such, has been fixed for the 7th Five Year Plan. The RBI had advised all scheduled commercial banks to increase the share of direct agricultural advances to 16% by the end of March, 1987. The banks are expected to maintain this level along with the growth of total advances.

**Continuance of Directors in Banks beyond Tenure**

1655. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) the number of Directors in the nationalised banks including State Bank of India who are holding office continuously for a period beyond eight years, bank-wise ; and

(b) the action taken or proposed to be taken to remedy the situation as continuance of a Director beyond eight years is not in

accordance with the Banking Regulation Act, 1949 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The term of office of Directors on the Boards of nationalised banks/State Bank of India is governed by the relevant provisions of the Nationalised Banks (Management and Miscellaneous Provisions) Schemes, 1970 and 1980 and State Bank of India Act, 1955 respectively. No Director is at present holding office continuously for a period beyond 8 years on the Boards of any of the 20 nationalised banks. In the case of State Bank of India, 3 directors nominated on the Central Board of State Bank of India are at present holding office continuously beyond 8 years pending appointment of their successors as required under the provisions of the State Bank of India Act, 1955. However, Keeping in view the spirit of the provisions of the Banking Regulation Act, 1949, Government have already initiated the process of identification of suitable successors in respect of two of the above 3 directors. Appointment of a successor to the third director who is an officer director on the Central Board of State Bank of India is subject to litigation in the Courts and the cases are pending.

**Personal Accident Insurance Social Security Scheme for Poor Families**

1656. SHRIMATI USHA CHOUDHARI: Will the Minister of FINANCE be pleased to state :

(a) The States where the centrally sponsored personal Accident Insurance Social Security Scheme for poor families has been extended to all the districts in the States ;

(b) if none, the reasons therefor and when this will be done ; and

(c) the number of persons or families benefited and amount used so far for this purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Personal Accident Insurance Social Security Scheme for poor families has so far been extended in a phased manner in 192

districts of the country since its introduction on 15th August, 1985. While Districts have been allocated to all States and Union Territories and some Union Territories stand fully covered, there is no State so far wherein the Scheme has been extended to all the Districts. This would be possible when the Scheme is extended to the whole country.

(c) So far, 853 families have benefited under the Scheme involving a total amount of Rs. 25.59 lakhs and further 914 claims involving a sum of Rs. 27.42 lakhs are under process.

[*Translation*]

### Go'd Ornaments

1657. DR. CHANDRA SHAKHAR TRIPATH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have allowed the people to keep gold ornaments ;

(b) if so, whether any quantity in this regard has been prescribed for the purpose ;

(c) if so, the quantity thereof so prescribed ; and

(d) if not, the reasons therefor ?

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

(b) and (c) There is no quantitative limit for possession of gold ornaments by individuals etc. However, under Section 16 of the Gold Control Act, 1968, possession of gold ornaments in excess of 200 grammes by an individual and 4000 grammes by a family, is required to be declared to the Gold Control Officer concerned.

(d) Possession of gold ornaments by individuals etc. find a significant place in our social life and is also looked upon by the people as an economic security in the event of need. No restriction on individual holding of gold ornaments has, therefore, been prescribed as it could arouse resentment from the public.

[*English*]

### Reduction of Duty on Newsprint

1658. SHRI K. MOHANDAS : Will the Minister of FINANCE be pleased to state :

(a) whether the small and medium newspaper organisations have demanded the reduction of the duty on newsprint ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government has received various representations seeking reduction of import duty on newsprint. During December, 1985 customs duty on newsprint was reduced from the level of Rs. 825 per tonne to Rs.550 per tonne. There is no proposal under consideration at present to alter the rate of customs duty on newsprint.

### Subscribed Capital of Joint Stock, Private and Public Limited Companies

1659. SHRI V.N. GADGIL :- Will the Minister of FINANCE be pleased to state :

(a) the total subscribed capital of joint stock, private and public limited companies in India in 1984-85;

(b) how much of it was subscribed by public financial institutions; and

(c) how much of it was subscribed by private individuals?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE : (SHRI JANARDHANA POOJARY) : (a) The total subscribed capital of Joint Stock Companies at work as on 31st March, 1985 is Rs.27,331 crores—Rs.6,287 crores in respect of the public limited companies and Rs. 21,044 crores in respect of the private limited companies.

(b) The shareholding of the all India Financial institutions as in 1984-85 is Rs. 926.80 crores.

(c) According to an IDBI study on 'ownership pattern of shares and debentures

of IDBI assisted companies' covering 447 assisted units with a total paid-up capital of Rs.1883.66 crores as at end of June, 1982, the shareholdings of individuals in these companies amounted to Rs.490.91 crores or 31% paid-up capital of the 447 companies. The IDBI sample appears to be quite representative of the pattern of shareholding by private individuals in the Joint Stock Companies.

#### Meeting of Indo-Spanish Panel

1660. DR. V. VENKATESH : Will the Minister of COMMERCE be pleased to state :

(a) whether an Indo-Spanish panel met in Madrid from 29 to 31 October, 1986 ;

(b) if so, that subjects discussed therein ;

(c) whether low volume of bilateral trade was also discussed ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (d) The Indo-Spanish Joint Committee met in Madrid from 29th to 31st October, 1986. Besides specially identifying some commodities like tea, coffee, tobacco, shellac, cotton, iron ore, fabricated mica, engineering and electronic components and assemblies for export from India to Spain in order to improve the volume of Indo-Spanish trade, possibilities of bilateral cooperation were also discussed in sectors like marine products, rejuvenation of citrus orchards in India for improving productivity and special varieties immune to pests and diseases.

#### Proposal for Creation of a Central Equity Fund

1661. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether in a Memorandum submitted to the Union Government, the State Government of West Bengal has proposed the creation of a Central equity fund for providing long-term, interest-free loans through banks and financial institutions for the rehabilitation of sick units ;

(b) whether the state Government have also proposed assistance through the Industrial Reconstruction Bank of India (IRBI) for training and redeployment of labour consequent to technology upgradation and modernisation of sick units; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c) In a Memorandum submitted by MLAs of West Bengal to Finance Minister on 27th June, 1986, one of the suggestions was for creation of a Central Equity Fund. The proposal had been examined by the Government. In view of the fact the banks/financial institutions were already considering providing various types of reliefs and concessions to rehabilitate sick units on a case to case basis and also keeping in view that there was no insistence for maintaining the debt-equity norms in case of sick units, it was felt that the purpose which was sought to be served by creation of the Central Equity Fund was being met already. The creation of Central Equity Fund was, therefore, not considered necessary.

(b) In the Memorandum submitted there was another suggestion for creation of a fund for retraining and redeployment of labour. This is under examination.

#### Release of Foreign Exchange for Travel Purposes by RBI

1662. SHRI T. BALA GOUD : Will the Minister of FINANCE be pleased to state :

(a) the number of applications pending in the Reserve Bank of India offices at various cities for clearance of foreign exchange ;

(b) periods for which these have been pending in Delhi office of Reserve Bank of India ; and

(c) the steps taken to expedite their disposal ?

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



[*Translation*]

**Development of Naimisharanya in Sitapur U.P.**

\*1663. SHRI KAMLA PRASAD RAWAT : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to develop 'Naimisharanya' a place of mythological importance in Sitapur district, Uttar Pradesh as a tourist centre ;

(b) if so, the details of the scheme chalked out ; and

(c) if not, the reasons therefor ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) In view of the resource constraint and other overriding priorities in U.P., it has not been possible to extend Central financial assistance to this proposal.

[*English*]

**Penicillin Import Policy**

1664. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that a uniform policy is not being followed by the office of Chief Controller of imports and Exports in respect of import of Penicillin for the large and small scale sector ; and

(b) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) No, Sir.

(b) Does not arise.

[*Translation*]

**Loans to Textiles Mills by IDBI**

1665. SHRIMATI PATEL RAMABEN; RAMJIBHAI MAVANI : Will the Minister of FINANCE be pleased to state :

(a) the amount of loan given by indus-

trial Development Bank of India (IDBI) to textile mills in Gujarat and other parts of the country from the newly created modernisation fund; and

(b) the amount of loan recovered from these mills so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Textile Modernisation Fund Scheme has become operative from 1st August, 1986. The Industrial Development Bank of India has reported that the financial institutions have sanctioned total loan assistance under this scheme aggregating to Rs. 4034 lakhs as on 31.10.1986. Of this, the textile mills in Gujarat have been sanctioned Rs.2278 lakhs. Disbursement of Rs. 60 lakhs has been made only in one case while in other cases the units are in the process of completing formalities for availing loan. Normally repayments commence two years after the date of first disbursement.

[*English*]

**Use of US Sikorsky Helicopters by Chinese Intruders in Wang Dong Area in Arunachal Pradesh**

1666. SHRI BRAJAMOHAN MOHANTY : Will the Minister of External Affairs be pleased to state :

(a) Whether the Chinese intruders in Wang Dong in Arunachal Pradesh are being supplied with the USA Sikorsky helicopters sold to China ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) China is reported to have purchased some Sikorsky helicopters from the USA. Some of these helicopters may be in use to support the Chinese intrusion in Wang Dong.

(b) Government are closely watching the situation and maintaining the necessary defence preparedness in the region.

[*Translation*]

**Inquiry into Charges Against Chairman of Pithoragarh Regional Rural Bank**

1667. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether the charges against the Chairman of Pithoragarh (U.P.) Regional Rural Bank has been probed ;

(b) if so, the details of the inquiry report and the action taken thereon ;

(c) whether it is a fact that as a result of charges against the Chairman, the results of recruitment tests for this bank have not been announced so far with the result that this bank is not opening its branches ; and

(c) if so, the justification in withholding the results and when they will be declared ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) Pithoragarh Kshetriya Gramin Bank held recruitment tests through the National Institute of Bank Management (NIBM) now called Institute of Banking Personnel Selection for posts of Officers and Clerks in the month of June 1985. The interviews of the successful candidates were conducted by a Selection Committee comprising of the Chairman of the said Gramin Bank, representatives of Sponsor Bank (SBI); RBI ; NABARD and State Government and a representative of S/C and S/Ts. When these interviews were in progress the Chhatra Sangharash Samiti of local Degree College led a demonstration alleging irregularities by the Chairman in conducting recruitment tests. At a meeting of the members of the Selection Committee and the representatives of the Samiti convened by the Additional District Magistrate (P), Pithoragarh it was agreed that the results will not be declared till such time the allegations are probed into.

It has now been reported that the State Bank of India has inquired into the charges made against the Chairman and the same have not been substantiated. Consequently the State Bank of India has already advised the Gramin Bank to announce the results after consulting its Board of Directors.

It is reported that Gramin Bank has so far opened branches at three out of the four centres for which licenses have been issued to it by the Reserve Bank of India.

[*English*]

**Outstanding Amounts from I. T. D. C. Customers**

1668. SHRI MOOL CHAND DAGA : Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that lakhs of rupees of India Tourism Development Corporation were outstanding against their customers ;

(b) if so, the details of such cases as on 31 March, 1986 ;

(c) details of amounts outstanding over last three years :

(d) whether there is a provision to charge additional rate of interest on such amounts when they were not repaid within the stipulated period ;

(e) if not, whether Government propose to impose such clause ; and

(f) the number of cases involved in litigation showing amount involved and since when ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) The requisite information regarding outstandings against customers of ITDC is given below :-

As on 31 March 86

	Total out—standings	Outstandings for more than 3 years
	(Rupees in lakhs)	
Govt.Deptts.	605.27	43.45
Others	546.05	56.76
	1151.32	100.21

(d) and (e) Provision for charging interest from customers on outstanding dues beyond the stipulated period exists in the

ITDC. However, this stipulation is not enforced strictly keeping in view the business interest of the Corporation.

(f) The requisite information is given in the Statement given below.

**Statement**

**The Number of cases Involved in Litigation and the amount Involved**

Year since when under litigation	No. of cases	Amount involved Rs. in lakhs
1971	1	0.09
1972	2	0.05
1973	2	0.45
1974	3	0.26
1975	1	0.17
1976	3	1.93
1977	1	0.02
1978	1	0.05
1979	4	2.65
1980	6	0.83
1981	2	0.29
1982	10	2.24
1983	14	4.29
1984	19	12.30
1985	17	28.32
1986	9	6.03
	95	59.97

**Soviet Proposal Regarding Asia Pacific Security**

1669. SHRI DINESH SINGH :

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

(a) Whether Government have received any proposals from Soviet Union regarding Asia Pacific Security ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) :

(a) and (b) Government have not received any formal proposal from the Soviet Union regarding Asia Pacific Security. Perhaps the reference is to the proposal made in a speech by General Secretary Gorbachev

at Vladivostok on July 28, 1986. Relevant excerpts from this were published in Indian newspapers on July 30. A copy of these excerpts is laid on the Table of the House.

[Placed in library. See No. LT 3284/86]

**Outcome of Ministerial Conference on Gatt**

1670. SHRI MAHENDRA SINGH

SHRI MURLI DEORA : Will the Minister of COMMERCE be pleased to state :

(a) the outcome of the recent General Agreement on Tariffs and Trade (GATT) meet in Uruguay ; and

(b) in what manner the meeting helped to safeguard the trading interest of India and other developing countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) The Ministerial Meeting held at Punta del Este (Uruguay) in September this year launched a new round of multilateral trade negotiations. The Declaration adopted by the meeting is in two parts—part I relates to negotiations on trade in goods and part II relates to negotiations on trade in services. Whereas the first part was adopted by the Minister's meeting as CONTRACTING PARTIES to GATT, the second part was adopted by Ministers meeting as representatives of Governments. The negotiations on services would thus be held on a separate track outside the framework of GATT. The decision to keep negotiations on trade in services outside the framework of GATT was the result of stand taken by India and many other developing countries that GATT did not have jurisdiction in the area of services and the GATT approaches would not be appropriate for the services sectors on account of their varied character and socio-economic ramifications. Further these countries perceived the danger of the possible use of the leverage of trade in goods to secure concessions in the area of services in the event of negotiations for both trade in goods and trade in services taking place within the GATT framework.

The Declaration adopted at the meeting also provides for special and differential

treatment for developing countries in the negotiations. The negotiations will cover a number of areas of significant interest to developing countries such as liberalisation, of trade in tropical products agriculture and textiles, a comprehensive agreement on safeguards, improvement of dispute settlement mechanism etc.

#### Insurance Scheme for Farmers

1671. SHRI M. RAGHUMA REDDY : SHRI DHARAM PAL SINGH MALIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to introduce a special scheme for providing life insurance cover to the members of farming community so that in case of death some monetary benefits are available to the dependents of the deceased farmers out of which they can meet the loan liabilities of the farmer and maintain themselves ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The LIC has introduced a scheme in the State of Madhya Pradesh to provide insurance cover to loanee farmers for the amount of loan granted by District Cooperative Banks subject to a minimum of Rs. 1,000/- and maximum of Rs. 10,000. All loanees between ages 18 and 59 are eligible for insurance cover granted without any medical examination against premium at the rate of Rs. 9/- per thousand sum assured. The LIC is also making efforts to introduce similar schemes in other States.

[*Translation*]

#### Guidelines on Distribution of Cheap Cloth to Weaker Sections

1672. SHRI SHANTI DHARTWAL : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have received any complaints regarding sale of cheap cloth in the open market openly instead of its distribution among the poor people ;

(b) if so, the details thereof ;

(c) whether Government propose to issue any guidelines to State Governments to ensure regular distribution of cheap cloth to the weaker sections of the Society ; and

(d) if so, the details thereof and if not, the reasons therefor ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The Government have received information on unauthorised sale/diversion of controlled cloth.

(b) The details are given below :

(i) About 630 bales of controlled cloth despatched to Bihar (Ranchi) were lost in transit in March, 1985.

(ii) About 30,000 metres of controlled cloth seized by Central Excise Department in Farrukhabad (U.P.) from processors in July, 1984.

(iii) About 4,000 metres of polyester cotton blended shirting despatched in January, 1986 to Nagaland has not reached its destination so far.

(iv) In October, 1985 irregularity was detected in the distribution of controlled cloth in Rajasthan by private wholesalers appointed by Rajasthan Government.

(v) 340 bales of controlled cloth despatched to Orissa in February-March, 1986 did not reach their destination.

(vi) During 1985-86, the Sikkim Consumer Cooperative Society Ltd. distributed controlled cloth in an irregular manner.

(vii) Some Cooperative Societies of Andhra Pradesh were reported to have irregularly sold controlled cloth in bales instead of in small quantities to the target group during the year 1985-86.

These cases are being investigated by appropriate agencies.

(c) and (d) Government have requested State Government/Union Territories Administrations to strengthen and streamline the distributional arrangements, which are primarily their concern, in order to ensure that controlled cloth is not diverted to unauthorised channels. Government have also requested the State Governments/Union Territories Administrations to open a large number of rural outlets for the sale of controlled cloth so that the weaker sections of the society can be covered adequately under the Scheme.

[English]

### Excise Relief to Industries

1673. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to grant excise relief to those industries which make a categorical commitment to pass on the entire benefit arising out of such concession to the consumer in the form of a cut in prices ;

(b) if so, the details thereof : and

(c) whether Government have identified the consumer durable items for this purpose ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Same proposals have been received suggesting excise duty reliefs for selected industries for stimulating demand for their products. It is not considered expedient in public interest to give details of these proposals at this stage. Decision would be taken at the appropriate time having regard to all the relevant considerations.

### Attack on Indian Embassy in Beirut by Sikhs

1674. SHRI H.B.PATIL : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether attention of Government has been invited to the newsitem appeared in 'Free Press Journal' dated 8 October, 1986 that 50 Sikhs attacked the Indian Embassy in Beirut ; and

(b) is so, the details thereof and the steps taken to ensure the safety of mission and persons working therein ?

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

(b) According to our information a group of about 100 Indians, mostly Sikhs, had gone to the Indian Embassy at around 9.45 a.m. on October 6, 1986 ostensibly to discuss consular grievances with the Charge d'Affaires a.i. while there they also handed over a written memorandum signed by about 260 persons which had "AIASSF" superimposed on it in hand. Their consular problems were discussed with them and this discussion was to be resumed.

However, around 2.15 p.m. some of these persons forced their way to the balcony, removed the national flag and hoisted a so called "Khalistan flag". They also raised pro-Khalistani slogans. A portrait of Prime Minister, which was in the reception hall, was forcibly removed and smashed by the agitators. The agitators left the Embassy at about 2.45 p.m. The Mission immediately contacted the local authorities who provided prompt security for the Mission and the staff. While the primary responsibility for security of the Embassy and its personnel rests with the host Government, Government is keeping a close watch on the situation and all possible steps have been taken to ensure the safety of the Mission and its personnel.

### Restoration of Munabao-Khokrapar Rail Route

1675. SHRI H.N.NANJE GOWDA :

SHRI G.S.BASAVARAJU : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that Indian Railway delegation which was to visit Pakistan in September, 1986 to hold discussion in connection with reopening of rail route between Khokrapar-Munabao had cancelled the same ;

(b) if so, the main reasons for delay in restoration of the Indo-Pak rail link ; and

(c) whether Indian delegation had a talk with its Pakistan counterpart recently in this

regard and if so, the outcome of the talks held ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) to (c) In the Indo-Pak meeting on the reopening of Munabao-Khokrapar rail route held in July, 1986, a decision was taken to reopen the rail-route. The agreement for the reopening of the rail route is yet to be signed.

#### Cotton Exported from Gujarat

1676. SHRI RANJITSINGH GAEKWAD : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of cotton exported from Gujarat during each of the last two years ; and

(b) whether Government have taken any steps to find out new markets for export of cotton ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMER) : (a) A quantity of 18,879 bales was exported from Gujarat during 1984-85, while a quantity of 83,092 bales was registered for export during 1985-86.

(b) Enquiries from overseas buyers, are promptly attended to. Besides, delegations visit foreign countries to strengthen the existing markets and find out new markets.

#### Board for Industrial and Financial Reconstruction

1677. SHRI KAILASH YADAV :  
SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a Board for Industrial and Financial Reconstruction was to be appointed under the Sick Industrial Companies (Special Provisions) Act, 1985 ;

(b) if so, the details about the constitution of the Board, the names of the office-bearers and the functions given to them ; and

(c) the details about the action taken

by Government against any industrial undertaking alongwith the reasons ?

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

(b) and (c) The constitution of the Board is under the consideration of Government. When it is set up, it will function under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985.

#### Review of US Policy of Arms Supply to Pakistan Consequent on Withdrawal of Soviet Troops from Afghanistan

1678. SHRI KRISHNA SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state

(a) whether the Soviet Union has started withdrawing its troops from Afghanistan as announced by it ;

(b) if so, Government's information about the progress made so far in this regard ; and

(c) whether Government of India has brought this development to the notice of US Government urging it to review its policy of arms supply to Pakistan on the plea of helping the latter to withstand the threat from Afghanistan side and if so, the response of US Government ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) and (b) According to Soviet official announcements the withdrawal of six regiments of Soviet troops from Afghanistan began on 15 October 1986 and was completed on 31 October 1986.

(c) Government have repeatedly drawn the attention of the United States Government to the fact that its massive arms supplies to Pakistan do not relate to the situation in Afghanistan.

#### Implementation of Reservation Rules in Allahabad Bank

1679. DR. P. VALLAL PERUMAN :  
SHRI ANANDI CHARAN DAS :  
SHRI LALA RAM KEN : Will the Minister of FINANCE be pleased to state :

(a) whether there is a standing direction to all the public sector banks to clear the backlog in respect of reservation of scheduled castes and scheduled tribes for their recruitment and promotion ;

(b) whether any particular date has been indicated in the direction from which the backlog is to be assessed ; and

(c) if so, whether the Allahabad Bank has been following the direction in respect of clearance of backlog as well as its assessment from the specified date and if it is not following the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) After nationalisation of the 14 major banks in July, 1969, the nationalised banks were advised by Government to follow the instructions regarding reservations for candidates belonging to scheduled castes and scheduled tribes in the matter of direct recruitment. The six newly nationalised banks were also advised in similar terms on their nationalisation. The nationalised banks have also been advised, on a number of occasions, to clear the backlog in vacancies reserved for scheduled castes and scheduled tribes candidates. The banks were expected to compute the backlog from the date of nationalisation in the case of direct recruitment and from the date of introduction of reservations, in the case of promotions.

The boards of the nationalised banks also review and monitor, periodically, the performance relating to clearance of backlog in the matter of reservation for scheduled castes and scheduled tribes candidates both in the case of direct recruitment and promotion.

(c) Allahabad bank has reported that it has been following the directions of the Government in clearing the backlog which were assessed by it as under :

I. For recruitment in :

(i) Sub-ordinate cadre with effect from 1-1-1970

(ii) Clerical cadre with effect from 1-1-1970

(iii) Officers cadre with effect from 19-7-1969

II. For promotions from Clerical to Officers cadre with effect from 1-1-1980.

#### Handloom Industry in Maharashtra

1680. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the number of handlooms is declining in Maharashtra ;

(b) if so, the details thereof and the reasons for stagnation of the handloom industry in the State ; and

(c) The measures taken or proposed to be taken to revive the industry in the state ?

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

(b) According to the information supplied by the State Government of Maharashtra: the number of handlooms had come down from 1,85,000 in 1971 to 77,375 in 1976 and to 65,910 in 1981. The latest figure for 1981 is based on the registration of handlooms done by the State Government of Maharashtra. Reasons for decline in handlooms can be attributed to poor earning capacity of the weaver, inability of apex and regional apex cooperative institutions and corporation in the handloom sector to organise production and marketing within and outside the State, poor quality of the products as compared to handloom fabrics of other States, lack leadership and management etc.

(c) The Government of Maharashtra, with assistance from the Government of India, has been implementing a number of schemes for the development of the handloom sector. The cooperative institutions and the State handloom development cooperation in Maharashtra have been provided financial assistance for undertaking modernisation of handloom to help improve the quality as also the marketability of the handloom fabrics produced in Maharashtra.

[*Translation*]

### Seizure of Hashish

1681. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether a large quantity of hashish has been seized in Delhi and other places during the recent months ; and

(b) if so, its value in the international market ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. According to reports made available to the Government over, 18 tonne of hashish have been seized during the first 10 months of 1986 in Delhi and other places in the country.

(b) No precise value of the drug seized can be furnished as the illicit market price varies widely from place to place and time to time depending upon various factors like purity of the drug, local demand and supply position, place of origin, etc.

[*English*]

### Outcome of IDA-8 Talks in Washington

1682. SHRI MURLI DEORA : Will the Minister of FINANCE be pleased to state :

(a) the outcome of the IDA-8 talks held in Washington recently ; and

(b) India's share in the fresh IDA loans announced ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) At the recent meeting of IDA Deputies in September, 1986 in Washington, a consensus on an IDA-8 Replenishment of US\$ 11.5 million emerged as also an agreement to examine the possibility of increasing the size to US \$12 billion through voluntary contributions. The Deputies have also recommended a hardening of IDA terms and differentiation between "blend countries" and "least developed IDA recipient countries." The

recommendations of the IDA Deputies will be considered by the IDA Executive Board.

(b) IDA-8 is expected to commence from 1st July 1987 and funds have not yet been committed to any country. As such the share of IDA in IDA-8 is not known.

### SC, ST Employees in Indian Overseas Bank

1683. SHRI BANWARI LAL BAIRWA : Will the Minister of FINANCE be pleased to state :

(a) total number of officers in Scale-III and above scale-wise in Indian Overseas Bank as on 30th September, 1986 ;

(b) total number out of them belonging to Scheduled Castes and Scheduled Tribes ; and

(c) whether Government directives have been properly implemented by the bank in promotions within officers' scales ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Total number of officers in Scale-III and above, scale-wise in the Indian Overseas Bank as on 30th September, 1986 and out of them those belonging to Scheduled Castes/Scheduled Tribes, as per information furnished by the bank were as under :

<i>Scale</i>	<i>Number of officers as on 30-9-1986</i>	
	<i>Total No. of which SC/ST</i>	
<i>1</i>	<i>2</i>	<i>3</i>
Middle Management Grade S-III	395	'NIL'
Senior Management Grade S-IV	103	'NIL'
Senior Management Grade S-V	23	'NIL'
Top Executive Grade-VI	8	'NIL'
Top Executive Grade-VII	4	'NIL'

(c) The Indian Overseas Bank was not maintaining rosters for the purpose of



calculating posts reserved for Scheduled Castes/Scheduled Tribes in promotions within the officers cadre of the bank as it considered the method of promotions followed by it to be based on selection and not on seniority subject to fitness. On scrutiny of the information furnished by the bank to the Government and after discussions between the officials of the Government and the bank, the bank was advised to provide for reservations for Scheduled Castes/Scheduled Tribes in promotions within the officers cadre as the method of promotions followed by it was considered to be based on seniority subject to fitness and not strictly on selection basis. The bank has accepted the advice of the Government and has cast the rosters for promotions within the officers cadre from Junior Management Grade Scale-I to Middle Management Grade Scale-II and Middle Management Grade Scale-II to Middle Management Grade Scale-III, providing for the reservations at the rate of 15% and 7% for Scheduled Castes and Scheduled Tribes respectively.

#### Steps to Increase Public Deposits in Nationalised Banks

1684. SHRI N. SOUNDARARAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the present trend of Government owned companies mobilising public deposits in a big way which is effecting the growth of deposits in nationalised banks ; and

(b) if so, the steps taken by Reserve Bank of India to increase public deposits in the nationalised banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) As per the information available the total amount of deposits (regulated) mobilised by Government companies during 1984 and 1985 is as under :

As on	No. of Companies	(Amount in Rs. crores)	
		Amount of Deposits (Regulated)	Deposits with Scheduled Commercial Banks
31.3.1984	48	553.1	60732
31.3.1985	55	756.7	72571

The deposits mobilised by Government Companies increased by about Rs.204 crores as at the end of March 1985 over March 1984. Corresponding increase by Scheduled Commercial Banks was to the tune of Rs. 11839 crores. It will be seen from the above, that the deposits mobilised by Government Companies, are not very significant as compared to growth of deposits of Scheduled Commercial banks. Deposits, and other Monetary and banking aggregates are under continuous review by the Reserve Bank of India and changes are instituted whenever considered necessary.

[*Translation*]

#### Economic Crisis in Textile Industry

1685. SHRI BALWANT SINGH RAMOOWALIA :

SHRI TEJA SINGH DARDI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that cotton textile mill industry is passing through economic crisis this year ;

(b) if so, the details thereof ;

(c) the action being taken by Government in this regard ;

(d) whether it is also a fact that while the price of cotton this year has gone down as compared to the last year the prices of cotton yarn have not been decreased proportionately ; and

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

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) It does not appear, from indications available, that the textile mill industry is passing through an economic crisis this year.

(b) and (c) Do not arise in view of (a) above.

(d) While the raw cotton prices had come down by 25.3% by September, 1986 compared to Sept., 1985, the corresponding reduction in the prices of cotton yarn is

17.8%. Decline in yarn prices in direct proportion to the decline in raw cotton prices may not be possible because yarn prices are governed by the cost of other inputs namely, labour, power, fuel, electricity, textile machinery and stores etc. and the cost of these inputs has gone up.

(e) Does not arise in view of (d) above.

[English]

#### Reduction in UN Contribution from Leading Nations

1686. SHRI VIJAY N. PATIL :  
SHRIMATI MADHUREE  
SINGH : Will the Minister of EXTERNAL  
AFFAIRS be pleased to state :

(a) Whether there has been any reduction in the contribution of finances to U.N.O from leading nations :

(b) if so, the effect of financial reduction in the operations of U.N.O. and its agencies :

(c) Whether an inter-Governmental body of experts has given its report on the finances and need for streamlining the United Nations Organizations and measures for making the world body stronger and more effective :

(d) if so, what are the suggestions contained in the report ; and

(e) steps Government of India are taking to strengthen the U.N.O. and its allied agencies to tide over financial difficulties ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH): (a) Yes Sir ; these are outstanding payments to be made by some of the member countries including USA and USSR against their assessed contributions to the regular budget of the UN Organization. As on 30th June 1986, the total outstanding balance is to the tune of approximately US \$ 462 million which includes US \$ 247 and US \$ 76.7 million required to be paid by USA and USSR respectively.

(b) The UN has endeavoured to avoid adverse impact on its operations by effecting economy measures like freezing of recruitment reductions in expenditures on overtime, travel, curtailment in the number of conferences and other establishment costs. The payments earlier were also financed out of UN reserves which amounted to approximately US \$ 200 million.

(c) Yes Sir.

(d) The suggestions contained in the report include proposals for streamlining both the Secretariat and the inter-Governmental structure, reductions in staff, establishment of priority areas and improving the decision making procedures in the budget area. These measures aim at making the UN more efficient and effective while at the same time reducing the overall expenditure.

(e) India Participated as a member of the Group of High Level inter-Governmental experts and played an important and constructive role in its proceedings and in the drawing up of its report. India has also made early payment of its contribution to the UN regular budget for 1986.

#### Outstanding Loans Against Big Business Houses

1687. SHRI MOHANBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) the total amount of outstanding advances/loans against big business houses extended by the nationalised banks as on 31 March, 1986 ; and

(b) the period of accumulation of outstanding loans/advances against these business houses and the rate of interest charged on the amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India has reported that the total outstanding advances of the scheduled commercial banks against 20 big industrial houses stood at Rs. 2359 crores as on last Friday of March, 1986. These advances are

for different types of facilities and carry different rates of interest depending upon the type of credit facilities, such as demand loans, cash credits, overdrafts, packing credits, purchase and discount of inland and foreign bills as well as medium and long term loans which are repayable beyond a period of 3 years and the financing of sales on deferred payment basis under Industrial Development Bank of India Bills rediscounting scheme. While short term advances to industry other than SSI units are charged interest in the range of 16.5%—17.5% per annum, term loans for not less than 3 years are charged interest at 15% per annum. Advances for purpose of exports both at the pre-shipment and post-shipment stages are charged interest at 9.5% for 180 days.

**Proposal to Introduce Coaches for Tourists**  
i) Wild Life Sanctuaries

1688. SHRI T. BASHEER : Will the Minister of TOURISM be pleased to state :

(a) whether Kerala Government have sent any proposal to introduce coaches for wild life sanctuaries to increase tourism in the State ; and

(b) if so, the sanctuaries selected and the extent of assistance being given by the Union Government to the State ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) Yes, Sir. State Government of Kerala has approached this Ministry for financial assistance amounting to Rs. 14.60 lakhs for the purchase of 4 Mini Buses i.e. two each for use in Parambikulam and Neyyar Wild Life Sanctuaries.

(b) The proposal of the State Government is under consideration.

**Directives for Inclusion of SC ST Members on Departmental Promotion Committees**

1689. SHRI ANADI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) the names of the public sector banks which have not yet implemented the directives issued by Government for inclusion of SC/ST Members on the departmental promotion committees ; and

(b) the steps taken/proposed in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The information is being collected from all Public Sector Banks and to the extent available and permissible under the rules will be laid on the Table of the House.

**Members of Commonwealth**

1690. SHRI S.M. GURADDI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the names of the members of the Commonwealth and since when they have been members ;

(b) which nations have ceased to be members of the Commonwealth and when ; and

(c) to which agencies and associations of the Commonwealth, Government make financial contributions and to which Government do not make such contribution ?

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

Statement	
Member countries of the Commonwealth	Member since
1. Antigua & Barbuda	1981
2. Australia	1931
3. Bahamas	1973
4. Bangladesh	1972
5. Barbados	1966
6. Belize	1981
7. Botswana	1966
8. Britain	1931
9. Brunei Dar-es-Salam	1984
10. Canada	1931
11. Cyprus	1961
12. Dominica	1978
13. Fiji	1970
14. The Gambia	1965
15. Ghana	1957
16. Grenada	1974
17. Guyana	1966
18. India	1947

19.	Jamaica	1962
20.	Kenya	1963
21.	Kiribati	1979
22.	Lesotho	1965
23.	Malawi	1964
24.	Malaysia	1957
25.	Maldives	1982
26.	Malta	1964
27.	Mauritius	1968
28.	Nauru	1968
29.	New Zealand	1931
30.	Nigeria	1960
31.	Papua New Guinea	1975
32.	St. Christopher Nevis	1983
33.	St. Lucia	1979
34.	St. Vincent & the Grenadines	1979
35.	Seychelles	1976
36.	Sierra Leone	1961
37.	Singapore	1965
38.	Solomon Islands	1978
39.	Sri Lanka	1948
40.	Swaziland	1968
41.	Tanzania	1961
42.	Tonga	1970
43.	Trinidad & Tobago	1962
44.	Tuvalu	1978
45.	Uganda	1962
46.	Vanautu	1980
47.	Western Samoa	1970
48.	Zambia	1964
49.	Zimbabwe	1980

Ireland, South Africa and Pakistan have ceased to be members of the Commonwealth since 1949, 1961 and 1972 respectively.

Government of India makes financial contribution to the following bodies under the Commonwealth :

1. Commonwealth Air Transport Council ;
2. Commonwealth Secretariat ;
3. Commonwealth Broadcasting Association ;
4. Commonwealth Foundation ;
5. Commonwealth Agricultural Bureaux International ;
6. Commonwealth Youth Programme ;
7. Commonwealth Science Council ;

8. Commonwealth Fund for Technical Cooperation ;

9. Commonwealth War Graves Commission ;

10. Commonwealth Advisory Aeronautical Research Council ;

11. Commonwealth Forestry Institute, Oxford ; and

12. Special Commonwealth African Assistance Programme (SCAAP).

#### Seizure of Gold at Sahar International Airport

1691. DR. A.K. PATEL

SHRI C. JANGA REDDY ;  
Will the Minister of FINANCE be pleased to state :

(a) whether Custom Officers seized about 140 gold bars arresting three employees of the Soviet Airline, Aeroflot on August 8 last at Sahar International Airport ; and

(b) The estimated value of smuggled gold seized in each of the last three years and the current year and through which channels ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) On 8th August, 1986, the Officers of Customs Collectorate, Sahar Airport, Bombay, while keeping a discreet watch over Aeroflot Flight No. SU-560 noticed two traffic agents of Aeroflot moving in a suspicious circumstances. On noticing the Customs Officers, one of the agents ran away leaving behind a folder in the passage of aero bridge. He was apprehended along with three other traffic agents. Examination of the abandoned folder resulted in the recovery and seizure of 140 gold bars of 10 tolas each of foreign origin collectively valued at Rs. 34.85 lakhs. Assorted foreign currencies equivalent to Rs. 7404 were also seized. In this connection, all the four persons were arrested.

(b) Reports received by the Government and seizures made indicate that gold continues to be sensitive to smuggling into the country. Gold is smuggled in by air,

sea, land routes and through passengers in their baggage and on their person. Smuggling being a clandestine activity does not, by its very nature, lend itself to any estimate. However, the value of gold seized by the Customs authorities during the years 1983 to 1986 (upto September) is given below :

Year	Value (Rs. in crores)
1983	4.18
1984	10.24
1985	51.89
1986 (upto September)	38.95 (provisional)

#### Increase in Foreign Tourist Traffic

1692. SHRI ANAND SINGH :

SHRI JANAK RAJ GUPTA :

Will the Minister of TOURISM be pleased to state :

(a) whether it is a fact that flow of foreign tourists traffic has been significantly higher this year as compared to last year :

(b) if so, the comparative figures for 1984, 1985 and 1986 so far indicating percentage rise ; and

(c) the steps being taken to further increase this tourist traffic in future ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) During the current year there has so far been a significant upsurge in the arrival of foreign tourists. The number of foreign tourists, excluding nationals of Pakistan and Bangladesh, who visited India during 1984, 1985 and January-October, 1986 along with percentage of change are as given below :

Year	Number	% change over previous year
1984	835,503	-5.6
1985	836,908	0.2
1986 (Jan-Oct) (P) Provisional.	773,608 (P)	17.1*

\* Compared to corresponding period of previous year.

The steps initiated by the Government to increase foreign tourist traffic to the country include improvement in infrastructural facilities, special overseas publicity and marketing campaigns, increase in the airlines capacity, offering of facilitation for tourist charters and improvements in the airport arrived and departure facilities.

#### Export of Coal from Meghalaya by MMTC

1693. SHRI G.G. SWELL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation has started exporting coal from Meghalaya to Bangladesh :

(b) if so, the amount and the price per ton contracted for : and

(c) the quantity of the coal exported so far ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Yes, Sir,

(b) A contract has been entered into for export of 50,000 M.T. of Meghalaya coal. It will not be in the commercial interest of the Corporation to disclose the prices.

(c) A quantity of 759 M.T. of Meghalaya coal has been exported to Bangladesh upto October, 1986 in the current financial year.

#### Under- Utilisation of World Bank Loan

1694. SHRI GURUDAS KAMAT :

SHRI MURLIDHAR MANE :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that India has under-utilised the World Bank loan during the last few years ;

(b) If so, the reasons thereof ;

(c) the quantum of loan taken by India from World Bank during the last three years and details of their utilisation ; and

(d) steps proposed to be taken by Government to ensure full utilisation of such loans in future?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA GOJARY) : (a) to (c) No Sir, quantum of loans, credits committed to India by the IBRD and IDA was Rs. 1126.46 crores in 1983-84, Rs. 2829.62 crores in 1984-85 and Rs. 3279.75 crores in 1985-86. The utilisation of IBRD loans and IDA credits in 1983-84 was Rs. 1314.59 crores, in 1984-85 Rs. 1268.04 crores and in 1985-86 Rs. 1544.40 crores. World Bank group assisted projects are implemented over periods normally extending between five to seven years. The assistance committed is utilised over the entire span of the project, and not immediately after commitment.

(d) The progress of utilisation of the World Bank loans for various projects is under constant review by the Government of India. Wherever the utilisation is lower than the target, Government of India alert the project authorities and State Governments.

[*Translation*]

#### Crisis in Mirzapur Carpet Industry

1695. SHRI UMAKANT MISRA : Will the Minister of TEXTILES be pleased to state :

(a) whether he is aware of the crisis faced by carpet industry in Mirzapur-Bhadohi and in various other parts of the country which provide employment to lakhs of people and earn foreign exchange to the tune of crores of rupees ;

(b) if so, the measures being taken to overcome the crisis faced by carpet industry ?

(c) whether steps are being taken to make woolen thread and wool, the main raw material available to the industry at cheaper rates ; and

(d) whether import of wool by carpet manufacturers will be exempted from excise duty by Government ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Provisional export figures for carpets from the country

during the last three years and upto July, 1986 are

Year	(Value Rs. crores)
1983-84	147.70
1984-85	157.60
1985-86	164.60
1985-86 (April-July)	49.63
1986-87 (April-July)	51.62

The above figures do not indicate any decline in the export earnings.

(b) and (c) To Provide additional impetus and to increase the availability of woolen yarn for carpet weaving, the following steps have been taken :

(1) Setting up of an Institute for Carpet Technology at Bhadohi to look after the technical requirements of the industry.

(2) A separate Carpet Export Promotion Council to boost exports of carpets in the world market.

(3) Cash Compensatory Support at rates varying between 8 to 18% depending upon F.O.B. realisation per sq. mts. and 12% on silk carpets have been announced with effect from 1st July, 1986. This has resulted in a 1% increase in CCS rates for higher knotted carpets.

(4) Sales-cum-Study teams are sent to foreign countries to explore market potentials.

(5) Duty drawback at the rate of 3% of the FOB value of the export.

(6) Import Replenishment under Import-Export Policy.

(7) Duty on import of wool has been reduced from 40 to 20% with effect from March, 1986.

(d) Under the scheme of duty free import against Import Replenishment Licences, the exporters are eligible to import 300 gms. of wool, duty free, against export of 1 Kg. of hand knotted woolen carpets.

[English]

**Cut in IDA Aid**

1696. SHRIMATI N.P. JHANSI LAKSHMI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the International Development Association has substantially reduced the share of India in IDA ; and

(b) if so, the implications of this heavy cut in IDA aid on the development plans of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The commitment of IDA credits to India was approximately 40% of total IDA credits to all countries in the World Bank's fiscal year 1980, and has gradually come down to 19.9% in the fiscal year 1986.

(b) Compared to other forms of external assistance, IDA funds are highly concessional and therefore a decline in IDA funds would result in increasing the effective cost of external resources.

**Outstanding Excise Duty**

1697. SHRI NITYANANDA MISRA : Will the Minister of FINANCE be pleased to state :

(a) the names of companies whose excise dues are rupees five crores and above ;

(b) names of those companies whose excise dues are between rupees 3 to 5 crores :

(c) the total dues outstanding against these companies ; and

(d) steps taken to recover the dues ?

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

**Development of Sea Ports in Andhra Pradesh**

1698. SHRI V. TULSIRAM : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation had made some efforts for the development sea ports in Andhra Pradesh ; and

(b) if so, the specific steps taken by the Corporation in this regard and the details of the ports developed/to be developed ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) MMTC has taken keen interest in improving infrastructural facilities at Vishakapatnam port. A proposal for deepening of this port to handle vessels of 170,000 DWT is under consideration of the Government. M.M.T.C. have spent Rs. 8.6 lakhs on detailed engineering study of iron ore handling system. It has also financed Vishakapatnam Port Trust to the extent of Rs.9 crores for improvement in the port facilities.

**Destruction of Soiled Currency Notes**

1699. DR. G.VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that many banks are passing off damaged and torn currency notes to the public ;

(b) whether it is a fact that at the same time most of the banks are refusing to accept soiled and slightly torn currency notes ; and

(c) if so, action proposed to be taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India have reported that a few complaints were received that some bank branches issue soiled and torn notes to the public. Instances of some branches refusing to accept damaged/torn currency notes have also come to the notice of Reserve Bank of India. Such complaints are

taken up by the Reserve Bank of India with the concerned banks for remedial action. As and when soiled or torn currency notes are received in the branches of the banks acting as agents of Reserve Bank of India, they are retained by them and are periodically remitted to Reserve Bank offices for examination and eventual destruction.

#### Scheme for Production and Marketing of Pashmina Shawls and Carpets in Leh

1700. SHRI P. NAMGYAL : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that a scheme for production and marketing of Pashmina shawls and carpets in Leh and Furook Pattoos and carpets weaving in Zanskar of Ladakh was submitted last year to Union Government for clearance ;

(b) the salient features of the scheme ; and

(c) the reasons for delay in clearance of the scheme and when the scheme will be cleared ?

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

(b) The scheme envisaged setting up of production units for Pashmina shawls and carpets in Leh and Furook Pattoos and carpets in Zanskar.

(c) The scheme was not found feasible and, therefore, the same could not be approved. However, one centre each in Leh and Zanskar for imparting training in Pashmina shawl and Furook Pattoo have been approved for implementation. Moreover, 8 centres in Leh and 2 in Kargil for training in Carpet Weaving have already been functioning.

#### Tea Plantation of Himachal Pradesh

1701. SHRI D.N. REDDY : Will the Minister of COMMERCE be pleased to state :

(a) Whether Government are aware that the tea plantation in Kangra, Himachal Pradesh, is dying due negligence of the tea estate owners ; and

(b) if so, the action proposed to be taken by Government for encouraging replantation in the entire area under tea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Tea plantation in Himachal Pradesh have been having problems arising out of low yield, high rate of vacancy, non application of modern scientific cultural methods, poor manufacturing facilities etc. They are, however, now showing signs of improvement.

(b) Tea Board under its various schemes provides loans and subsidies for increasing tea production. Tea growers all over India including those in Himachal Pradesh can avail of the benefits of such schemes if they fulfil the eligibility criteria.

CSIR Complex at Palampur undertakes research and development work for improvement of tea plantations in Himachal Pradesh.

Recently an amount of Rs. 34 lakhs has been sanctioned by the banks under NABARD refinance to 8 tea estates in Kangra for developmental activities.

#### Allocation of Funds for Tourism in Andaman and Nicobar Islands.

1702. SHRI MULIAPPALLY RAMACHANDRAN : Will the Minister of TOURISM be pleased to state :

(a) the steps being taken by Government to promote tourism in the Andamans ;

(b) the amount of allocation made under the Seventh Plan for this purpose and the intended annual disbursement ; and

(c) the amount already spent on the development and the extent of work completed ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) The Ministry of Tourism has recently finalised an Action Plan to develop tourism in the Andamans, envisaging an expansion of tourist facilities.

(b) and (c) Fund allocations are not made on the basis of States/Union Territories but in recognition of the importance of the centre from the tourism point of view and



subject to availability of funds and inter-se-priorities. In 1985-86, the first year of the Seventh Plan, an amount of Rs. 4.48 lakhs was released to the U.T. Administration to carry out a Survey to determine the suitability of construction of a Jetty on cinque Island. The Survey is being carried out by Andaman Harbour Works, Ministry of Shipping and expected to be completed by January, 1987.

#### Development of Dapoli as Tourist Centre

1703. SHRI HUSSAIN DALWAI : Will the Minister of TOURISM be pleased to state :

(a) whether Union Government or State Government of Maharashtra have explored the possibility of developing Taluka place Dapoli in Ratnagiri District from the point of view of promotion of tourism ; and

(b) the areas of tourists interests such as hill forts, sea forts, beaches, historical monuments and caves, jungles and creeks, hot springs within a radius of 25 Kms from this place ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) There is no proposal for development of Depoli at present. However the Government of Maharashtra has identified Harne, Anjale, Kelshi, Dabhol, Panhale Kazi Caves, Unware, Bankot Chikhali as places of tourist interest near Depoli, but has decided not to develop them for the present because of inadequate basic infrastructural facilities in the area and general resource constraint.

[*Translation*]

#### South Asian Regional Cooperation Council Meet

1704. SHRI JAGDISH AWASTHI : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether obstacles coming in the way of bilateral relations would be discussed in the meeting of the South Asian Regional Cooperation Council to be held this month in Bangalore ; and

(b) if so, the matters proposed to be discussed and with which countries ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K.NATWAR SINGH) : (a) and (b) The Charter of the South Asian Association for Regional Cooperation states in Article X that bilateral and contentious issues shall be excluded from the deliberations. Therefore, bilateral issues are not going to be discussed at the SAARC Meetings in Bangalore.

[*English*]

#### Widening Trade Deficit with European Economic Community

1705. SHRI RAM PYARE PANIKA : SHRI RAM DHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that there was a wide trade gap between India and European Economic Community countries and the same is getting wider ; and

(b) if so, the steps being taken to step up exports to EEC countries and to reduce the trade gap between India and EEC countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Yes, Sir. The provisional data in respect of imports and exports between India and EEC countries for the last three years is shown below :

	(Rs. Crores)		
	EXPORTS	IMPORTS	DEFICIT
1983-84	1702.40	3801.01	—2098.61
1984-85	1946.72	4070.91	—2124.19
1985-86	1888.07	4622.37	—2734.30

(b) Efforts continue to be made to promote Indian exports to the EEC countries through various trade promotion measures such as exhibitions, trade fairs, exchange of delegations and other marketing efforts in addition to securing better access for different products from the EEC Commission.

#### Cash Compensatory Support for Coffee Export

1706. SHRI V.S. KRISHNA IYER : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering a suggestion made by Coffee Board to give a higher rate of Cash Compensatory Support on instant coffee exports ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) The suggestion has been considered. The data furnished by the Coffee Board did not justify higher rate of Cash Compensatory Support on instant coffee exports.

#### Proposal to Reduce Price of Viscose Staple Fibre

1707. SHRI RAM BHAGAT PASWAN: Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to reduce the price of Viscose Staple Fibre (V.S.F.) to facilitate the small units to restart their units as the manufacturers of V.S.F. are taking benefit of their monopoly and import of V.S.F. is costlier for customs duty reasons :

(b) if so, the details thereof ; and

(c) if not, the reasons therefor

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (c) The price of Viscose Staple Fibre is not fixed by the Government. While deciding the import policy and customs duty on Viscose Staple Fibre, domestic production and requirement of Viscose Staple Fibre by the Consumer industry are taken into consideration. Government keep a close watch on the domestic prices as well as prices of imported Viscose Staple Fibre.

#### Bank Frauds

1708. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that bank fraud cases in the public sector banks have been on the increase ;

(b) if so, how many cases of bank fraud in the nationalised banks were noticed since the beginning of 1986 till date and how does the figures compare with the bank fraud cases during the corresponding period in 1985 stating the amount involved ;

(c) the main reasons for the rise in the bank fraud cases ; and

(d) the measures taken by Government to check these frauds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Reserve Bank of India has reported, on the basis of periodical reports received from Public Sector Banks, that the number of banks frauds detected in the country and the amount involved therein during the years 1984, 1985 and 1986 (upto 30.6.86) are as indicated below :

Year	No. of frauds detected	Amount involved Rs. in crores
1984	2410	45.18
1985	2157	53.49
1986 (upto 30.6.86)	764	20.95

(c) and (d) Frauds occur in banks not on account of lacunas in the systems and procedures but mainly owing to non-observance and non-application of the laid-down procedures and safe-guards. To prevent frauds, banks are therefore, taking steps to strengthen the control mechanisms including the internal audit/inspection machinery and to make them effective so as to eliminate the scope for frauds and malpractices. Reporting and detection of frauds is also being toned up. Banks take serious view of the irregularities Committed by their employees and initiate action to inflict punishment, befitting the seriousness of the irregularities, on the delinquent employees. Inter-branch reconciliation has also been expedited in banks.

#### Development of Tourism in West Bengal

1709. SHRI SATYAGOPAL MISRA : Will the Minister of TOURISM be pleased to state :

(a) details of schemes taken up for development of tourism in West Bengal during the Sixth Plan period ; and

(b) schemes which have been taken up or are proposed to be taken up during the

Seventh Plan period ?

THE MINISTER OF TOURISM  
(MUFTI MOHD. SYED) : (a) and (b) A  
statement is given below :

Statement

SIXTH FIVE YEAR PLAN

(Rs. in lakhs)

S. No.	Name of Scheme	Year of Sanction	Sanctioned amount	Released amount
1.	Purchase of boats for Mirik Lake and Rabindra Sarovar	83-84	1.71	1.54
2.	Motor launch in Sunderbans	81-82	16.50	16.50
3.	Mini Bus at Jaldapara	81-82 83-84	2.35	2.35
4.	Trekking Equipment	82-83	1.51	1.51
5.	Floodlighting of Terrecota Temple in Vishnupur	84-85	3.80	3.42
6.	Trekking huts in Sandakphu-Phalut Region	84-85	7.87	4.00
7.	Construction of Cottages at Ajodhya Hills	84-85	8.25	2.13
8.	Bare barge for floating accommodation at Sunderbans	84-85	7.00	3.50
			<u>48.99</u>	<u>34.95</u>

SEVENTH FIVE YEAR PLAN

(i)	Construction of Tourist Lodge and Cottages at Digha	85-86	41.00	20.00
(ii)	Yatri Niwas at Darjeeling	85-86	47.39	10.00
(iii)	Floodlighting of Rabindra Bharti at Jorasanko, Calcutta	86-87	15.50	3.00

**Castor Oil Export to USSR**

1710. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) whether castor oil export to the USSR has been on the decline ;

(a) the comparative figures of castor oil exports to USSR during the last three years, year-wise, stating the factors responsible for the decline in its exports and the extent of loss in foreign exchange earnings as a result thereof ; and

(c) the steps taken to step up the export of castor oil ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) As against the trade plan provision for export of castor oil to USSR which has been at a constant level of 35,000 tonnes per-year for the last three years, exports of castor oil have been as follow :

Year	Quantity in Tonnes	Value in Rs. Crores
1983-84	17,080	24.60
1984-85	34,225	44.42
1985-86	31,600	26.54

The volume of export has not shown any significant decline but there has been substantial shortfall in export earnings on account of fall in price as a result of surplus production in Brazil which is the other major producing country.

(c) The Government has announced CCS at the rate of 5% on exports of castor oil medicinal BP which constitutes the bulk of castor oil exports. There is also CCS on some castor oil derivatives ranging from 8 to 10 per cent. It is anticipated that grant of CCS on export will enable us to step up export of castor oil.

**Raids on contraband Goods Markets**

1711. SHRI C. MADHAV REDDI ; SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether any raids had been conducted recently by the Directorate of Revenue Intelligence and the Customs on the contraband goods markets at Madras, Bombay and other places ;

(b) if so whether any goods have been seized ; and

(c) if so, the total value thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The total number of raids/searches conducted by the Customs authorities, including Directorate of Revenue Intelligence, under the Customs Act, 1962, against open displays and sale of smuggled goods and in connection with smuggling activities, throughout the country, including raids/searches conducted in the markets at Madras and Bombay, during the three months period from July to September, 1986 and the value of the goods seized as a result thereof, is given below ;

Number of raids/searches	Value of goods seized (Rs. in crores)
3712	5.37

(Figures are provisional)

**Loans to SC ST Under IRDP**

1712. SHRI K.D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

The details of the loans advanced by the various nationalised banks to Scheduled Castes and Scheduled Tribes in the country under Integrated Rural Development Programme during the last one year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The credit disbursed by the banking system to the Scheduled Castes and Scheduled Tribes beneficiaries under the Integrated Rural Development Programme during 1985-86 was Rs.268.61 crores which constituted 36.8% of the total credit disbursed. The present data reporting system does not yield information separately for the nationalised banks.

### Steps to Improve Working of NTC

1713. SHRI BHATTAM SRIRAMA MURTHY : Will the Minister of TEXTILES be pleased to state :

(a) the anticipated losses during the current year ;

(b) whether the investment on modernisation and renovation of the mills under the National Textile Mills is expected to make the Mills viable ;

(c) the investment made so far and the results achieved ; and

(d) whether the Chairman-cum-Managing Director has since been appointed and if not, the reasons thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) It is anticipated that the losses of NTC Mills during the current year might exceed the losses last year which were about Rs.117 crores though all possible steps are being taken to contain the losses.

(b) and (c) Upto June 1986, an amount of Rs.340.38 crores had been spent on modernisation/renovation of the mills under NTC. After modernisation capacity utilisation, production, productivity, production value and sales realisation etc. have registered significant increases. However, further heavy investment on modernisation would be required to make the NTC mills viable.

(d) No, Sir. But interviews were held by the PESB last month and further action is being taken.

### Steps to Bring Textiles Units au International Standard

1714. SHRI MURLIDHAR MANE : Will the Minister of TEXTILES be pleased to state the steps taken by Government to bring the textiles units at international standard in term of cost and quality of cloth particularly in the light of the new textile policy announced by Government in 1985 ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : The new Textile Policy of June, 1985 has envisaged guidelines for growth and development of the Textiles Industry in India not only for increase in production of cloth of acceptable quality at reasonable prices to meet the domestic requirements, but also for upgradation of the quality of cloth so as to make it internationally competitive. Some of the important measures taken in this direction are as follows :

(i) Lifting the ban on the expansion of weaving capacity in the organised sector ;

(ii) allowing full fibre flexibility ;

(iii) rationalisation of fiscal levies on certain man-made fibre/yarn ;

(iv) decision to set up more powerloom Service Centres with active help of the Textile Research Associations for imparting training to powerloom weavers to increase their productivity and improve the quality of the cloth ;

(iv) several measures for development of handlooms ;

(vi) setting up of a national level Advisory Committee for modernisation of the textile industry ;

(vii) creation of a Modernisation Fund ;

(viii) Certain sophisticated textile machinery required for modernisation is allowed to be imported at concessional duty with expert obligation.

### Price of Black Pepper

1715. SHRI P. KOLANDAIVELU : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the price of black pepper is increasing in the international market : and

(b) if so, the steps taken by Government to increase production and export of pepper ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.DASMUNSI) : (a) Yes, sir.

(b) The Ministry of Agriculture and the State Government of Kerala are undertaking several development programmes for increasing production of pepper. These include distribution of hybrid varieties, assistance for plant protection etc. for increasing production and productivity of pepper.

Spices Export Promotion Council is taking various steps such as participation in fairs exhibitions, sending trade delegations, arranging trade meetings, advertisement and publicity through media for increasing export of spices including pepper. Export of pepper during 1985-86 have reached a new peak valued at Rs. 172.48 crores as against the previous record earning of Rs. 60.54 crores in 1984-85. Exports during the first six months of 1986-87 are provisionally estimated to be at Rs. 106.78 crores as against Rs. 23.32 crores during April-September, 1986.

#### Concession in Air Fare and Hotel Accommodation to Tourists

1716. SHRI N. DENNIS : Will the Minister of TOURISM be pleased to state :

(a) whether Government have introduced a scheme to give concession in Air fare and Hotel accommodation to tourists during off-season ; and

(b) if so, the details therefore and the number of tourists availing of these concessions ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) Yes, Sir, The Department of Tourism in collaboration with Air India and ITDC has launched a scheme called 'Affordable India' to attract tourists from Europe during the lean season. The scheme offered discounted

fares by Airlines, participating hotels, tour operators and travel agents. Utilisation of seats on Air India from Europe during April/June 1986 was a total of 9340 as compared to 1918 seats during April/June, 1985.

At present Indian Airlines offers two off-season concessional air fares between Delhi/Srinagar/Delhi and on the Delhi/Agra/Khajuraho/Varanasi/Bhubaneswar routes

Although Vayudoot does not offer any concessions on air-fare during the off-season, tourists can take advantage of their holiday package tours operated in collaboration with State Tourist Development Corporations during the off-season.

To promote Domestic tourism during off season India Tourism Development Corporation offers special packages at reduced tariff covering all age groups inclusive of non-resident Indians.

#### Removal of Directors of NTC

1717. SHRI RAMASHRAY PRASAD SINGH :

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

(a) whether some top executives of the National Textile Corporation have been removed after an evaluation of their performance ; and

(b) if so, the full details ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) during the year 1986, the services of Four Functional Directors in the Subsidiary corporations of National Textile Corporation were terminated prematurely. A statement showing the details of such premature terminations is given below :

## Statement

S. No.	Designation & Name of Subsidiary	Remarks
1.	Director (Technical). NTC (Gujarat) Ltd., Ahmedabad.	Term of appointment was due to expire on 26.9.1987. Services terminated w.e.f. 21.6.1986.
2.	Director (Commercial). NTC (Gujarat) Limited, Ahmedabad.	Term of appointment was due to expire on 9.2.1988. Services terminated w.e.f. 21.6.1986.
3.	Director (Personnel). NTC (WBABO) Limited, Calcutta.	Term of appointment was due to expire on 29.4.1988. Services terminated w.e.f. 14.4.1986.
4.	Director (Finance). NTC (WBABO) Limited, Calcutta.	Term of appointment was due to expire on 10.8.1988. Services terminated w.e.f. 14.4.1986.

**Opening of Bank Branches in Pathanamthitta District, Kerala.**

1718. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether there is any demand for opening more branches of nationalised banks in the Pathanamthitta district of Kerala ; and

(b) if so, the number of new branches opened during the last two years ?

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

(b) During the two years 1984 and 1985, the scheduled commercial banks have opened 7 new branches in Fathanamthitta District.

**Strike by All India State Bank Officers' Federation**

1719. SHRI A.J.V.B. MAHESHWARA RAO ; Will the Minister of FINANCE be pleased to state :

(a) the reasons for a day's token strike by all India State Bank Officers' Federation on 18th September, 1986 ; and

(b) the details regarding the demand of the All India State Bank Officers' Federation and the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The All India State Bank Officers' Federation had gone a day's token strike on September 18, 1986 to press for various demands raised by them before the management.

(b) The details of the Federation's demand are given in the statement below. State Bank of India have informed that they had discussions with the representatives of the Federation and those demands which were found reasonable have been conceded. However, the Bank Officers' Federation insisted on a decision by the State Bank Management on issues that had industry-wide ramifications and this was obviously not possible.

#### Statement

Details of demands of All India State Bank Officers' Federation regarding a day's token strike on September 18, 1986.

1. The differential of Rs.565/- should be maintained between the pay of clerk and officer; this amount is the officiating allowance, which a clerk draws while acting as officer for atleast one month.

2. (i) A clerk, who officiates as an officer, is required to refund the amount of officiating allowance, whenever he gets promoted as an officer from back date; this recovery should be waived.

(ii) Provident Fund contribution should be calculated after notionally adding the officiating allowance of Rs.565/- payable to clerks in the officers' pay.

(iii) The fitment equation formulated by the Indian Banks' Association should be stepped up by one or two stages.

(iv) In State Bank of India, clerical employees who were at the maximum of clerical pay scale on or before 1.7.1983 (i.e. the date of implementation of the Fourth Bipartite settlement) have been granted a Fixed Personal Allowance of Rs.95/- or Rs. 190/-. Accordingly, all existing officers should also be given benefit of Rs.95/- or Rs. 190/- by way of additional increment in the officers scale of pay.

(v) As the salary scales of officers have been revised from 1.2.1984 and the salary of workmen staff were revised from 1.7.1983, the linkage in the fitment formula from one stage of clerical basic pay to the comparative stage of officers' basic pay was snapped during this period. This should be restored.

3. Arrears of provident fund contributions revised in 1986 with retrospective effect from 1.7.1983 should carry interest from month to month to which the contribution relates.

4. The merit channel examination for promotion to MMGS II for the year 1985 should be abolished and all promotions should be made through the seniority channel alone. As the Bank had delayed the promotional process, employees should be paid perquisites from back date. The Bank should hold merit channel examination for 1985 for those Junior Management Grade Scale I Officers, who were appointed as such from 1.10.1979 to 31.12.1979.

5 (i) The two channel promotion policy should be continued for the period 1986-90 also; 65% of the vacancies should be reserved for these JMGS I officers who were in service before 1.10.1979 (other than erstwhile officers grade I). Further, adequate vacancies should be created to assure promotions to such officers.

(ii) The weightage presently given for passing the Associate Examination conducted by the Institute of Bankers Examination for promotion to MMGS III should be abolished.

6 (i) Officers, who are posted to difficult areas, should be provided leased accommodation at the place of their convenience to enable them to keep their families thereat for ensuring proper education and medical facilities etc.

(ii) Rental ceiling of leased houses provided to officers at various centres should be enhanced, as the existing ceilings had become out of tune with prevailing rents.

(iii) At all centres or atleast at district head quarters, officers should be provided with the leased housing facility.

7. Transfers of officers should be restricted to within the State/Circle or module and the Bank should frame policy regarding posting of officers at its Central Office in Bombay, Inspection Department or in foreign offices, in consultation with the Federation.



8. Direct recruitment should not be resorted to in specialists appointment above the JMGS I level and all such position, in higher grades should be filled through promotions.

9 (i) Cases of officers are being placed under the sealed covers only for the reason that investigation is pending. Further, cases of officers of Top Executive Grade Scale VI and above are not placed under Sealed Cover.

(ii) Promotion letters of officers are being withheld by the Circle authorities on the plea that in the mean-time complaints has been received and investigation had been ordered. Such a step is taken only in cases of officers upto SMGS V and not above.

10. There is considerable delay in finalising disciplinary cases of officers : cases of officers placed under suspension are not being reviewed periodically in violation of the existing guidelines.

11. The existing guidelines for grant of extension in service should be a reviewed.

12. The provisions of paragraph 19 (3) of the State Bank of India Officers (Determination of Terms and Conditions of Service) Order 1979 whereby services of officers are continued despite superannuation/ceasing to be in service for purposes of disciplinary proceedings should be deleted : if the disciplinary proceedings are not completed in three months, after an officer ceases to be in the Bank's services, these should be deemed to have been abated.

13. Officers who had died in harness, have not been paid compensation and claims of dependants of such officers are declined arbitrarily.

14. There is acute shortage of staff at branches and officers are undergoing severe hardships on this account. The norms followed by the bank for assessing manpower requirements at various offices should be streamlined in consultation with the Federation.

15. The bank should go slow with computerisation : it should not undertake

further computerisation without consulting the Federation.

16. The bank should abolish Simplified Accounting Procedure Branches and a committee be appointed to review the Bank's organisational structure, systems and procedures, staffing activities etc,

17. The revised pay scales of officers in Senior Management Grades should be released.

18. Without any corresponding compensation, higher responsibilities are entrusted to officers by merely designating them as Assistant Accountants. This should be stopped.

#### **Institutions Dealing with Hotel Management, Catering Technology**

1720. SHRI SHANTARAM NAIK : Will the Minister of TOURISM be pleased to state :

(a) number of institutions dealing with Hotel Management, Catering Technology and Applied Nutrition functioning in the country ;

(b) what are their present grades ; and

(c) whether any of these institutions are proposed to be upgraded ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) Twelve Institutes of Hotel Management, Catering Technology and Applied Nutrition and Ten Foodcraft Institutions are functioning at present.

(b) While the Institutes of Hotel Management, Catering Technology and Applied Nutrition impart at the middle management/supervisory levels besides craft level, Foodcraft Institutes impart training at craft and skill level only.

(c) Yes, Sir. During Seventh Five Year Plan, it is tentatively proposed to upgrade Five existing Foodcraft Institutes into Diploma awarding Institutes of Hotel Management, Catering Technology and Applied Nutrition.

[*Translation*]

**Raids during Later Half of October, 1986**

1721. SHRI KALI PRASAD PANDEY: Will the Minister of FINANCE be pleased to state :

(a) the details of the amount recovered as a result of the raids conducted throughout the country during the later half of October, 1986 and the particulars of the organizations and officers on whom these raids were conducted ; and

(b) the action taken so far against the persons/officers/firms raided ?

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

[*English*]

**India's Call for Settlement on Kampuchean Problem at UN General Assembly**

1722. SHRI E. AYYAPPU REDDY :  
SHRI KALI PRASAD PANDEY: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether India has called for a negotiated settlement of the Kampuchean problem at the U.N. General Assembly ;

(b) the names of countries which supported India's views ;

(c) whether ASEAN Group of countries in their resolution to the UN General Assembly called for the withdrawal of all foreign forces from Kampuchea ; and

(d) whether India served a notice that it would abstain on the resolution and if so, the reasons thereof ?

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

(b) A number of Government share our approach to this question.

(c) Yes, Sir.

(d) While affirming India's willingness to support any constructive action which would defuse tension and promote a viable political solution, India abstained on the resolution sponsored by ASEAN countries since the approach embodied in that resolution was not conducive to bringing about the desired result.

**Recovery of Loans from November, 1984 Riot Victims**

1723. SHRI BASUDEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that November, 1984 Riot Victims Association has represented to his Ministry (Banking Division) on 25 August, 1986, 9 September, 1986 and 27 September, 1986 requesting for deferring recovery of bank loans till such time their cases for payment of compensation are finally disposed of by Government as their establishments were not insured ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Yes, Sir. The said representations were referred to Reserve Bank of India. Reserve Bank of India have reported that it had already issued guidelines to banks for providing various credit facilities on concessional terms to the affected persons for repairs/re-construction of their damaged houses, continuing/re-establishing production, business and occupation such as taxi, truck, auto-rickshaw and other small transport operators, small industrial units, retail trade, conversion and rescheduling of existing loans grant of fresh advances at concessional rate of interest, waiver of margin requirement in respect of advances upto Rs. 1 lakh, non-insistence of collateral security/third party guarantee for loans upto Rs. 25,000/-, speedy clearance of loan proposals, prompt disbursement of loans etc. The above liberal facilities by banks have been provided as a very special case due to the extra-ordinary circumstances of November, 1984 disturbances.

As regards insurance claims, the banks have been advised to make need based credit requirements of the affected units without taking into account the insurance claims expected to be received in case assets were insured. However, the insurance claim amounts, when received should be credited to the loan accounts of the borrower concerned. Reserve Bank of India have not received any complaints or representations regarding harassment of riot victims by bank management. However, specific complaints, if any, could be taken up with the concerned bank for remedial measures. Relief in the repayment of bank loans can be considered on the merits of each individual case.

**Mid-Term Review of Indian Economy by Reserve Bank of India**

1724. SHRI HARIHAR SOREN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any mid-term review of the performance of the Indian economy in 1986-87 ;

(b) if so, the rate of growth in real national income in agriculture and industry as per the review ; and

(c) the prospect of Indian economy in the above fields including the price situation in 1986-87 according to the review made by the Reserve Bank of India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government keeps a close watch on the emerging economic situation. However, no 'mid-term review' as such is undertaken.

(b) Growth in industrial production during April-July, 1986, as revealed by the average of index numbers of industrial production, is estimated at 5.4 per cent over the average index of the corresponding 4 months of 1985. For agricultural sector, however, it is too early to make any meaningful estimate for 1986-87 at this stage.

(c) According to the Annual Report of the Reserve Bank of India for the year ended 30th June, 1986, the performance of

the Indian economy in 1986-87 could be expected to be better than in the previous two years.

**Indians Deported Consequent on Visa Introduction**

1725. SHRI DINESH GOSWAMI : Will the Minister of EXTERNAL AFFAIRS be pleased to state the number of Indians who have been deported from U.K. consequent on the introduction of visa system by British Government ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : The information is being collected and will be placed on the Table of the House as soon as possible.

**Loans to Companies who Failed to Deposit Employees' Share of Provident Fund**

1726. SHRI CHITTA MAHATA : SHRI AMAR ROYPRADHAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government had issued any guidelines to the nationalised banks not to advance loans to the companies which failed to deposit the employees' share of provident fund contribution ; and

(b) if so, the number of the companies granted loans during 1984-85 in violation of the above directive ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Reserve Bank of India has advised banks that particulars of outstanding dues relating to persistent defaulters received from provident fund authorities should be kept in view while considering the applications for credit facilities. As regards sick units, in case where dues fell into arrears for reasons beyond the control of the borrowers, banks may consider individual cases on merits.

The Reserve Bank of India has further reported that the matter about non-receipt of the list of defaulters was brought to the notice of the Central Provident Fund Commissioner, who has reiterated his instructions

to the Regional Provident Fund Commissioner to furnish the list of defaulters to the banks in a regular manner.

In the case of borrowers covered by Credit Authorisation Scheme, information regarding provident fund dues is required to be included in 'Statutory Liabilities' to be shown in the data base prescribed for consideration of applications by the Reserve Bank of India under the Credit Authorisation Scheme.

#### **Boarding Lodging Facilities at Agra, Fatehpur Sikri, Ajanta and Ellora**

1727. SHRI JANAK RAJ GUPTA : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to provide additional facilities for recreation, boarding and lodging for tourists visiting Agra, Fatehpur Sikri, Ajanta and Ellora ; and

(b) if so, details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) A scheme for constructing a travellers lodge with appropriate landscaping etc. is under implementation at Fatehpur Sikri. Apart from this, the Central Government has not received any proposal for additional facilities for recreation, boarding and lodging for tourists visiting Agra, Fatehpur Sikri, Ajanta and Ellora.

#### **Loans under IRDP in Andhra Pradesh**

1728. SHRI S. PALAKONDRAYUDU: Will the Minister of FINANCE be pleased to state :

The total number of persons who have been given loans from nationalised banks under IRDP during 1983-84, 1984-85, and 1985-86 in Andhra Pradesh, year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : Reserve Bank of India (RBI) have reported that the number of families assisted in Andhra Pradesh by all scheduled commercial banks, Regional Rural Banks and Cooperative

Banks during 1983-84, 1984-85 and 1985-86 under IRDP were 2,49,259, 2,73,328 and 1,81,726 respectively.

#### **Difficulties of Public Sector Units in Getting Import Licences**

1729. SHRI PRAKASH V. PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of Government has been drawn to the inordinate delay involved in getting import licences for the components required for the Public Sector Undertaking projects which in turn results in delay in implementation of projects cost escalation and other consequences ;

(b) whether Government have undertaken any indepth study of the entire system and procedures ; and

(c) if so, the results of such study and action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) No, Sir.

(b) and (c) A Management Study Team under the Chairmanship of Commerce Secretary has undertaken an indepth examination of procedures and their report is awaited.

#### **Outstanding Income Tax and Wealth Tax against Central Ministers**

1730. SHRI RAM DHAN : Will the Minister of FINANCE be pleased to state :

(a) The names of the Union Ministers who have not filed their returns during last three years ; and

(b) the amount of Income Tax and Wealth Tax due from them as on 31st March, 1986 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Having regard to the large number of Ministers the information will have to be gathered from the field formations spread all over the country which will involve

considerable time and effort. However, if the information is desired about any particular Minister, relating to the tax outstanding on a particular date, the same can be collected and furnished.

**Proposal for Extending Assistance to Handloom Sector to Permit Rebate on Sales on Handloom in Tamil Nadu**

1731. SHRI R. ANNANAMBI : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal for extending assistance to handloom sector to permit rebates on sales of handloom clothes to make it popular and to increase its sales in Tamil Nadu ; and

(b) if so, the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) No, Sir. However, a scheme is already being implemented whereby special rebate upto 20%, shared equally between Central and State Governments, is allowed on the retail sales of handloom cloth for a period of 30 days in a year as well as during the National Handloom Expos organised and other exhibitions approved by the office of the Development Commissioner for Handlooms

**Export of Engineering Goods**

1732. SHRI SOMNATH CHATTERJEE : Will the Minister of COMMERCE be pleased to state :

(a) the expected quantum of export of engineering goods during the year 1986-87 ;

(b) the quantum of export of such goods since April till date this year ; and

(c) the reasons for shortfall, if any ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) A target of Rs. 1750 crores has been fixed for the export of engineering goods during 1986-87.

(b) During the period April-Sep. 1986, the provisionally estimated exports of engineering goods are Rs.475 crores.

(c) The Government has taken a series of measures to boost the exports of engineering goods. It is expected that these steps will result in higher exports during the remaining period of the current year.

**Indo-Soviet Trade Agreement**

1733. SHRI SOMNATH RATH : Will the Minister of COMMERCE be pleased to state :

(a) whether an Indo-Soviet Trade agreement was signed in August 1986 ; and

(b) If so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) No Trade agreement has been signed recently between India and the USSR for increasing cooperation in the field of trade and economic relations. However, a Trade Agreement was signed between the two countries on 23.12.1985 extending the Rupee payment arrangement from 1st January, 1986 to 31st December, 1990. The salient features of the Agreement are that payments for all commercial and non-commercial transactions between the two countries are to be made in non-convertible Indian Rupees and the Rupees are to be utilised by the Soviet authorities for purchases of Indian goods and services for export to the USSR. The trade is to be conducted as hitherto on a balancing basis over a period of time. The agreement also provides for automatic renewal for subsequent periods of 5 years at a time unless either party gives a written notice to the other atleast six months in advance of the date of expiry of the Agreement of its intention to modify it.

**Discontinuance of Flights from Udaipur to Ahmedabad**

1734. PROF. NARAIN CHAND PARASHAR : Will the Minister of TOURISM be pleased to state :

(a) whether the decision to discontinue the Indian Airlines flights from Udaipur to Ahmedabad has adversely affected the prospects of tourism in Rajasthan and Gujarat ;

(b) if so, the reasons for discontinuing the flight ; and

(c) when it is proposed to be resumed for the promotion of tourism ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (c) The flight between Udaipur and Ahmedabad was discontinued in 1979 and at present there is no proposal to resume it. The discontinuance of this flight is not adversely affect tourism in Rajasthan and Gujarat.

#### Directives Regarding Sick Jute Mill's

1735. SHRI ATISH CHANDRA SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have received the details from the State of West Bengal regarding sick jute mills in the State ;

(b) if so, the details thereof ;

(c) how many units have been identified by the State which require immediate rehabilitation on the basis of Gujarat formula ; and

(d) what further steps are being contemplated in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c). No communication has been received from the State Government of West Bengal in this regard.

(d) Does not arise.

#### Pending Passport Applications

1736. SHRI SYED SHAHABUDDIN : Will the Minister of EXTERNAL AFFAIRS

be pleased to state :

(a) number of passport applications pending on 1st January, 1985 and 1st January, 1986 in each passport office ;

(b) number of passport applications received by each office during 1985 ;

(c) number of passport applications disposed of by each office during 1985 ;

(d) the average time taken for the disposal of a passport application ; and

(e) the steps taken to reduce the processing time ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) to (c) Details are given in the Statement below :

(d) 6 weeks, where passport applications are complete and clear police reports have been received.

(e) Various steps taken to reduce the processing time of Passport applications are ;

(i) introduction of new comprehensive and computer compatible passport application forms ;

(ii) scrutiny of passport applications at the time of presentation at the counter itself with a view to ensuring that the same is complete in all respects ;

(iii) introduction of **Electronic Cash Register Machines** in 7 out of 20 Passport Offices ;

(iv) introduction of computers in the Passport Offices at Delhi, Madras, Bombay and Cochin out of which the computers at Delhi and Madras have started functioning since September, 1986.

## Statement

S. No.	Station	No. of passport applications pending on 1st January, 1985	No. of passport applications pending on 1st January, 1986	No. of passport applications received during 1985	No. of passport applications disposed of by each office during 1985
1.	Ahmedabad	8,164	20,982	75,999	63,181
2.	Bangalore	10,338	10,594	81,963	81,707
3.	Bareilly	5,947	21,247	65,514	50,214
4.	Bhopal	1,830	3,206	16,566	15,190
5.	Bhubaneswar	601	1,260	4,303	3,644
6.	Bombay	26,154	11,614	2,48,126	2 62,666
7.	Calcutta	3,795	10,642	41,349	34,502
8.	Chandigarh	12,533	21,313	61,596	52,816
9.	Cochin	6,143	11,752	92,316	86,707
10.	Delhi	8,816	13,868	1,06,341	1,01,289
11.	Guwahati	943	701	3,071	3,313
12.	Hyderabad	9,939	10,260	51,440	51,119
13.	Jaipur	9,031	8,977	45,177	45,231
14.	Jalandhar	16,094	25,499	56,986	47,581
15.	Kozhikode	13,818	8,424	60,059	65,453
16.	Lucknow	3,006	11,419	39,933	31,520
17.	Madras	9,853	5,734	72,072	76,191
18.	Patna	1,444	5,438	15,962	11,968
19.	Srinagar	1,919	5,144	10,278	7,503
20.	Tiruchirappalli	9,389	16,883	69,142	61,648
21.	Vijayawada	1,256	4,084	14,249	11,421

## Wholesale and Consumer Price Index

April, 1st July and 1st October, 1986 ; and

1737. SHRI SYED SHAHABUDDIN :  
Will the Minister of FINANCE be pleased to state :

(a) the wholesale price index on the 1st day of each quarter during the current financial year and the corresponding figure for the previous financial year ;

(b) the All India Consumer Price Index on the 1st day of every quarter during the current financial year and the corresponding figures for the previous financial year ;

(c) annual rates of inflation as measured with reference to the two indices as on 1st

(d) steps, if any, taken by Government to control the rate of inflation.

THE MINISTER OF STATE IN  
THE MINISTRY OF FINANCE (SHRI  
JANARDHANA POOJARY) : (a) to (c)  
The required information is given in  
statement below.

(d) The thrust of the Govt's anti-inflationary policy continues to be on effective demand and supply management including strengthening of public distribution system, regulated releases of sugar and edible oils, enforcement of discipline and mopping up of excess liquidity in the system. The Central Government has advised the State

Government to take strict action against traders indulging in profiteering hoarding and black marketing.

#### Statement

Wholesale Price Index (1970-71 = 100)

1986-87		1985-86	
5.4.1986	361.4	6.4.1985	348.5
5.7.1986	377.7	6.7.1985	359.6
4.10.1986	383.4 (P)	5.10.1985	358.7

#### P-Provisional

All India consumer Price Index for Industrial workers (1969 = 100)

	1986	1985
March	638	586
June	658	606
September	676	619

Annual rate of inflation as on 1st April, 1st July and 1st October, 1986.

WPI		CPI	
(1970-71 = 100)		(1960 = 100)	
5.4.1986	3.7%	March '86	8.9%
5.7.1986	5.0%	June '86	8.6%
4.10.1986	6.9%	September '86	9.2%

#### Export of Jute

1738. SHRI SYED SHAHABUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) quantum of World export of raw jute in 1983, 1984 and 1985 and the respective share of major exporting countries therein ;

(b) names of main importers of Indian raw jute ;

(c) India's average share over this period of the market of each major importing country ; and

(d) steps taken to promote India's share of world export of jute ?

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

(b) Main importers of Indian raw jute are USSR and Poland. In 1985-86, U.K. also took a nominal quantity.

(c) There was no export of raw jute from India in 1983-84 and 1984-85.

(d) India is not a regular supplier of raw jute in world market in view of its fluctuating production of raw jute. It is only in years of surplus, export of raw jute is allowed. However, some token exports of raw jute are being made to East European countries under annual Trade Plan provisions.

#### Statement

Quantum of world export of raw jute including kenaf and allied fibres in 1983-84 and 1984-85 and respective share of major exporting countries, as reported in PAO's Quarterly Statistics (September, 1986) were as under :-

	1983-84	1984-85
	(in thousand metric tons)	
WORLD	459.5	349.9
DEVELOPING	448.9	334.7
Latin America	—	—
Brazil	—	—
China	42.0	45.0
Far East	406.9	289.7
Bangladesh	344.3	253.8
Burma	—	2.0
India	0.1	—
Nepal	7.5	5.2
Thailand	48.0	21.7
Asia CPE	42.0	45.0
DEVELOPED	10.5	15.2
Western Europe	10.5	15.2

#### Proposal to Develop Daringibari in Orissa as Tourist Spot

1739. SHRI RADHAKANTA DIGAL : Will the Minister of TOURISM be pleased to state :



(a) whether Government have examined the proposal to develop Daringibari, a place of tourist interest located in Phulbani district, Orissa into a national tourist spot :

(b) if so, the steps taken thereon ; and

(c) the details thereof ?

**THE MINISTER OF TOURISM (MUFTI MOHD. SYED) :** (a) to (c) Ministry of Tourism have not received any proposal to develop Daringibari in Orissa as a tourist spot in the State.

#### **Indian Joint Ventures Abroad Set Up by Large Industrial Houses**

1740. DR. B.L. SHAILESH : Will the Minister of COMMERCE be pleased to state :

(a) the particulars of the joint ventures set up abroad by the first 10 large Industrial Houses indicating their investment in the form of equity, plant and machinery and terms of collaboration with foreign Government or companies ;

(b) the profits repatriated by these companies as per latest information available with Government ;

(c) the check being exercised over the misuse of foreign exchange earned by these companies abroad ;

(d) whether any manipulations or under-hand deals by any of these Industrial Houses in the misappropriation of foreign exchange have come to Government's notice recently ; and

(e) if so, their broad particulars and the action taken in each case for any violations of the existing rules and regulations ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) :** (a) to (e) The information is being collected.

#### **Public Issue Collections by Companies**

1741. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether the Finance corporate management are free to keep their public issue collections in short-term deposits ;

(b) whether any directive has been issued on this subject and if so, the broad outlines thereof ; and

(c) if not, the reasons therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) In terms of the provisions contained in Section 73 (3) of the Companies Act, 1956, all moneys received on account of share allotment are to be kept in a separate Bank Account to be maintained by the Company with a Scheduled Bank until the permission has been granted for the shares to be dealt with in a Stock Exchange, or, where an appeal has been filed against the refusal to grant such permission until the disposal of the appeal. On 30.10.86, the R.B.I. has clarified to all scheduled banks that they should not agree to their clients' requests for transfer of share application moneys received by them and kept in separate account to short term deposits and/or cash credit accounts.

#### **Jugglery of Figures by New Companies**

1742. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that in a bid to woo investors, some new companies going public have started juggling figures relating to projections on capacity utilisation levels, turn-over and profitability, with the aim to project a more cheerful picture of the company which is at variance with the projections that the Financial Institutions have made while sanctioning term loans to it ; and

(b) if so, steps Government propose to take to countenance such private jugglery behind public issue promises ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The matters to be specified in the prospectus and reports set out therein are governed by the provisions of the Companies Act, 1956.

The Act also contains penal provisions for mis-statements in the prospectus. Both civil and criminal liabilities accrue to persons specified in the Act in respect of such mis-statements. Government have also issued guidelines to the effect that companies making public issues of capital should not depict at the time of their press conferences or at any other time too rosy a picture about the prospects of the company which is not contained in the prospectus.

#### North-South Gap

1743. DR. B.L.SHAILESH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the North-South gap has widened further ;

(b) if so, the reasons therefor ; and

(c) its impact on India's developing economy ?

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

(a) There has always been a substantial gap between the income levels in the developed countries of the North and the developing countries of the South. During the global economic crisis in the 1980s, many developing countries suffered declines in their income levels. This has tended to widen the gap.

(b) Large falls in commodity prices, recession and growing protectionism in the developed countries have sharply reduced the export earnings of developing countries. Moreover, stagnation, and even declines, in concessional and other financial flows have aggravated their difficult foreign exchange situation. These adverse factors have resulted in a debt and development crisis in many developing countries which has reduced their income levels and living standards.

(c) India has long followed a development policy based on self-reliance. This policy and particularly the attainment of food self-sufficiency, has served India well and has enabled us to weather the recent crisis better than many other developing

countries. However, India cannot remain immune to adverse external developments, particularly protectionism and the erosion of the rules and norms of the international trading system.

#### Economic Cooperation between India and Zambia

1744. SHRIMATI JAYANTI PATNAIK : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether joint economic co-operation is proposed to be intensified between India and Zambia ;

(b) if so, the efforts made by both the countries in that direction ;

(c) the areas of co-operation identified by India and Zambia ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALERIO) : (a) In the spirit of South South-cooperation Government has been endeavouring to step up cooperation with African and other developing countries. The Prime Minister visited Zambia and :

(b) three other Frontline states in May this year when concrete steps in furthering economic, technical and commercial cooperation with these countries were taken. In response to an invitation extended to him by the Prime Minister, the Prime Minister of Zambia visited India from September 22 to October 1, 1986.

(c) As a result of discussions during the Zambian Prime Minister's visit, the two sides identified oil processing, fruit and vegetable processing, bio-gas development,

(d) handloom weaving, leather goods production, manufacture and repair of agricultural implements, metal fabrication, small scale industries, development of irrigation schemes, steel re-rolling, aluminium production etc. as possible areas of economic and technical cooperation.

**Cotton Cultivation in Orissa**

1745. SHRIMATI JAYANTI PATNAIK: Will the Minister of TEXTILES be pleased to state :

(a) whether there is a possibility of growing cotton in some areas of Orissa where cotton cultivation has not been started ; and

(b) if so, the efforts made by Union Government in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR): (a) and (b) There is a possibility of growing cotton in some areas of Orissa, where agroclimatic conditions are conducive for cotton cultivation. For raising the production of cotton in the State, a Centrally Sponsored Intensive Cotton Development Programme was in operation during the Sixth Five Year Plan period. During 1985 86 an area of 2,000 ha. was covered under this Scheme.

**Construction of 3-Star Hotels in Orissa**

1746. SHRIMATI JAYANTI PATNAIK: Will the Minister of TOURISM be pleased to state :

(a) whether India Tourism Development Corporation has a proposal to construct some three-star hotels in the country during the Seventh Plan ;

(b) if so, the number of such hotels proposed to be constructed in different States during the above plan period ;

(c) whether any such hotels are proposed to be set up by ITDC in Orissa during that plan period ;

(d) if so, the site selected therefor ; and

(e) the details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED): (a) and (b) The Seventh Plan does not envisage construction of any new hotels by ITDC. However, under the joint venture scheme, the following 3-star hotels are proposed to be constructed by ITDC in collaboration with the

concerned State Governments/Corporations :

1. Gauhati (Assam)
2. Puri (Orissa)
3. Ranchi (Madhya Pradesh)
4. Bhopal

(c) to (e) In collaboration with Orissa Tourism Development Corporation, ITDC is at present constructing a 3-Star Hotel at Puri (Orissa) with 44-rooms in Raj Bhavan Campus at an estimated cost of Rs. 190 lakhs.

**Signing of Trade Agreement with North Korea**

1747. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state :

(a) whether some bilateral trade agreement has been signed between India and North Korea ;

(b) if so, the areas wherein North Korea has shown interest ; and

(c) the areas in which India proposes to establish its relations with North Korea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir,

(b) Some of the areas in which North Korea has shown export interest are machine tools, rail axles, rail wheels, cement, synthetic yarns, steel billets and zinc and its products.

(c) India proposes to establish its relations with North Korea through export of items such as iron ore, chrome ore, wheat, raw cotton, cotton fabrics, shellac, coffee and jute products.

**Losses by Regional Rural Banks**

1748. SHRI M. RAGHUMA REDDY: SHRI DHARAM PAL SINGH MALIK: Will the Minister of FINANCE be pleased to state :

(a) the names of Regional Rural Banks which have wiped out their entire share capital and reserves and incurred losses; and

(b) the steps taken or proposed to be taken by Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The Regional Rural Banks indicated in the statement below have eroded their issued share capital and reserves due to continued losses.

(b) Pursuant to the recommendations made by the Working Group on Regional Rural Banks a number of steps are proposed to be taken for improving the viability of the Regional Rural Banks. These include (i) release of additional share capital to Regional Rural Banks with satisfactory track record ; (ii) enlarging the scope of their lending by allowing them to lend to public bodies/village Panchayats etc., (iii) lowering of interest rate on refinance provided to Regional Rural Banks by the sponsoring banks ; and (iv) investment of their SLR refinance directly in Government securities with a view to obtaining better return.

#### Statement

Names of Regional Rural Banks which have eroded their capital and reserves (As on 31.12.85).

Sr. No.	Name of the State/RRB
<b>ANDHRA PRADESH</b>	
1.	Nagarjuna Gr Bk
2.	Rayalaseema Gr Bk
3.	Sree Anantha Gr Bk
4.	Shri Venkateshwara Gr Bk
5.	Pinakini Gr Bk
<b>ASSAM</b>	
6.	Lakhimi Gaonlia Bk
7.	Langpi Dehangi Rural Bk
<b>BIHAR</b>	
8.	Champaran Ksh Gr Bk

Sr. No.	Name of the State/RRB
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9. Magadh Gr Bk
10. Kosi Ksh Gr Bk
11. Vaishali Ksh Gr Bk
12. Santhal Parganas Gr Bk
13. Nalanda Gr Bk
14. Singhbhum Ksh Gr Bk
15. Mithila Ksh Gr Bk
16. Samastipur Ksh Gr Bk
17. Ranchi Ksh Gr Bk
18. Gopalganj Ksh Gr Bk
19. Saran Ksh Gr Bk

#### GUJARAT

20. Jamnagar Gr Bk
21. Kutch Gr Bk
22. Banaskantha-Mehsana GB
23. Panchmahal Gr Bk

#### HARYANA

24. Haryana Ksh Gr Bk
25. Gurgaon Gr Bk

#### HIMACHAL PRADESH

26. Himachal Gr Bk

#### JAMMU & KASHMIR

27. Jammu Rural Bank
28. Ellaquai Dehati Bank

#### KARNATAKA

29. Cauvery Gr Bk
30. Krishna Gr Bk
31. Chitradurga Gr Bk
32. Kalpatharu Gr Bk
33. Kolar Gr Bk
34. Bijapur Gr Bk

#### MADHYA PRADESH

35. Kshetriya Gr Bk, Hoshangabad
36. Bilaspur-Raipur Ksh Gr Bk
37. Rewa-Sidhi Gr Bk
38. Bundelkhand Ksh Gr Bk
39. Sharda Gr Bk
40. Surguja Ksh Gr Bk
41. Bastar Ksh Gr Bk
42. Durg-Rajnandgaon Gr Bk
43. Jhabua-Dhar Ksh Gr Bk
44. Raigarh Ksh Gr Bk
45. Shivpuri-Guna Ksh Gr Bk

Sr. No.	Name of the State/RRB
46.	Damoh-Panna-Sagar Ksh Gr Bk
47.	Dewas-Shajapur Ksh Gr Bk
48.	Nimar Ksh Gr Bk

#### MAHARASHTRA

49.	Marathwada Gr Bk
50.	Aurangabad-Jalna Gr Bk
51.	Chandrapur Gadchiroli Gr Bk

#### MEGHALAYA

52.	Ka Bank Nongkyndong Ri Khasi Jaintia Gr Bk
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#### ORISSA

53.	Puri Gr Bk
54.	Bolangir Anch Gr Bk
55.	Kalahandi Anch Gr Bk
56.	Baitarani Gr Bk
57.	Balasore Gr Bk
58.	Rushikulya Gr Bk
59.	Dhenkanal Gr Bk

#### RAJASTHAN

60.	Marwar Gr Bk
61.	Shekhawati Gr Bk
62.	Marudhar Ksh Gr Bk
63.	Alwar-Bharatpur Anch Gr Bk
64.	Aravali Ksh Gr Bk
65.	Hadoti Ksh Gr Bk
66.	Thar Anch. Gr. Bk

#### UTTAR PRADESH

67.	Hardoi Unnao Gr Bk
68.	Kanpur Ksh Gr Bk
69.	Sravasthi Gr Bk
70.	Etawah Ksh Gr Bk
71.	Kshetriya Kisan Gr Bk
72.	Kashi Gr Bk
73.	Allahabad Ksh Gr Bk
74.	Pratapgarh Ksh Gr Bk
75.	Faizabad Ksh Gr Bk
76.	Fatehpur Ksh Gr Bk
77.	Bareilly Ksh Gr Bk
78.	Devipatan Ksh Gr Bk
79.	Aligarh Ksh Gr Bk
80.	Tulsi Gr Bk
81.	Etah Gr Bk
82.	Gomti Gr Bk
83.	Chhatrasal Gr Bk
84.	Rani-Lakshmi Bai Ksh Gr Bk

Sr. No.	Name of the State/RRB
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#### WEST BENGAL

85.	Mallabhum Gr Bk
86.	Mayurakshi Gr Bk
87.	Uttarbanga Ksh Gr Bk
88.	Nadia Gr Bk
89.	Sagar Gr Bk
90.	Bardhaman Gr Bk

#### MIZORAM

91.	Mizoram Rural Bank
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Note :

Gr — Gramin  
Bk — Bank  
Ksh — Kshetriya  
Anch — Anchalik

#### India's Offer on Agriculture Expertise to African Countries

1749. **SHRIMATI USHA CHOUDHARI** : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether during the Prime Minister's visit to Harare on the eve of the Non-aligned Movement Conference, expertise and experience of India in agriculture was offered to African countries in achieving food self-sufficiency ; and

(b) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO)** : (a) and (b) India has offered cooperation in the field of agriculture to African countries during the Prime Minister's visit to Harare to attend the Non-aligned Movement Summit and in the course of bilateral discussions. Further exchanges will have to take place with individual countries in order to work out the modalities of such cooperation in each case.

#### Regional Offices of DGS&D

1750. **PROF. K.V. THOMAS** : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the regional offices of Directorate General of Supplies and Disposals are at present situated in Metropolitan cities only ;

(b) whether it is also a fact that industrial units situated around these regional offices are only benefited ; and

(c) if so, whether Government are considering any proposals to start regional offices in all the States where there are no regional offices at present ?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) No, Sir. The Regional Offices of the DGS&D, covering purchase & Inspection, are situated in various places all over India and not only in Metropolitan cities.

(b) No, Sir. The purchase policy and procedures followed in the DGS&D Hqrs. and its regional offices are the same. The purchases are normally made through competitive bidding on all India basis. Even where the limited tender enquiry procedure is followed, the copies of tender are sent to all the firms registered with the DGS&D Hqrs. as the registration is done only by the Hqrs.

(c) Does not arise.

#### Setting up of Electronic Export Promotion Council

1751. DR. G.S. RAJHANS : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a proposal under consideration of Government to set up an Electronics Export Promotion Council ;

(b) if so, the purpose thereof ; and

(c) to what extent the export of electronic goods is likely to be boosted ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) Yes, Sir. The Electronics and Computer Software Export Promotion Council has been set up with the purpose of providing an exclusive

organisation to undertake promotional activity to boost the exports of electronic goods and computer software.

(c) It is expected that the Council will help in achieving significant increase in the export of electronic goods and computer software.

#### British Immigration Law

1752. SHRI NITYANANDA MISRA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that in a TV interview the British Home Secretary is reported to have stated that Britain understood the concern felt in India about the activities of the Sikh extremists living here

(b) whether Government propose to send legal experts to Britain to negotiate the amendments that are likely to be made in the Immigration Law by Britain so that all forms of encouragements from the British soil to Indian terrorists is ended ; and

(c) if so, the action taken in this regard and British Government's reaction thereto ?

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

(a) The British Home Secretary as well as other leaders of Britain have expressed U.K.'s understanding of the concern felt in India about the activities of Sikh extremists in U.K. However, unfortunately, this understanding has not yet been translated into concrete measures to curb such activities.

(b) Government is not aware of any such proposal to amend the U.K. Immigration Law.

(c) Does not arise.

#### United Nations Assistance in Combating Drug Trafficking and Addiction

1753. SHRI SODE KAMAIAH : SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether the United Nations has assured India of financial and technical assistance in combating the spread of drug trafficking and addiction in the country ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Visit of the U.N. team to India from 13th to 17th October, 1986 was intended to increase cooperation between U.N. Fund for Drug Abuse Control and Government of India and to, *inter alia*, explore the possibility of providing assistance to India's on-going activities in the area of drug abuse prevention. Talks held with the Indian authorities concerned were of preliminary nature and no commitment was made by the U.N. team with regard to nature or extent of assistance.

#### Legal Reprieve Given to Defaulters of ICICI

1754. DR. CHINTA MOHAN : Will the Minister of FINANCE be pleased to state :

(a) whether legal reprieve is proposed to be given to all defaulters of the Industrial Credit and Investment Corporation of India (ICICI) as has been given to defaulting shipping companies ; and

(b) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Industrial Credit & Investment Corporation of India (ICICI) has reported that presently it has no proposal of providing legal reprieve to defaulters. Each defaulting Company may have different reasons for not paying dues to ICICI in the scheduled manner. The Corporation works out, on merits of each case, a programme for recovery, or rehabilitation and clearance of dues.

#### U.N.F.'s Suggestions to Curb Trafficking in Drug

1755. SHRI H.N. NANJE GOWDA :  
SHRI S.M. GURRADI :  
SHRI BANWARI LAL  
PUROHIT :  
SHRI AKHTAR HASAN :  
SHRI KALI PRASAD PANDEY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the International Drug Enforcement Authorities have expressed a fear that India could soon become a base for major crime syndicates unless ceaseless vigilance is maintained to curb the transit of hard drugs ;

(b) if so, the suggestions made by the United Nations Fund for drug control ; and

(c) which of these suggestions have been accepted and the steps taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The International Narcotics Control Board, in its report for 1985, has observed that, "situated as it is between major sources of illicit drugs, India has in recent years, become a transit country for the illicit traffic. Traffic in heroin and cannabis, originating mainly in parts of the Near-and Middle East, has increased over the last three years. Seizures also show that opium is illicitly trafficked, mainly internally. Cannabis, reported to originate in Pakistan, Nepal and Afghanistan, is also trafficked through India". The Board has further gone on record saying that. "the deep concern of the Government is reflected by the fact that the drug situation and enforcement efforts are continuously monitored by the Prime Minister's Office."

In addition to appropriate anti-smuggling measures taken in co-ordination with the Central and State Government authorities concerned, close co-operation with the international agencies concerned and also with the drug law enforcement agencies of

U.S.A., U.K., etc. is maintained to curb smuggling of drugs. The intelligence machinery has been geared up and the field formations remain vigilant to check the smuggling of drugs. The Narcotic Drugs Psychotropic substances Act, 1985, which has come into force with effect from 14.11.1985, provides for deterrent punishments for drug trafficking offences. A new organisation called, "Narcotics Control Bureau" has been set up for effectively co-ordinating the action against illicit traffic in drugs.

#### Tourist Places with Direct Airlines

1756. SHRI SUBHASH YADAV :

SHRI DHARAM PAL SINGH  
MALIK :

SHRI M. RAGHUMA REDDY :

Will the Minister of TOURISM be pleased to state : the names of tourist places and cities having direct airtlink ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : A statement listing the places airtlinked by Air India, Indian Airlines and Vayudoot flights is given below.

#### Statement

##### (A) List of Places Airtlinked by Indian Airlines

Agra  
Ahmedabad  
Allahabad  
Amritsar  
Aurangabad  
Bagdogra  
Bangalore  
Belgaum  
Bhavnagar  
Bhuj  
Bombay  
Calcutta  
Chandigarh  
Cochin  
Coimbatore  
Dabolim (Goa)  
Delhi  
Dibrugarh  
Dimapur  
Guwahati  
Gorakhpur  
Gwalior  
Hyderabad  
Imphal

Indore  
Jabalpur  
Jaipur  
Jammu  
Jodhpur  
Jorhat  
Kanpur  
Keshod  
Khajuraho  
Leh  
Lilabari  
Lucknow  
Madurai  
Mangalore  
Madras  
Nagpur  
Nasik  
Patna  
Porbandar  
Portblair  
Pune  
Raipur  
Rajkot  
Ranchi  
Silchar  
Srinagar  
Tezpur  
Tezu  
Tiruchirapally  
Tirupati  
Trivandrum  
Udaipur  
Vadodara  
Varanasi  
Vijayawada  
Vishakhpatnam  
Agartala  
Jamnagar  
Bhopal  
Bhubaneshwar

##### (B) List of Places Airtlinked by Air India

Delhi  
Bombay  
Calcutta  
Madras  
Hyderabad  
Trivandrum  
Dabolim (Goa)

##### (C) List of Places Airtlinked by Vayudoot

Delhi  
Ludhiana  
Chandigarh  
Dehradun



Pantnagar  
 Kanpur  
 Rai Bareli  
 Kulu  
 Kota  
 Jaipur  
 Bikaner  
 Jaisalmer  
 Jodhpur  
 Guna  
 Gwalior  
 Agra  
 Hissar  
 Allahabad  
 Gorakhpur  
 Lucknow  
 Bhopal  
 Varanasi  
 Hyderabad  
 Rajamundry  
 Cuddapah  
 Tirupati  
 Warrangal  
 Mysore  
 Bangalore  
 Vishakhapatnam  
 Bellary  
 Calcutta  
 Cooch Behar  
 Jamshedpur  
 Ranchi  
 Rourkela  
 Bhubneshwar  
 Shillong  
 Guwahati  
 Silchar  
 Dibrugarh  
 Patna  
 Passight  
 Zero  
 Lilabari  
 Aizwal  
 Kamalpur  
 Kailashahar  
 Agartala  
 Imphal  
 Dimapur  
 Bombay  
 Ratnagiri  
 Aurangabad  
 Nanded  
 Kandla  
 Surat  
 Bhavnagar  
 Indore  
 Pune  
 Goa (Dabolim)

Daman

### Export of Cotton

1757. SHRI RANJIT SINGH GAEKWAD : Will the Minister of TEXTILES be pleased to state : .

(a) whether Government propose to evolve a comprehensive policy of cotton for 1986-87 cotton season in view of entire problems related to prices, import and export of cotton and also in view of demand for better hike of prices of cotton ;

(b) whether various peasants organisations and cotton cooperatives are not getting adequate prices of cotton ;

(c) whether they are also demanding an increase in the export of cotton ; and

(d) if so, whether Government propose to take comprehensive view of the entire problem and take certain decision in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Government have already announced a long term policy on export of cotton, under which 5.00 lakh bales of long/extra long staple cotton and 50,000 bales each of Digvijay cotton and Bengal Deshi cotton will be exported per year on a continuous basis for 3 years beginning with the cotton year 1986-87.

(b) No, Sir.

(c) and (d) Considering increased production of cotton in the country the Government have announced a long term export policy on cotton, fixed the minimum support prices for the year 1986-87 at a higher level than during last year and directed Cotton Corporation of India to purchase on support prices.

### Rise in Consumer Price Index

1758. DR. DATTA SAMANT : Will the Minister of FINANCE be pleased to state :

(a) the percentage rise of Consumer Price Index for the year 1984-85 and 1985-86 ; and

(b) the reasons for increase in Consumer Price Index in the year 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Consumer Price Index rose by 8.9 per cent in 1985-86 (March over March) and by 5.0 per cent in 1984-85.

(b) Movements in the Consumer Price Index are the cumulative result of a variety of factors affecting the demand and supply position of items of consumption, weighted according to their value in the consumption basket. In 1985-86, consumer prices of food items such as cereals, fruits & vegetables, meat, fish and eggs which have a substantial weight in the index had shown an increase.

#### Scheme to Compensate Jobless Textile Workers

1759. DR. DATTA SAMANT :

SHRI H.N. NANJE GOWDA :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have drawn up a scheme for giving compensation to textile workers who are rendered jobless because of closure of mills ;

(b) if so, details thereof ; and

(c) number of textile workers in the country to be benefited by this scheme and what is the total amount that will be reimbursed to them ?

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

(b) A statement giving guidelines of the Scheme is given below.

(c) It is not possible to indicate precisely the number of workers to be benefited and the total amount to be reimbursed to them since these will depend on the closure of mills from time to time as per the scheme.

#### Statement

#### Textile Workers' Rehabilitation Fund Scheme

#### INTRODUCTION

The Textile Policy of June 1985 while laying down that there may be no alterna-

tive but to close down those textile units which have no expectation of becoming viable in a reasonable period of time also stresses that the interest of labour in the event of permanent closure of such units would be fully safeguarded. The Rehabilitation Fund Scheme has been set up to assist such workers.

The primary purpose of the Rehabilitation Fund provides interim relief to workers rendered unemployed as a consequence of permanent closure of textile units. While alternative employment in the textile sector and concessional finance for self employment/employment may provide relief to some of them, there would still be a large number of workers who may not be able to get succour through these measures. Such persons would need a period of transitional adjustment to enable them to settle in another employment.

#### ADMINISTRATION OF THE FUND :

The fund is administered by the Textile Commissioner through his regional offices.

#### A CLOSED TEXTILE UNIT IS ONE THAT IS :

(a) a unit licensed or registered under the Industries (Development & Regulation) Act, 1951 or with the Textile Commissioner as a medium scale unit on the day of its closure ;

(b) it has obtained the requisite permission for closure from the appropriate State Government under section 25(D) of the Industrial Disputes Act, 1947 ;

(c) the unit was closed down on or after 6th June, 1985.

#### ELIGIBILITY :

Any worker who has been engaged in a closed textile unit on the date of its closure continuously for five years or more and earning a wage equivalent of Rs. 1600 per month or less and having been on the records of the Regional Provident Fund Commissioner of the State concerned is entitled to get relief under this Scheme.

## DATE FROM WHICH THE SCHEME COMES INTO OPERATION

The Scheme will come into force from 15th September 1986. Affected workers of sick textile units which fall within the above definition, would be eligible for assistance under the Scheme.

## VERIFICATION OF ELIGIBLE WORKERS:

(a) Textile units whose Provident Fund is administered directly by the Provident Fund Commissioner

At the time the management of a sick textile unit applies for closure under section 25(0) of the Industrial Disputes Act, 1947, the State Government concerned will call from it a list of such workers as can be covered under the provisions of the Scheme and the details of the wages they were drawing on the date of closure. On receiving the list, the State Government will forward it to the Regional Provident Fund Commissioner who will then verify the details with his own records and thereafter send it to the Textile Commissioner.

(b) Exempted units :

In the case of units under the direct control of the Board of Trustees viz. exempted units for purposes of administration of Provident Fund, the State Government will forward the list of workers for verification as regards period of service and wages last drawn to the Board which will then send it to the Textile Commissioner.

In both the cases, the Textile Commissioner on receipt of such a list will transfer in a lump sum the amount due to such workers to the branch of a nationalised bank operating in the area where the affected unit is located. Each worker will have to open a bank account in this branch and the sum transferred by the Textile Commissioner will be credited to each worker's account by the branch itself. In case a worker moves out of the areas where the closed mill is located, he can ask the bank branch to transfer the amount due to him to a bank situated wherever he may be residing.

Verified lists of workers eligible for assistance under the Scheme will be sent by

the Textile Commissioner to the management of the unit for being placed on the mill's Notice Board, to the Unions active in the mill and to the bank branch concerned.

## PERIOD AND QUANTUM OF RELIEF :

Relief under the Scheme is available only for three years on a tapering basis but will not extend beyond the date of superannuation of any worker. The worker is entitled to get relief :

(i) to the extent of 75% of the wage equivalent in the first year of the closure of the unit ;

(ii) to the extent of 50% of the wage equivalent in the second year ; and

(iii) to the extent of 25% of the wage equivalent in the third year.

## GENERAL :

Assistance under the Scheme will be payable to eligible workers only for the purpose of enabling them to settle in another employment. Such assistance will not be heritable, transferable or capable of being attached on account of any other liabilities of the worker. The worker's eligibility shall cease if he takes up employment in another registered or licensed undertaking. The rehabilitation assistance will not be curtailed if the worker fixes himself in a self employment venture.

## Closure of Textile Mills

1760. DR. DATTA SAMANT : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills in the country lying closed without permission of Government under Section 25 (0) of the Industrial Disputes Act, 1947 ;

(b) the names of these mills and number of workers rendered unemployed as result thereof ;

(c) the action taken against these mill owners by Government ; and

(d) the amount of compensation the textiles workers are going to receive from the Textile Workers' Rehabilitation Fund ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) Information about the closure of textiles mills that closed without permission of State Government concerned under Section 25 (0) of the Industrial Disputes Act, 1947 is not at present being maintained by the Union Government.

(b) and (c) Do not arise in view of (a) above.

(d) It is not possible to indicate precisely the number of workers who will be benefited and the total amount which will be reimbursed to them since these will depend on the closure of mills from time to time as per the Scheme.

#### Inclusion of New Items in List of Export Products

1761. DR. CHINTA MOHAN :  
SHRI MANIK REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether recently some new items have been included in the list of export products ;

(b) if so, what are these items ; and

(c) whether this step has resulted in short supply of items for common man and if so, whether it is proposed to review the list ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) A few items have been brought under Export Trade Control.

(b) Gum Karaya, Rice Bran Oil, Solvent Extractions not specified elsewhere, Mango Kernel Oil, Kokum Oil, Mahua Oil, Dhupa Oil, and Neemseed Oil.

(c) These items are not for consumption by common man.

#### Publicity of Material for Promotion of Tourism in Andhra Pradesh

1762. SHRI K. RAMACHANDRA REDDY : Will the Minister of TOURISM be pleased to state :

(a) whether Union Government have prepared any publicity material for promotion of Tourism in Andhra Pradesh ; and

(b) whether any effort has been made to publicize this tourist material in foreign countries also ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The Ministry of Tourism produces publicity literature, films and audio-visuals covering tourist destinations all over the country including those in Andhra Pradesh. This material is distributed to our offices in India & abroad. Under the Print Production Programme for 1986-87 a Folder & directory is under production on Hyderabad & Tirupati. A special Advertisement featuring Hyderabad appeared in all major regional language journals as a part of the Department's recently launched Domestic Tourism campaign in March 1986.

#### Supreme Court Judgement on Rule 31V of ITDC

1763. SHRI K. RAMACHANDRA REDDY : Will the Minister of TOURISM be pleased to state :

(a) whether the Supreme Court by its judgement delivered on 30 September, 1986 has struck down rule 31V of the India Tourism Development Corporation (ITDC) as arbitrary and unconstitutional ; and

(b) if so, further action proposed in this regard ?

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

(b) In the light of the Supreme Court judgement, necessary action has been initiated by ITDC for suitably amending the provisions of Rule 31 (v) of the ITDC Conduct, Discipline & Appeal Rules. 1978.

### World Bank's Views on India's Export Performance

1764. DR. G.S. RAJHANS :

SHRI V. SREENIVASA PRASAD :

Will the Minister of COMMERCE be pleased to state :

(a) whether the World Bank has recently expressed its disappointment at India's export performance as reported in the Indian Express of 22 September, 1986 ;

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

(c) the steps Government propose to boost the exports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) The extracts from the World Bank Annual Report 1986 relating to India's export performance are/as follows : "Early estimates, suggesting that the growth in the dollar value of exports during fiscal year 1986 was considerably less than the rate of growth of imports, are disappointing, as the seventh plan calls for distinctly faster rates of export growth than in previous years. This export performance reflects both increased competition in export markets, as well as the fact that it takes time for policies to affect noticeably the profitability of exports relative to domestic sales."

(b) Apart from the international factors the decline in the overall exports during 1985-86 is attributable partly to the fact that the exports of crude oil, which had reached a peak level of Rs.1563 Crores during 1984-85, have virtually stopped after April, 1985 due to the development of domestic refining capacity. The export of crude oil during 1985-86 was only Rs.135.15 crores. However, the provisional data revealed that the non-oil exports in rupee terms, have registered a growth rate of 5.6 per cent. It is also worth mentioning that India's exports during the first Quarter of the current financial year April-June, 1986 have shown a distinct improvement.

(c) The Government had recently announced a series of major decisions for boosting exports in selected sectors. These

span across the areas of fiscal policy, industrial policy and import policy. The decisions among others, include extension of the facility of supply of raw materials at international prices to all major export sectors where raw materials are used for export production, on the lines of the facilities already applicable to iron and steel, steel alloys, aluminium and aluminium-based industries ; allowing imports of capital goods for export production in respect of the identified thrust industries as has already been done in case of leather goods, diamond cutting and polishing tools and selected equipments for marine products ; full remission of excise duties and domestic taxes on exported goods ; to allow manufacture of selected goods which have good export possibilities provided the firms are willing to export 60% of their production ; liberal approach for constant upgradation of technologies in the key sectors particularly engineering goods, which can be linked to export obligation etc.

### Exports by Big Business Houses

1765. SHRI BANWARI LAL PUROHIT : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are satisfied with the performance of big business houses in the matter of exports ;

(b) if not, the reasons therefor ;

(c) the details of business houses exporting Indian made items to other countries ; and

(d) the steps Government propose to take to see that big business houses improve their export performance ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (d) It is felt that as a group, the larger firms and business houses have more potential for export which remains unrealised.

Data are not collected of exports by business houses separately. A number of measures have been taken in the field of fiscal policy, industrial policy and import-export policy which would encourage inter

alia larger houses to export. These include, among others, the set off of a percentage of net f.o.b. value of exports allowed for income tax purposes, raising of limit from Rs. 20 crores to Rs. 100 crores for large houses under the MRTP Act, expansion of the list of industries of Appendix I to the Press Note of February 2, 1973, for investments by MRTP/FERA companies and the decision that export production will be kept outside the licensed capacity.

**International Finance Corporation  
Investment in India**

1766. SHRI ATISH CHANDRA SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether the International Finance Corporation a World Bank affiliate, has recently indicated for doubling up its investment in India from about its total six per cent commitment ;

(b) whether International Finance Corporation has evolved a four-point programme for India and has sought Government of India's approval ;

(c) if so, the details thereof ;

(d) the names of Indian companies which have got long term credit either directly from the International Finance Corporation or through the ICICI ; and

(e) the steps proposed to ensure that credits are utilised more by Government sector ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a), (d) and (e) International Finance Corporation, an affiliate of World Bank, extends assistance by way of equity investments and loans to private/joint sector enterprises without Government guarantee. The total investments approved by IFC(W) since 1959 in 43 Indian companies amounts to US \$ 397.51 million. A statement indicating IFC investments/commitments in various Indian companies is given below.

The IFC(W)'s annual investment in India has increased from Dollar 47.99 million in FY 1984 to Dollar 61.82 million in FY 1986 and is expected to go upto Dollar 100 million per annum from FY 1987 onwards,

(b) No, Sir.

(c) Does not arise.

**Statement**

**IFC's Investments/Commitments in Indian Projects**

(Amount \$ m.)

S. No.	Fiscal Year	Name of the Company	Project	Original Investment		
				Equity	Loan	Total
1	2	3	4	5	6	7
1.	1959*	Republic Forge Co. Ltd.	Steel	—	1.5	1.5
2.	1959*	Kirloskar Oil Engines	Diesel Engines	—	0.8	0.8
3.	1960 *	Assam Sillimantie Ltd.	Refractory Bricks	—	1.4	1.4
4.	1961	K.S.B. Pumps Ltd.	Pumps	—	0.2	0.2
5.	1963) 1966)	Precision Bearings India Ltd.	Bearings	0.4	0.6	1.0

1	2	3	4	5	6	7	
6.	1964	Fort Gloster	Transmission	0.4	0.8	1.2	
7.	1964) 1975) 1978)	Mahindra Ugin Steel Co. Ltd.	Steel	1.3	11.8	13.1	
8.	1964	Lakshmi Machine Works Ltd.	Textile Machinery	0.3	1.0	1.3	15.6
9.	1967	Jayshree Chemicals Ltd.	Chemicals	0.1	1.1	1.2	
10.	1967	Indian Explosive	Fertilizers	2.9	8.6	11.5	12.7
11.	1969) 1970)	Zuari Agro Chemicals Ltd.	-do-	3.8	15.1	18.9	18.9
12.	1976	Escorts Ltd.	Engine Parts	—	6.6	6.6	6.6
13.	1978	Housing Development Finance Corporation	Capital Market	1.2	4.0	5.2	5.2
14.	1980	Deepak Fertilizers and Petrochemicals Corp. Ltd.	Chemicals	1.2	7.5	8.7	8.7
15.	1981	Tata Iron and Steel Co. Ltd.	Steel	—	38.0	38.8	
16.	1981	Mahindra & Mahindra Ltd.	Motor Vehicles	—	15.0	15.0	
17.	1981	Nagarjuna Steels Ltd.	Steel	0.2	2.9	3.1	
18.	1981	Nagarjuna Singnode Ltd.	Steel	—	2.3	2.3	
19.	1981	Nagarjuna Coated Tubes Ltd.	Steel	0.3	1.5	1.8	
20.	1981	Coromandel Fertilizers Ltd.	Cement	—	15.9	15.9	76.1
21.	1982	Ashok Leyland	Motor Vehicles	—	28.0	28.0	
22.	1982*	Bombay Dyeing	Petrochemicals	—	18.8	18.8	
23.	1982	Indian Rayon	Cement	—	8.3	8.3	
24.	1982	Bharat Forge	Iron & Steel	—	15.8	15.8	
25.	1982	Modi Cement	Cement	—	16.3	16.3	87.2
26.	1983	Indian Equipment Leasing	Lease Finance	0.47	5.0	5.47	

1	2	3	4	5	6	7	
27.	1983	Leasing Corporation of India	Lease Finance	0.46	5.0	5.46	10.93
28.	1984	Gwalior Rayon (Phase-I)	Cement	—	4.3	4.3	
29.	1984	Bihar Sponge Iron	Steel	0.95	10.78	11.73	
30.	1984	Bajaj Auto Ltd.	Auto Vehicles	—	22.00	22.00	
31.	1984	Gwalior Rayon (Phase-II)	Cement	—	9.96	9.96	47.99
32.	1985	Lease Development India Ltd.	Lease Finance	0.40	5.00	5.40	
33.	1985	Larsen & Toubro	Cement/ Heavy Engg.	—	13.45	13.45	
34.	1985	Bajaj Tempo	Light Commercial Vehicles	—	15.62	15.62	
35.	1985	Gujarat Rural Housing Dev. Corporation	Housing Finance	0.20	—	0.20	34.67
36.	1986	Escorts	Two Wheelers	—	6.0	6.0	
37.	1986	Hero Honda	-do-	—	6.8	6.8	
38.	1986	Great Eastern Shipping	Fleet Modernisation	2.0	8.0	10.0	
39.	1986	TISCO	Sinter Plant	—	10.0	10.0	
40.	1986	Exim Bank	Agency line of Credit	—	15.0	15.0	
41.	1986	Gujarat Fusion Glass Ltd. (M/s. Window Glass Ltd.)	Sheet Glass	1.8	7.52	9.32	
42.	1986	M/s. Wimco Ltd.	Food Processing Operation Programme	—	4.7	4.7	61.82
43.	1987	Indian Rayon	Carbon Black Project	—	6.2	6.2	6.2
Total :				18.38	379.13	397.51	

\*The loans to Republic Forge Co. Ltd. Kirloskar Oil Engines and Bombay Dyeing were cancelled by the borrowers before they became effective.



**Balance Sheet of Banks**

1767. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India had two years back appointed a Committee to go into the question of the desirability of full disclosure and revising the format of balance sheet of banks prescribed under the statute 35 years back ;

(b) if so, the details thereof ; and

(c) reasons for the delay in submitting the report ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India had constituted a Committee in March, 1982 under the Chairmanship of its Deputy Governor, Shri A. Ghosh (i) to examine the question of banks moving towards greater/full disclosure in the published accounts ; (ii) to suggest changes/amendments in the formats of Annual Accounts of banks as also standard accounting concepts which could facilitate uniform, comparable presentation of various items in the published accounts ; (iii) to consider the question of evolving suitable norms for creating provisions for various purposes, etc. The Committee has submitted its report to Reserve Bank of India in April, 1985. Reserve Bank of India has accepted the major recommendations of the Committee with some modifications. These have been endorsed by Government.

Reserve Bank of India has also reported that there has been some delay in the finalisation of the Report by the Committee because the matter being sensitive, the Committee had to make a thorough and detailed study of the practices prevailing in this country and other countries and was also required to discuss the various implications of the modifications needed with the various Banking Institutions and other important agencies.

**Alleged Corrupt Practices in Punjab and Sind Bank**

1768. SHRI INDRAJIT GUPTA :  
SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether some officers of the Punjab and Sind Bank have submitted a memorandum highlighting corrupt practices of certain bank executives ; and

(b) if so, the details thereof and the action taken, if any, thereon ? .

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A Memorandum containing various allegations against the functioning of Punjab & Sind Bank has been received from the All-India Punjab & Sind Bank Officers Federation. Amongst other things, it contains allegation against an Assistant General Manager of the Bank regarding his alleged involvement in the grant of fictitious truck advances. Following investigation by CBI, the Bank has initiated departmental proceeding against the said Assistant General Manager by serving a charge-sheet on him. Reserve Bank of India has been asked to look into the other allegations.

**Consumption of Short, Medium and Long Staple Cotton**

1769. SHRI UTTAM RATHOD : Will the Minister of TEXTILES be pleased to state :

(a) what was the consumption of short staple, medium staple and long staple cotton by textile industry during the last three years, year-wise ;

(b) the total production of the above three varieties of cotton ; and

(c) the requirement of cotton per year after the introduction of the New Textile Policy ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The production and consumption of short, medium and long staple cotton by textile industry during the last three years is as follows :

## (IN LAKH BALES)

Year	Short Staple		Medium Staple		Long Staple	
	Production.	Consumption.	Production.	Consumption.	Production.	Consumption.
1983-84	4.63	2.52	32.25	38.39	38.28	39.15
1984-85	6.25	2.73	43.55	41.48	51.70	42.30
1985-86	6.59	2.90	45.91	44.11	54.50	44.99

(c) The domestic requirement of cotton during 1985-86 was 97.10 lakh bales. The domestic requirement of cotton for 1986-87 is estimated to be 99.50 lakh bales.

#### Study Team on Textile Industry Problems

1770. SHRI UTTAM RATHOD : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have appointed a study team to go into the problems of the textile industry, specially of the mills which have fallen sick ; and

(b) if so, when the report of the team is expected ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) A nodal agency as envisaged in the new Textile Policy of June, 1985 has been set up by the Government on 14.1.1986. The Nodal Agency examines the viability studies carried out by all India Financial Institutions/IRBI, evolves and manages the appropriate rehabilitation packages in respect of sick but potentially viable textile mills. It monitors the financial and technical performance of the units in respect of which rehabilitation package is to be administered. The Nodal Agency has so far examined the cases of 72 sick and closed mills in seven States and this is an ongoing process.

#### Killing of Indian Fishermen by Srilankan Naval Forces

1771. SHRI UTTAM RATHOD :  
SHRI N. DENNIS : Will the

Minister of EXTERNAL AFFAIRS be pleased to state :

(a) the number of fishermen of India who have lost their lives on account of shooting by Srilankan Naval Forces during the past three years ;

(b) the number of fishermen of India who have been abducted by Sri Lankan naval vessels during the period ; and

(c) the steps being taken to protect the lives of Indian fishermen in our Exclusive Economic Zone ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) and (b) According to available information the number of Indian fishermen arrested and released and the number of those killed by Sri Lankan Naval personnel during the last three years is as under :

Year	Arrested/ Released	Killed
1983	50/50	Nil
1984	131	1
1985	3	5
1986	11	11

No case of abduction has been reported to Government.

(c) The Coast Guard is making special efforts to deploy all available Coast Guard ships and Aircrafts in our Exclusive Economic Zone to ensure that interests and lives of our fishermen are protected.

**Talks with China on Border Dispute****Tea Export**

1772. SHRI UTTAM RATHOD :  
SHRI MULLAPPALLY RAMA-  
CHANDRAN : Will the Minister  
of EXTERNAL AFFAIRS be pleased to  
state :

(a) whether the proposal of Govern-  
ment to initiate talks with China on the  
border disputes in the eastern sector has  
evoked any response from China ; and

(b) if so, when the talks are to take  
place ?

THE MINISTER OF STATE IN  
THE MINISTRY OF EXTERNAL  
AFFAIRS (SHRI EDUARDO FALEIRO) :

(a) and (b) There is no proposal to initiate  
fresh talks with China in the Eastern sector.  
The boundary issue including that in the  
Eastern sector is being discussed at official  
level talks between the two Governments of  
which seven rounds have so far been held.

**Permission to South African Delegates to  
Attend International Conference of  
Ophthalmic Experts**

1773. SHRIMATI GEETA MUKHER-  
JEE : Will the Minister of EXTERNAL  
AFFAIRS be pleased to state :

(a) whether he has been approached by  
the National Society for Prevention of  
Blindness (NSPB) to obtain permission for  
the South African delegates to attend a six  
day international conference of the ophthal-  
mic experts proposed to be held in New  
Delhi in December this year ; and

(b) if so, the details and Union Govern-  
ment's decision thereon ?

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

(a) and (b) The National Society for the  
Prevention of Blindness did approach us  
initially for permission to invite delegates  
from South Africa for the Third General  
Assembly of the International Agency for  
the Prevention of Blindness due to be held  
in New Delhi from December 6-11, 1986,  
but, subsequently of their own withdrew the  
request.

1774. SHRI YASHWANTRAO  
GADAKH PATIL :  
PROF. CHANDRA BHANU  
DEVI : Will the Minister of  
COMMERCE be pleased to state :

(a) the exports of tea during 1985-86  
and 1986-87 as against the targets thereof ;

(b) the reasons for shortfall in export  
targets ;

(c) the measures being taken to boost  
export of tea; and

(d) whether any measures are proposed  
to be taken to increase exports by promoting  
value added tea ?

THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI  
P. R. DASMUNSI) : (a) and (b) Exports  
of tea during 1985-86 were 222.92 million  
Kgs. as against the target of 220 million Kgs.  
During 1986-87 (April-September) exports  
are provisionally placed at 79.79 million Kgs.  
valued at Rs. 240.47 crores, as against 72.63  
MKgs. valued at Rs. 233.36 crores during  
the corresponding period last year. No  
export and target for 1986-87 has been  
announced.

(c) and (d) Measures taken in the recent  
past to increase exports of tea include  
higher cash compensatory support on value  
added teas, excise rebate of 50 paise per Kg.  
on export of bulk tea, full rebate of excise  
duty on exports of packet teas, exemption of  
excise duty on tea bags, exemption of  
customs duty on filter paper used in  
manufacture of tea bags etc.

[*Translation*]

**Entry Fee or 'Appu Ghar'**

1775. PROF. CHANDRA BHANU DEVI:  
Will the Minister of COMMERCE be  
please to state :

(a) the entry fee and charge for parti-  
cipation in various stands in "Appughar"  
at Pragati Maidan in Delhi ;

(b) the details of the income from  
"Appughar" during the last one year ; and

(c) whether Government propose to consider the question of reducing entry fee so that low income group people may also enjoy these sports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) The fee for entry into "Appu Ghar" is Rs. 2.50 for adults and Rs. 1.25 for children which is inclusive of Rs. 0.50 and 0.25 respectively on account of entertainment tax. The rates for various rides in Appu Ghar are indicated in the statement below.

(b) The income from Appu Ghar during the financial year 1985-86 is estimated at Rs. 32.07 lakhs.

(c) There is no such proposal under consideration.

Statement

S. No.	Name of the rides	Rate (Rs.)
1.	Appu Merry-go-round	1.25
2.	Bruco-Baby-Train	1.25
3.	Mini enterprise	2.50
4.	Mini flight	2.50
5.	Coin operated Baby figures	1.25
6.	Roer coaster	3.75
7.	Striking cars	3.75
8.	Telecombat	3.75
9.	Cinema 2000	3.75
10.	Shooting Gallery	3.75
11.	Horror Cave	2.50
12.	Computer Photo	10.00
13.	Laughing clown	1.25
14.	Punch Ball	1.25
15.	Striker	1.25
16.	Muscleman	1.25
17.	Appu Columbus	3.75
18.	Baby Cars	1.25

Trade Fairs Organised by Trade Fair Authority of India

1776. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) the number of fairs organised by Trade Fair Authority of India during the last three years ; and

(b) the profit earned and loss suffered as a result of organising these fairs ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) The Trade fair Authority of India organised participation in the following fairs abroad and in India during the last 3 years :

Fairs abroad

1983-84	42
1984-85	37
1985-86	38

Fairs in India

1983-84	5
1984-85	4
1985-86	7

(b) The Trade Fair Authority of India does not organise fairs with a profit-motive since this activity is promotional in nature. However, the overall excess of income over expenditure of the Authority during the last three years is given below :

	(Rs. in lakhs)
1983-84	5.51
1984-85	41.34
1985-86	130.97

Grants and Loans to Bihar

1777. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) the amount of grants allotted to Bihar by the Union Government during the last three years, year-wise ; and

(b) the amount given to the State as loan during this period ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b) The amounts of grants and loans allotted/given to Bihar by the Union Government during the last three years, (1983-84 to 1985-86) are as follows :

	(Rs. in lakhs)		
	1983-84 (Accounts)	1984-85 (R.E.)	1985-86 (B.E.)
Grants	24313	34937	40375
Loans	51492	46527	44864

[English]

#### Effect of Closure of Textile Mills

1778. SHRI CHINTAMANI JENA :  
SHRI AMARSINH RATHAWA:  
Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills which were affected by closure, lockouts, strikes and lay-offs during the year 1985-86 ;

(b) the main reasons for the closure of these mills ;

(c) the extent of production of textiles affected on this account ;

(d) the volume of exports affected due to the loss of production ;

(e) the total number of workers rendered unemployed as a result thereof ; and

(f) the measures being taken on proposed to be taken to restart the mills ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The number of cotton textile mills which were affected by closures/lock-out/strike/lay-off/financial difficulties during the year 1985-86 is 139. Out of these mills, 83 mills were closed for part of the year, while the remaining 56 mills were closed for the complete year 1985-86. In addition about two lakh

workers of 529 textiles mills including waste spinning plants and processing units in Tamil Nadu went on strike from 16th to 24th July, 1985 in support of their demands including wage revision. The workers of about 80 mills in Coimbatore district of Tamil Nadu also went on strike from 9th November, 1985. The mills gradually resumed functioning since 25th November, 1985.

(c) The extent of production of textiles affected on account of closure of these mills is 130.74 million kgs. of spun yarn and 349.08 Mn. metres of cloth during 1985-86.

(d) The volume of exports affected due to the loss of production on account of closure of these textile mills cannot be quantified.

(e) The total of 9994 workers got affected by the closure.

(f) The closure of textile mills occurs due to a number of factors. The problems of mills are examined on a case to case basis and remedial measures are taken especially keeping in view the guidelines envisaged in the Textile Policy of June, 1985.

#### Unaccounted Money Abroad

1779. SHRI CHINTAMANI JENA :  
Will the Minister of FINANCE be pleased to state :

(a) the estimated amount of unaccounted money abroad belonging to Indian residents especially businessmen ; and

(b) the steps contemplated for bringing back to India a substantial part of this unaccounted money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No estimate is available with the Government.

(b) In addition to stepping up the activities of Enforcement Agency, Government have announced amnesty from prosecution of or levy of penalty on all those who furnish voluntary declarations about their undisclosed financial interests and activities abroad, by 31.3.1987.

**Recovery of Money from  
Shri Rajindra Sethia**

1780. SHRI SUBHASH YADAV ;  
SHRI DHARAM PAL SINGH  
MALIK : Will the Minister of FINANCE  
be pleased to state :

(a) the progress of action taken by Government for recovery of money from Shri Rajindra Sethia who allegedly had cheated Punjab National Bank, Central Bank of India and Union Bank of India, London branches to the tune of Rs. 250 crores ; and

(b) what action has been taken against the officers of the banks who have been found guilty in the transactions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Punjab National Bank, Central Bank of India and Union Bank of India have filed claims with the official liquidator for M/s. Lsal (Commodities) Ltd. They have also lodged their claims with the Central Bank of Nigeria in respect of those hills pertaining to Nigeria. The Banks have also made some recoveries by sale of securities, such as landed properties shares etc. As a result of these steps, three banks have so far recovered Rs. 91 crores approximately.

(b) Union Bank of India has dismissed two of its officers connected with the transactions, whilst Punjab National Bank has terminated the services of one officer and censured two others. Charge-sheets have also been served on two other officers. Central Bank of India has suspended one of its officers, and withheld the terminal benefits of another officer, pending disposal of criminal and civil action filed against them by the Bank.

**Uniform Tax Code**

1781. SHRI SUBHASH YADAV ;  
SHRI M. RAGHUMA REDDY ;  
SHRI DHARAM PAL SINGH  
MALIK ;  
SARI PRAKASH V. PATIL ;  
Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to make a uniform tax code in the country ;

(b) if so, the broad outlines of the proposal ; and

(c) by what time it is likely to be introduced ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Government proposes to introduce a tax code relating to direct taxes.

(b) The tentative proposals formulated by the Government were published in the form of a Discussion Paper, which was placed on the Table of both the Houses of Parliament on 14th August, 1986. Final decisions in regard thereto are being taken in the light of the comments and suggestions received in response to the Discussion Paper.

(c) A Comprehensive Bill amending the direct tax laws is proposed to be introduced in Parliament shortly. The tax code will then be taken up and introduced in the next financial year.

**C.B.I. Raid at Premises of Bank Officials**

1782. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether country-wide raids have been conducted by C.B.I at the premises of various bank officials throughout the country as reported in the 'Statesman' of 22 October, 1986 ;

(b) if so, the particulars of the officials whose premises have been raided ; and

(c) the details of the unaccounted money and incriminating documents seized and the action being taken by Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Information is being collected and to the extent available and admissible under sta-

tutes governing the public sector banks, will be laid on the table of the House.

#### Price of Gold

1783. SHRI MOHANBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the price of gold has increased during the last 3-4 months ;

(b) if so, by how much and the reasons therefore ;

(c) whether it is a fact that it is due to the increase in export of jewellery and gold ornaments ; and

(d) whether Government propose to change the policy regarding export of gold ornaments to reduce the price of gold in the country and to discourage the smuggling of gold ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) There has been a rising trend in the domestic prices of gold during the past four months. The prices of 10 grams of standard gold in the Bombay market increased from Rs. 2105 on 25th July, 1986 to Rs. 2380 on 31st October, 1986. The prices of gold within the country are determined by various factors including the movement in the international price of the commodity, the relative scarcity of ready stock and speculative factors.

(c) and (d) It is unlikely that the current level of exports of jewellery and gold ornaments would affect significantly the prices of gold in the domestic market since the quantity of gold exported is imported into the country under the gold replenishment schemes and these exports and imports take place at the prevailing international prices. There is no proposal under consideration to change the existing policy regarding export of gold ornaments .

#### Exports of Chemical Goods

1784. SHRI MOHANBHAI PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the names and the value of the chemical items exported during 1984-85, 1985-86 and the target fixed for 1986-87 ;

(b) whether it is a fact that India's share in regard to export of chemical products is negligible ; and

(c) if so, the steps being taken to boost their export ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) The estimated value of export of drugs, pharmaceuticals and fine chemicals ; Dyes, dye intermediates, alcohol and coalter chemicals ; basic organic and inorganic chemicals, including agro chemicals during the year 1984-85 and 1985-86 are Rs. 309.5 crores and Rs. 302.3 crores respectively. The target for 1986-87 is Rs. 370.0 crores.

(b) Yes, Sir.

(c) An inter-ministerial standing committee has been set up under the Ministry of Commerce to review the problems being faced by the exporters of this sector and to resolve them expeditiously. Thrust commodities having substantial scope for accelerated export during the seventh five year plan, have been identified for special export promotional measures.

Some of the promotional measures already taken include reduction of interest rates and extension of period of pre-shipment credit, revision of cash compensatory support scheme and introduction of scheme for supply of raw materials at concessional rates.

#### Three Year Plan to Strengthen Income Tax Department

1785. SHRI G.S. BASAVARAJU :  
SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to formulate a three year plan to strengthen the Income Tax Department for intensifying anti-evasion operations ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) A long term Plan for Survey for 1986-87 to 1989-90 has been drawn up. The basic objectives of this Plan are to collect information from external and internal sources to bring into the Income-tax registers as many tax-paying assesseees as possible and to generally motivate the tax-payers towards greater voluntary compliance with various provisions of Direct Tax Acts. The manpower needed for survey, search and prosecution has been sanctioned with a view to strengthen the administrative set-up for intensifying anti-evasion operations in coordination with enforcement agencies of the other revenue Departments.

#### Visa Requirements to Indians Visiting Singapore

1786. SHRI G.S. BASAVARAJU :  
SHRI H.N. NANJE GOWDA : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is a fact that Singapore has decided to impose visa requirements of Indians who visit Singapore ;

(b) if so, the main reasons for imposing visa requirements ; and

(c) whether Indian Government was consulted before taking decision and to what extent this decision of the Singapore will effect Indians?

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

(b) According to the Singapore Government the introduction of the visa system is mainly to check illegal immigration.

(c) The Government of India was not consulted by the Singapore Government before taking the decision. When the visa requirements come into force Indian nationals wishing to visit Singapore will be required to possess valid visas issued by Singapore diplomatic missions and to abide by the visa conditions.

#### Introduction of New Schemes and Incentives on India Promotion Abroad

1787. SHRI G.S. BASAVARAJU :  
SHRI S.M. GURADDI : Will the Minister of TOURISM be pleased to state :

(a) whether Government have introduced new schemes and incentives on India Promotion abroad ;

(b) if so, the amount proposed to be incurred on these schemes ;

(c) whether it is a fact that other schemes were also launched to attract foreign tourists ; and

(d) if so, the details thereof and to what extent the tourism flow to India is likely to improve during the current season ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) Yes, Sir. The Government have introduced the following new schemes and incentives for promotion of India abroad :

—“India on the House”—in Australasia,

—Special product advertising is taken up to promote summer tour to India—in Japan.

—“Affordable India”—in Europe.

—“India 9 hours away”—in U.K.

—“Have the festival of your life—in India it is wonderful.

The amount proposed to be incurred is as follows :

Japan — 25 lakhs

U.K. — 20 lakhs

USA — 100 lakhs

Europe — 25 lakhs

(c) and (d) Yes, Sir. The overseas offices conduct from time to time ‘Know India Seminars’, special presentations on



India and also participate in Travel Marts & Trade fairs.

The tourism inflow to India from Jan' 86 to Oct'86 has shown an increase of 17.1% over the last year for the corresponding period.

It is expected that tourist arrival figures exclusive of Bangladesh and Pakistan will touch one million in the current year.

#### Development of Sea Beaches as Tourist Resorts

1788. SHRI T. BASHEER : Will the Minister of TOURISM be pleased to state :

(a) whether there is any proposal to develop more beaches as tourist resorts in the country ; and

(b) if so, the areas thus selected and the approximate expenditure involved along-with the time limit for completion of the same ?

THE MINISTER OF TOURISM MUFTI MOHD. SYED) : (a) and (b) On receipt of proposals from the concerned State Governments, the Central Ministry of Tourism has sanctioned schemes for development of beach resorts in Andhra Pradesh, Gujarat, Maharashtra and Tamilnadu.

The areas along with the sanctioned amount and likely date of completion are as follows :

(Rs. in lakhs)			
Sr. No.	Name of the Scheme	Amount sanctioned	Likely date of completion
1.	Beach Cottages at Rishikonda, Andhra Pradesh.	20.80	1987.88
2.	25 Beach Cottages at Nargol, Bulsar Distt. Gujarat,	30.17	1988-89
3.	2 Beach Cottages at Ganapatipule, Maharashtra	8.77	1987-88

3.	8 Beach Cottages at Kanyakumari, Tamilnadu	13.66	1987-88
5.	Haveli Cottages at Ahmedpur Mandvi Beach, Gujarat.	21.02	1988-89
6.	Construction of Cottages at Digha, West Bengal,	40.17	1987-88

#### Rise in Wholesale Price Index

1789. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the wholesale price index has reached a new high ;

(b) if so, the reasons therefor ; and

(c) the details of the efforts made to bring down the wholesale prices in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The latest wholesale Price Index (1970-71 = 100) (WPI) is now available for 1.11.1986 which shows a decline to 382.2 from 384.0 for the week ending 18.10.1986.

(c) The thrust of the Government's anti-inflationary policy continues to be an effective demand and supply management including strengthening of the public distribution system ; regulated releases of sugar and edible oils, enforcement of discipline and mopping up of excess liquidity in the system. The Central Government has advised the State Governments to take strict action against traders indulging in profiteering, hoarding and blackmarketing.

#### Fall in Price of Gunny Bags

1790. DR. SUDHIR ROY : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that gunny bags prices have been crashed owing to a sharp fall in local offtake ; and

(b) if so, the steps taken by Government ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) The prices of jute goods are showing a declining trend in recent months mainly due to lack of adequate market outlets both at home and abroad commensurate with present volume of production of jute goods.

(b) A Statement is given below.

#### Statement

Some of the important steps taken by the Government to arrest declining trend in jute goods prices include :

(i) Requirement of jute goods for packing Rabi '87 crop has been assessed in advance and it has been decided to cover projected requirement of jute bags in a phased manner from November 1986 to March 1987.

(ii) Vigorous efforts are being made to capture some global tenders by offering competitive prices with loss-sharing arrangement under Export price Stabilisation Fund Scheme of Jute Manufactures Development Council (JMDC).

(iii) A High-powered Committee headed by Secretary (Textiles) has recently been constituted for working out details of mandatory usage of jute packaging materials for various sectors within the country.

(iv) Two new constructions of jute and jute-based bags have been permitted for commercial use by Cement Industry and since prices of these bags are expected to be somewhat lower than conventional jute bags, it is hoped that it should be possible to recover a part of lost cement packaging market by larger use of these newly developed bags.

(v) Efforts are being made to find out alternative uses of jute in packing tea, production of carpets, blankets etc.

#### Proposal to Introduce Package Tours by Rail or Road for Domestic Tourists

1791. DR. SUDHIR ROY : Will the Minister of TOURISM be pleased to state :

(a) whether Government have any proposal under consideration to introduce package tours by rail or road for the domestic tourists ; and

(b) if so, the details thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) (I) *I.T.D.C.*

India Tourism Development Corporation runs a number of package tours during certain months of the year. The packages are student package, youth package, senior citizen package, week-end Getaway package, honey-moon package, you and me package and LTC package. These packages are available at ITDC's selected hotels with considerable reduced rates for accommodation and meals. In addition to these packages, ITDC has also regular package tours available for tourists visiting Kashmir.

#### (II) *Indian Railways*

Railways operate 'Palace on Wheels' package tours in collaboration with Rajasthan Tourism Development Corporation.

#### (III) *Vayudoot*

Vayudoot also runs a number of packages in collaboration with several State Tourism Corporations etc. Around 20th November 1986 Vayudoot will be introducing 30 new package tours covering various stations to which they operate. These tours are from 2 to 12 days duration.

#### Promotion of Tourism for Places of Buddhist Pilgrimage

1792. PROF. NARAIN CHAND PARASHAR :

SHRI JANAK RAJ GUPTA :

Will the Minister of TOURISM be pleased to state :

(a) whether any comprehensive programme for production of tourism for the places of Buddhist pilgrimage on a National scale has been prepared by Government or the India Tourism Development Corporation;

(b) if so, a brief outline of the programme including the travel circuits being developed for this purpose ;

(c) whether such places of pilgrimage as Rewalsar in Mandi district and Tabo and Kye Monastries in Lahul Spiti in Himachal Pradesh, Leh in Jammu and Kashmir, Sankissa and Shravasti in U.P. and Nagarjuna Konda in Andhra Pradesh have also been included in the programme ; and

(d) if not, the reasons therefor and whether any specific programme for the left-out places would also be chalked out at an early date ?

**THE MINISTER OF TOURISM (MUFTI MOHD. SYED) :** (a) and (b) In pursuance of a decision to prepare an Action Plan for the development of the Buddhist Sector, a sub-committee on Publicity and Promotion was constituted on 11.7.1986 under the Chairmanship of the Additional Director General (Tourism). A broad outline of a Plan for promoting places of Buddhist pilgrim on a national scale was formulated. This plan was divided into three broad categories which included a programme for

- (1) Print production
- (2) Production of an Audio-visual ; and
- (3) An advertising campaign for the overseas market (Japan, Thailand, etc.)

Printing of a special "Road" map (drawn to scale) covering all places of Buddhist pilgrimage was also included as part of this package. Since the Action Plan encompassed several States stretching from Northern to Eastern India, no specific Travel Circuits were indentified in isolation.

(c) and (d) This promotional strategy does not cover specific travel circuits but will encompass the entire group of Buddhist pilgrim places. Places of Buddhist pilgrimage in the States of U.P. and Bihar as well as those in Kashmir, Himachal Pradesh, Orissa, West Bengal, Sikkim and Andhra Pradesh will also be included. As the Plan is still in a formative state, it will be ensured that no place of Buddhist interest is omitted in the comprehensive promotional plan.

#### **Recommendations of Working Group on Regional Rural Banks**

1793. **PROF. NARAIN CHAND PARASHAR :** Will the Minister of

FINANCE be pleased to refer to the reply given to Unstarred Question No. 113 on 11, July 1986 regarding recommendations of working group on Regional Rural Banks and state :

(a) the action taken by Government on the recommendations made by the working group on Regional Rural Banks ; and

(b) if no action has been taken, the reasons therefor and when it is likely to be taken ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The recommendations of the Working Group were examined in consultation with Reserve Bank of India and National Bank for Agriculture and Rural Development (NABARD). It has been decided that additional share capital may be provided in a phased manner to Regional Rural Banks (RRBs) with comparatively good performance record. The RRBs should be asked to improve recovery of dues and this would be an important criterion in judging their suitability for additional share capital. It has also been decided that RRBs may be allowed to lend to public bodies subject to the conditions laid down by NABARD. The recommendations relating to refinance from sponsor banks and appointment of a comparatively senior officer have also been accepted.

The recommendation for bifurcating large RRBs has however not been accepted.

#### **Difficulties in Financing Loans Under 'IRDP' and 'ITDA' to Rural Banks in Orissa**

1794. **SHRI K. PRADHANI :** Will the Minister of FINANCE be pleased to state :

(a) whether the Rural Banks in Orissa find it difficult to finance the beneficiaries of IRDP, ITDA and other economical development programmes ;

(b) whether it is due to less recovery of loans advanced previously ;

(c) if not, the reasons thereof ; and

(d) the steps taken by Government to improve the financial position of these banks ?

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

#### Loans Under IRDP and ITDA Schemes in Orissa

1795. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether the State Bank of India and the Regional Rural Banks in Orissa fulfilled their targets to finance loans to beneficiaries under IRDP and ITDA schemes during 1985-86 ;

(b) whether there was any shortfall in any district ; and

(c) if so, the reasons therefor ?

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

#### PM's Direction to Commerce Ministry

1796. SHRI S.M. GURADDI :

SHRI H.N. NANJE GOWDA : Will the Minister of COMMERCE be pleased to state :

(a) whether the Prime Minister has recently given some directions for the revamping of the Ministry of Commerce ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) No, Sir.

(b) Does not arise.

#### Outflow of Money to Foreign Firms

1797. DR. A.K. PATEL :

SHRI C. JANGA REDDY : Will

the Minister of FINANCE be pleased to state :

(a) total outflow of money, from the country on account of profit, royalty, technical fee, interest etc. to foreign firms year-wise, during the last three years ; and

(b) the additional out-flow due to the permission given to foreign/NRI firms in 1986 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The information for the years 1983-84, 1984-85 and 1985-86 is being collected and will be laid on the Table of the House.

(b) Permissions given to foreign/NRI firms during 1986 might be at different stages of implementation and as a result the out-flow on account of Profit etc. might not yet have started. Nevertheless, Information is being collected and will be laid on the Table of the House.

#### Countervailing Duty on Imported Paraxyiene

1798. DR. A. K. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that imported Paraxylene consumed in the manufacture of DMT is totally exempt from countervailing duty ;

(b) if so, whether Government propose to extend the duty concession on Paraxylene consumed in the manufacture of PTA also which is an alternate raw material to DMT; and

(c) if not, the reasons therefor ?

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

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

Paraxylene consumed in the manufacture of PTA.

### Smuggling of Narcotics from Across Rajasthan Border

1799. SHRI ANAND SINGH :  
SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether huge quantities of heroin, charas and other narcotics smuggled from Pakistan across Rajasthan border have been seized during the past four months ;

(b) if so, the details of the seizures made during the period as compared to the corresponding period last year ; and

(c) the steps taken by Government to check smuggling of narcotics into the country from across Rajasthan border ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) According to reports made available to the Government, the details of the seizures of drugs smuggled from Pakistan across Rajasthan border from July to October, 1986 and the corresponding period of 1985 are as under :

Name of drug	July to October	
	1986	1985
	kg.	kg.
1. Charas (Hashish)	1,758	...
2. Heroin	683	366

(Figures provisional)

(c) In addition to appropriate anti-smuggling measures taken in co-ordination with the Central and State Government authorities concerned, close co-operation with the international agencies concerned and also with the drug law enforcement agencies of U.S.A., U.K., etc. is maintained to curb smuggling of drugs. The intelligence machinery has been geared up and the field

formations remain vigilant to check the smuggling of drugs.

The Narcotic Drugs and Psychotropic Substances Act, 1985, which has come into force with effect from 14.11.1985, provides for deterrent punishments for drug trafficking offences. A new organisation called, "Narcotics Control Bureau" has been set up for effectively co-ordinating the action against illicit traffic in drugs.

### Unauthorised Chit Fund Business

1801. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the unauthorised chit fund business has been ruining a number of middle class people and now-a-days chit fund business has become more rampant than gambling ;

(b) the number of cases of fraud in running chit fund business that have come to the notice of Government during 1985 and 1986 so far ; and

(c) action taken in regard to those cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Prior to enactment of the Chit Funds Act, 1982 by the Central Government, the Institutions running conventional chit fund business were taking advantage either of the absence of any law governing their chit fund business in the States where they were operating or, where laws existed, exploited the lacunae that existed in these laws. The Chit Funds Act, 1982 was enacted to control and regulate the chit fund business and to create a machinery for monitoring these activities and empowering the authorities concerned with powers to punish the guilty. The Act also contains various restrictive provisions which are expected to check/minimise the abuses resorted to by the persons operating the Chit Funds in the past. The Administration of the various provisions of the Chit Funds Act is with the State Governments/Union Territories who are required to frame necessary rules in

consultation with the Reserve Bank of India before the Act is extended to that State/Union Territory. As on date, the Act has already been brought into force in 13 States/Union Territories and the conventional Chit Fund business is regulated in those States/Union Territories under the provisions of the rules framed under Chit Funds Act, 1982. Since the machinery for monitoring of the illegal activities rests with the State Governments/Union Territories, State Governments/Union Territories Administrations are expected to take action when violations of these provisions of the Act take place.

RBI is pursuing the matter with the remaining State Governments/Union Territories for early framing of the rules and for enforcement of the Act.

Since the administration of chit fund business now rests with State Governments/Union Territories Administrations, Government have no ready information about the number of frauds and violations of the provisions of this Act.

#### **Curtailment in the Quota due to Non-production of Handloom Janta Cloth according to entitlement**

1802. SHRI LAKSHMAN MALLICK: Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that State Governments which do not produce handloom Janta Cloth according to their entitlement, face the bleak prospect of curtailment in their quota at a later stage ;

(b) if so, the details regarding the scheme of Government in this regard ;

(c) whether there are some States which are not participating in this scheme ; and

(d) if so, the details regarding the number and names of such States along-with reasons in this regard ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) No, Sir. There is no proposal for curtailment of quota of janta cloth for States which do not

produce janta cloth according to their entitlement. However, with the proposed transfer of production of controlled cloth from the NTC mills to the handloom sector, all States/Union Territories have been informed that they will have to make their arrangements for production of janta cloth. Since some of the States, at present, do not have enough handlooms to produce janta cloth at all or upto their entitlement for consumption, they may have to make arrangements to get their requirements of janta cloth from other States which may be willing to produce more than their entitlement, failing which they may not be able to ensure adequate availability of janta cloth in keeping with their entitlement.

(c) Yes, Sir.

(d) The States which are not participating in janta cloth scheme are : Jammu & Kashmir, Meghalaya, Nagaland, Punjab, Sikkim and all Union Territories except Pondicherry. These States do not have enough cotton handlooms, which are capable of producing the type of fabrics engaged under the scheme.

#### **Loans to SCs/STs and Backward Classes under D.R.I. Scheme in A.P.**

1803. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) the total amount of advances given to priority sector by public sector banks during the last three years in Andhra Pradesh ;

(b) the amount given to the scheduled castes/scheduled tribes, adivasis and backward classes under Differential Rate of Interest (DRI) scheme ;

(c) the position of overdues on such advances separately in respect of advances given under the DRI scheme ;

(d) whether there is any proposal to write off the small amounts of loans given to SC/ST, adivasis and backward classes in the Andhra Pradesh ; and

(e) if so, the details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Priority Sector Advances of Public Sector Banks in the State of Andhra Pradesh stood at Rs. 1300 crores, Rs. 1645 crores and 1750 crores respectively as at the end of December 1983, December 1984 and June 1985.

(b) and (c) The present data reporting system of banks does not generate separate information in the manner asked for. The available information regarding D.R.I. advances relating to Public Sector Banks in the State of Andhra Pradesh is set out below :

(Amount in Rs. crores)

	Amount Out- standing under D.R.I.	Of which to SC/ST borrow- ers	Amount of over- dues under D.R.I. Scheme
December 1983	23.77	12.12	8.43
December 1984	28.82	14.87	10.26
June 1985	29.74	15.16	9.24

(d) and (e) There is no proposal to write off small loans given to SC/ST in the State of Andhra Pradesh. However, the proposal for relief in repayment including writing off of loan amount, wholly or in part, is considered by banks on the merits of each individual case.

#### Proposal to Open Tourist Centres in Andhra Pradesh

1804. SHRI V. TULSIRAM : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to open Tourist Centres at various districts of Andhra Pradesh for the convenience of the domestic and foreign tourists coming in large number to visit the famous historical monuments in the State ;

(b) if so, whether Government have asked for a report in this connection from the State Government of Andhra Pradesh ;

(c) if so, the details thereof ; and

(d) when it is proposed to open such tourist centres indicating the estimated cost thereof ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) to (d) The Central Ministry of Tourism invites proposals from all State Governments including Andhra Pradesh for allocation of funds scheme-wise and not district-wise. These proposals are examined on merits and according to inter-se-priorities fixed by the Planning Commission.

Setting up of Information Centres at District level is a State subject. The Central Ministry of Tourism has, however, opened a Government of India Tourist Office at Hyderabad in 1983.

#### Compulsory Registration of Powerlooms

1805. SHRI MOOL CHAND DAGA : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have taken a decision in favour of compulsory registration of powerloom ;

(b) if so, the details in this regard ; and

(c) steps proposed to be taken to safeguard the interest of powerloom workers ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The Textile (Control) Order, 1986 came into force with effect from 11-4-1986. Under this order registration of existing powerlooms without valid permits will be done by the registration authorities, notified by the State Governments/Union Territory administrations, according to the provisions of Part III of the order.

(c) The Textile Policy states that the organisation of production in the powerloom sector should be guided by the objective, *inter alia*, of meeting workers' welfare. State Government and Union Territory authorities have been requested to implement package of measures for healthy development of powerloom industry and welfare of labour

employed therein. In order to improve the working conditions of the workers employed in the handloom and powerloom sectors of the unorganised labour, Govt. have set up a Tripartite Study Group.

#### Foreign Exchange Earned from Tourists

1806. SHRI MOOL CHAND DAGA : Will the Minister of TOURISM be pleased to state :

(a) the total amount of foreign exchange earned by Government from tourists during the last three years, year-wise ;

(b) the details of amount spent on promotion of tourism to India including expenditure incurred on payment of pay, allowances, rent, staff car, and expenditure incurred in maintaining tourists offices abroad ;

(c) the number of such offices located outside India ; and

(d) the expenses incurred in earning one dollar of foreign exchange in the light of the above ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) As per information available from the Reserve Bank of India, the comparable estimates of foreign exchange earnings from tourism are as given below :

	(Rs. crores)
1982-83	1130.6
1983-84	1225.0
1984-85	1300.00 (Provisional)

(d) The expenditure incurred by the Department in maintaining tourist offices abroad and on publicity during the above three years are as given below :

	(Rs. crores)
1982-83	4.30
1983-84	5.02
1984-85	5.60

(c) The number of tourist offices located outside India is 20 including a Tourist Information Counter at Kathmandu (Nepal).

(d) Promotional expenses of any particular year are not directly related to the foreign exchange earnings from tourism during that year.

#### Compulsory Export of Finished Goods by Large Industrial Houses

1807. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government propose to make it compulsory for the large industrial houses to export their finished goods ;

(b) if so, the details of the proposal ; and

(c) the measures to be adopted to render necessary assistances to the aforementioned big industries to enable them to export their goods ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) and (b) The MRTP/FERA companies are required to participate, among others, in the list of industries of Appendix-I to the Press Note of February 2, 1973. If these companies desire to set up industries other than Appendix-I Industries, they have to export 60% of the production. In case such an industry happens to be one reserved for small scale sector, they have to agree to export at least 75% of the production. The condition of exports up to 60% in respect of non-Appendix-I Industries (other than small scale industries) has been reduced to 25% for setting up industries in Category (B) and (C) backward areas and to 'Nil' for setting up industries in Category (A) backward Areas.

(c) A number of measures have been taken in the field of fiscal policy, industrial policy and import-export policy which would encourage inter alia larger houses to export. These include, among others, the set off of a percentage of net f.o.b. value of exports allowed for income tax purposes, raising of limit from Rs. 20 crores to Rs. 100 crores for large houses under the MRTP Act, expansion of the list of industries of Appendix I to the Press Note of February 2, 1973 for investments by MRTP/



FERA Companies and the decision that export production will be kept outside the licensed capacity.

### Africa Cell

1808. SHRI P.M.SAYEED : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether an Africa Cell has been set up in the Ministry ;

(b) if so, the constitution of the Cell ; and

(c) the precise decisions as based on the Harare Summit that are going to be implemented by the Cell ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) :  
(a) A Southern African Unit has been established in the Ministry.

(b) The Unit is to be headed by Shri N.Krishnan as Special Envoy of the Prime Minister for Africa with the rank of Secretary to Government assisted by the following staff :

1. Joint Secretary	1
2. Deputy Secretary/ Under Secretary	2
3. Section Officer	1
4. Private Secretary	1
5. Senior P.A.	1
6. Personal Assistants	2
7. Assistant	1
8. LDC	1
9. Peons	3

Pending approval for the creation of these posts the Unit is manned by a skeleton staff ;

(c) The Southern Africa Unit has been entrusted the task of monitoring the imple-

mentation of the decision of the Eighth Non-Aligned Summit at Harare relating to the establishment of the AFRICA (Action for Resisting Invasion, Colonialism and Apartheid) fund of which India is the Chairman.

### Import of Deep Sea Fishing Vessels by 100 Per Cent EOUS

1809. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether a meeting was held by him with the exporters of marine products in August, 1986 ;

(b) whether the 100 per cent Export-Oriented-Units (EOUs) havn been permitted to acquire deep sea fishing vessels ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Yes, Sir.

(b) and (c) Approval letters in respect of 23 Units (100% Export Oriented Units) have since been issued, permitting them to import deep sea fishing vessels.

### Increase in Facilities to International and Domestic Tourists

1810. SHRI P.M. SAYEED : Will the Minister of TOURISM be pleased to state :

(a) whether the existing tourist infrastructure like hotel rooms, motel facilities on highways, airline seats within the country, etc. are sufficient to meet the tourist demand ;

(b) if so, the major hurdle being experienced in promoting international as well as domestic tourism ;

(c) whether the facilities to be provided for the tourists are growing according to the demand at the same rate due to increase in the number of tourists ; and

(d) if not, the measures which Government propose to adopt to fill the gap ?

**THE MINISTER OF TOURISM (MUFTI MOHD. SYED) :** (a) and (b) There is a general shortage in practically all segments of tourist infrastructure facilities in some of the major tourist centre in the country. The major problem, is the shortage of hotel accommodation of adequate standards to cater to international as well as domestic tourists.

(c) and (d) The infrastructure facilities available are not keeping pace with the growing demand due to increase in the number of foreign tourists. Therefore, all out efforts are being made to augment these facilities as fast as possible. The development of infrastructure is a continuous process and the Department of Tourism is taking all possible measures to augment these facilities with the combined resources of the Centre, State and private sectors.

#### **RBI Proposal Re-sale of US Dollar**

1811. **SHRI D.N. REDDY :** Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal with the Reserve Bank of India to commence sale of US dollars to authorised dealers for transactions ; and

(b) if so, the reasons therefor and the details regarding the working of the scheme ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) At present RBI sells only spot Pound Sterling to the authorised dealers. Since a large portion of India's trade payment is handled in US Dollars, authorised dealers have to obtain US Dollars for making payments against Pound Sterling acquired from RBI. This process at times can result in loss on account of conversion. The Reserve Bank of India is, therefore, considering a proposal for sale of US Dollars to the authorised dealers for transactions denominated in US Dollars only. The question of working out the details of the scheme would arise only after a final decision is taken by the RBI about the introduction of the scheme.

#### **Introduction of Pension Scheme in Nationalised Banks**

1812. **SHRI V. S. KRISHNA IYER :** Will the Minister of FINANCE be pleased to state :

(a) whether pension scheme for employees is in existence in some of the nationalised banks ;

(b) if so, their particulars ; and

(c) the reasons for not introducing this scheme in the remaining nationalised banks ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Of the 28 public sector banks, pension benefits are available to employees of three banks, namely, State Bank of India, State Bank of Hyderabad and Allahabad Bank.

(b) In terms of the pension schemes in these banks, the employees who are members of the Pension Fund in State Bank of India and State Bank of Hyderabad are eligible to get pension upto a maximum of Rs. 1000/- per month and in Allahabad Bank at the rate of 35% for the officers and clerks and 40% for sub-staff of the average monthly basic pay drawn during 12 months preceding the date of retirement, subject to a minimum of Rs. 100/- per month. In State Bank of India and in Allahabad Bank relief on pension is also paid as per Government guidelines from time to time.

(c) According to the service conditions of the employees in public sector banks only two types of superannuation benefits are available, viz., Contributory Provident Fund and Gratuity. In State Bank of India, State Bank of Hyderabad and Allahabad Bank pension has a historical background and this was one of the superannuation benefits in lieu of gratuity in the pre-nationalisation period. Introduction of the Pension Scheme in the remaining banks would have far reaching financial implication. Moreover, the package of benefits already available to the remaining public sector banks compares favourably with the available in the other public sector organisations.

#### **Export of Wheat by MMTC to Korea**

1813. **SHRI V.S. KRISHNA IYER :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that MMTC had entered into an agreement with the Democratic People's Republic of Korea for export of 100,000 tonnes of wheat during the current year ;

(b) whether it is also a fact that MMTC had appointed a private shipping agency for clearing, forwarding and stevedoring work of the export of wheat ; and

(c) if so, the reasons for entrusting the export of wheat to MMTC instead of Food Corporation of India ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Yes, Sir. MMTC signed an agreement with Korea Cereals Export and Import Corporation of Democratic People's Republic of Korea for export of 100000 ( $\pm$  10%) metric tonnes of wheat during current years.

(b) Yes, Sir. Handling agents were appointed by MMTC.

(c) As MMTC and STC are public sector Corporation involved in inter-national Trade, these corporations have been allowed to export wheat as well.

#### Silver Jewellery Export

1814. SHRI V.S. KRISHNA IYER : Will the Minister of COMMERCE be pleased to state :

(a) the estimated silver jewellery Export during 1986-87 : and

(b) whether Government propose to enunciate a new silver policy with a view to promoting export of silver jewellery ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Exports of non-gold jewellery including silver jewellery during April-September 1986 are estimated to be about Rs. 1.28 crore.

(b) Yes, Sir.

#### Opening of Bank Branches in Rural Areas of Rajasthan

1815. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there are no branches of banks in rural areas in several States in the country ;

(b) if so, the number of rural areas in Rajasthan from which Government have received applications/representation for opening bank branches ;

(c) whether Government have considered those applications/representations ; and

(d) if so, the details in this regard and the reasons for not opening bank branches there so far ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the information available from RBI there were 29,755 bank offices located in rural areas in the country as at the end of June, 86 and no State or Union Territory was completely devoid of rural branches of the banks. There are, however, rural unbanked pockets in the country. In order to achieve an even spread of bank branches in the rural and semi-urban areas, the branch licensing policy for 1985-90 envisages the location of atleast one bank office within a distance of 10 kms. and establishment of a bank office for a population of 17,000 in the rural and semi-urban areas of each *Development Block*.

(b) to (d) Under the current branch licensing policy 1985-90 the lead banks/ State Governments have been entrusted with the task of identification of centres for opening bank offices. The State Government of Rajasthan has identified 238 potential centres for opening bank offices of which 236 have been indicated as rural centres. RBI has so far in 1986 allotted 21 rural centres under the current branch licensing policy including 5 centres recommended by NABARD in respect of newly established Regional Rural Banks. According to the information available branches have been

opened at 2 centres against the 21 allotments. Reserve Bank of India has reported that in the remaining centres branches have not so far been opened.

#### **Destruction of Tobacco Barns by Floods**

1816. SHRI V. SOBHANADREESWARA RAO : Will the Minister of COMMERCE be pleased to state :

(a) the number of tobacco barns fully/partly damaged in Khammam, West and East Godavari, Warangal and Krishana districts due to heavy floods in Andhra Pradesh in August, 1986 and the estimated loss to the barns ;

(b) whether Tobacco Board has suggested to the Union Government to assist the affected farmers for reconstruction/repairs of the damaged barns with subsidy element so that tobacco production is not affected adversely ; and

(c) if so, the reaction of Union Government there to and the pattern of assistance to be given to barn owners ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) According to the assessment made by the Tobacco Board, 3514 tobacco Barns have been full/partly damaged due to floods in Andhra Pradesh in August, 1986 and the extent of loss to the barns is estimated at Rs. 2.30 crores.

(b) Yes, Sir.

(c) The nationalised banks have been requested to extend financial assistance in the form of term loan for reconstruction/repair of the barns.

The State Government had reported that 60 tobacco barns were damaged in East and West Godavari district due to floods. The State Government had requested for assistance of Rs. 0.50 lakhs towards subsidy on repairs to 24 tobacco barns belonging to small and marginal farmers. Based on the report of the Central Team and recommendations of the High Level Committee on Relief thereon, a sum of Rs. 0.50 lakh has been approved to the Government of Andhra Pradesh on 22nd October, 1986 for repairs of the damaged tobacco barns.

#### **Export of Tobacco by Andhra Tobacco Growers' Union**

1817. SHRI V. SOBHANADREESWARA RAO : Will the Minister of COMMERCE be pleased to state :

(a) whether the Andhra Pradesh Tobacco Growers Coop. Union Ltd. has purchased nearly 1500 tons of tobacco from the growers in the 1986 crop season ;

(b) whether it is a fact that only 150 tons of export order to USSR was given to the Union through State Trading Corporation as a result of which large stock of tobacco is still left with the Union ; and

(c) if so, whether Union Government propose to give more export quote to the Union through STC ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) The Andhra Pradesh Tobacco Growers' Co-operative Union Ltd. purchased around 1708 tonnes of 1986 crop of VFC tobacco on the auction platforms established by the Tobacco Board.

(b) and (c) USSR makes commercial purchases of tobacco from various firms in India. In the year 1986, USSR placed on order for supply of 1200 MT of tobacco on STC. STC initiated a scheme, under which orders for export to USSR were distributed to 22 small packers/exporters who got 50 MTs each and the Andhra Pradesh Tobacco Growers Union was allocated a quantity of 150 MTs.

#### **Fire Accidents in Purchase Centres of C.C.I.**

1818. SHRI V. SOBHANADREESWARA RAO : Will the Minister of TAXILES be pleased to state :

(a) the number of fire accidents which took place in Cotton Corporation of India purchasing centres during 1986-87 and the total loss suffered in such accidents ;

(b) whether reports were received about possible sabotage and collusion of some CCI officials and few traders ;

(c) if so, whether C.B.I. enquiry was conducted into these incidents ; and

(d) the findings of C.B.I. and the action taken thereon ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No fire accidents occurred at the purchasing centres of the Cotton Corporation of India during the Cotton year 1986-87 (from Sept. 1986) and therefore there is no question on any loss to the Corporation on account of fire accidents.

(b) to (d) Do not arise.

#### Conference of Collectors of Excise Department

1819. SHRI RAM BHAGAT PASWAN: Will the Minister of FINANCE be pleased to state :

(a) whether a conference of collectors of Excise department was held during September, 1986 ;

(b) if so, the object of the meeting ; and

(c) the details of decisions taken therein ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The East, West and North Zone Collectors' of Central Excise, Conferences were held at Bhubaneswar, Bombay and New Delhi respectively during the month of September 1986 to review Central Excise revenue collections on various excisable commodities and to discuss the various administrative aspects of those Collectorates. These conferences are a monthly feature.

A meeting of five Collectors of Central Excise, having M/s. J.T.C. factories under their jurisdiction, was also held at Calcutta to finalise assessments relating to cigarettes manufactured by these factories.

#### Recovery of Taxes

1820. SHRI RAM BHAGAT PASWAN: Will the Minister of FINANCE be pleased to state :

(a) the details of excise duty, income tax and customs duty recovered during 1985 and details out of these amounts realised from multinational companies ; and

(b) the details of duties likely to be recovered during 1986 ?

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

#### Narcotic Drugs and Psychotropic Substances Act, 1985

1821. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any assessment of the effectiveness or otherwise of the Narcotic Drugs and Psychotropic Substances Act, 1985 in curbing the drug menace in the country ;

(b) if so, the percentage by which drug addiction and its clandestine trade in the country has increased or decreased since the enforcement of the legislation stating its drawbacks, if any ; and

(c) the steps contemplated by Government to tackle the drug abuse menace in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Narcotic Drugs and Psychotropic Substances Act, 1985, which came into force with effect from 14.11.1985, besides providing for deterrent punishments for drug offences, has also empowered officers of the various Central and State Government agencies for seizure, search, arrest and conducting of investigation in respect of drug offence cases. Government have been monitoring effective enforcement of the aforesaid enactment. As a result of various measures taken and the vigorous drive launched against drug trafficking, there has been considerable increase in the quantities of drugs seized from 14.11.1985 (i.e., the date of coming into force of the new Act) to

31.10.1986 as compared to the corresponding period during 1984-85.

Name of drug	P E R I O D	
	14.11.1985 to 31.10.1986 Quantity (kg.)	14.11.1984 to 31.10.1985 Quantity (kg.)
1. Ganja	55,169	42,382
2. Charas (Hashish)	17,481	10,574
3. Heroin	3,056 plus 40 litres liquid heroin	710
4. Cocaine	23	5

(N.B. :- Figures provisional and rounded off to the nearest kilogram).

India has, for sometime past, been increasingly facing the problem of transit traffic in drugs, particularly, emanating from the Near and Middle East region. The inevitable spill over from the transit traffic in drugs has caused drug addiction specially at entry and exit points, namely, Delhi and Bombay, which is reportedly spreading over other areas also.

A 'Study of the Drug Abuse Situation among students' in four metropolitan cities and five other towns of the country was commissioned in 1985. The study has not yet been completed. However, the Government have taken a number of welfare and publicity measures to counter the problem of drug abuse.

#### **Lending by Banks and Financial Institutions to Industrial Companies**

1822. SHRI C. MADHAV REDDI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Reserve Bank of India has recently simplified procedures for lending by banks and financial Institutions to such industrial companies which have defaulted in repayment of previous loans; and

(b) if so, whether such instructions apply to deferred payment guarantees also ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India has recently issued instructions to the scheduled commercial banks that with a view to enforcing financial discipline amongst borrowers, the banks should not consider applications for sanction of fresh term finance, including deferred payment guarantees, for new projects or expansion of existing units of defaulting companies where there has been prolonged default. As regards working capital requirements are concerned, these may be withheld in those cases where banks have reason to believe that the managements of the units are indulging in malpractices such as siphoning off of the concerns' funds and hence have become persistent defaulters in repayment of credit extended by banks.

#### **Silk Industry of J & K**

1823. SHRI C MADHAV REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are aware that the silk industry in Jammu and Kashmir is in the bad shape ; and

(b) if so, the steps proposed to be taken by Government to revive the silk industries in Jammu and Kashmir on the lines of the silk industry in Karnataka ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) and (b) The main problem of the Sericulture industry in Jammu and Kashmir is the existing system of marketing of cocoons, under which rearers have to sell their entire production of cocoons to State-owned feeling units only. This has resulted in unremunerative returns to the farmers of the state as compared to their counterparts in sericulturally developed states like Karnataka where there are no such marketing restrictions. Government of India have impressed upon the State Government that demonopolisation is an absolute must for survival of the Sericulture industry in J & K, and they have agreed to give a serious thought to the problem.

Further, under the Central Sector, the Central Silk Board has a Regional Research Station with two Research Extension Centres for extending R&D support for development of sericulture industry in the State of Jammu and Kashmir. Two Basic seed Farms and one seed Production Centre have been established in the State to augment supply of quality silkworm seed. In addition to these, the Board has a Regional Office in Srinagar to coordinate sericultural activities of the region. The Board has also organised study visits of farmers from Jammu & Kashmir to Karnataka.

#### Export of Apple and Apple Juice

1824. SHRI K.D. SULTANPURI : Will the Minister of COMMERCE be pleased to state :

(a) the production of apple and apple juice in the State of Himachal Pradesh during this year ;

(b) how much out of it was exported to foreign countries and how much income was derived from such exports ; and

(c) the steps contemplated to increase the export of apple and apple juice during the Seventh Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : The estimated production of apples in Himachal Pradesh during this year is 500,000 metric tonnes. The production of apple juice in the State was 400 MTs during 1985.

(b) Export data is not available on State-wise basis.

(c) The steps to increase exports of apple and apple juice include the grant of Cash Compensatory Support and incentives like Import Replenishment licences, Duty Drawback facilities and duty free import of inputs like packaging materials etc.

[*Translation*]

#### Development of Almora and Pithoragarh Distt. for Tourism

1825. SHRI HARISH RAWAT : Will the Minister of TOURISM be pleased to state :

(a) whether Government are aware that Almora and Pithoragarh districts of U.P. have a great potential for development as places of national and international level of tourism ; and

(b) if so, the steps proposed to be taken by Government to bring this tourist potential in lime-light and to explore it during remaining period of the current plan ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) Aware of the importance of Hill Areas of U.P. as places of tourism interest, the Ministry of Tourism has finalised an Action Plan to promote several identified centres including Almora and Pithoragarh in a phased manner during the current plan period.

#### Recovery of Loans under I.R.D.P. by Bank in Uttar Pradesh

1826. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether he is aware that the branches of many banks in Uttar Pradesh have recovered the whole amount of loans within three years from the beneficiaries under Integrated Rural Development Programme (IRDP) ;

(b) if so, whether such action is contrary to the directions issued by Government for this programme ; and

(c) if so, the steps proposed to be taken to stop such practice and issue necessary instructions to the banks in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India has issued instructions to the banks that repayment period of IRDP loans should be fixed taking into account surplus generating capacity, sustenance requirements, the break-even point, the economic life of the assets etc. and the period should in no case, be less than 3 years.

The Concurrent Evaluation of IRDP carried out at the behest of the Government

has however revealed that the banks have in some cases fixed the period of repayment at less than 3 years in various parts of the country, including Utter Pradesh. Government has brought the deficiency to the notice of the banks advising them to issue suitable instructions to the operating functionaries for corrective action and also to have the matter discussed at the State Level Bankers Committee.

[English]

#### High Level Authority to Devise Marketing Policy for Promotion to Tourism

1827. SHRI HARISH RAWAT : Will the Minister of TOURISM be pleased to state :

(a) whether Government propose to set up a high level permanent authority to devise a marketing policy for the promotion of tourism ; and

(b) if so, its constitution and when it is proposed to be set up ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : The Planning Commission have set up a National Committee on Tourism to formulate a long-term perspective Plan for the Tourism Sector on an integrated basis. The Committee was notified in July 1986 under the Chairmanship of Shri Mohammed Yunus, Chairman, Trade Fair Authority of India. Among its terms of reference, the Committee will look into the question of devising a marketing policy for the promotion of tourism based on market needs and demands. It has set up several sub-committees to look into the various terms of reference who have been directed to submit their findings within the time bound schedule assigned.

(b) A statement indicating the constitution of the Committee composed of 12 Members including the Chairman, is given below.

#### Statement

*List of Members of the National Committee on Tourism.*

1. Shri Mohammed Yunus Chairman, Trade Fair Authority of India	Chairman
2. Shri S.K. Misra Secretary Ministry of Tourism	Member
3. Smt. Kapila Vatsayan Secretary Department of Arts	Member
4. Shri K.L. Thapar Adviser (Transport & Tourism) Planning Commission	Member
5. Shri K.B. Lal Former Commerce Secretary & Ambassador to EEC	Member
6. Dr. B. Venkataraman Former Secretary Ministry of Tourism & Civil Aviation	Member
7. Shri A.N. Haksar Former Chairman I.T.C.	Member
8. Shri Inder Sharma Chairman Sita World Travels	Member
9. Shri Gautam Khanna Sr. Vice President Oberoi Hotels and Chairman-Mercury Travels	Member
10. Shri Rajan Jetley Managing Director I.T.D.C.	Member
11. Shri A.B. Kerkar Vice-Chairman & M.D. Taj Group of Hotels	Member
12. Shri R.K. Puri Sr. Vice-President (Commercial) I.T.D.C.	Secretary



[*Translation*]

**Opening of Bank Branches by  
Pithoragarh Gramin Bank**

1828. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the names of places selected by Pithoragarh Gramin Bank for their branch expansion programme ;

(b) whether the said bank has applied to Reserve Bank of India for licences for opening branches at these places ; and

(c) if so, the decision taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank has reported that it had received in August, 1985 request from Pithoragarh Gramin Bank for opening branches at eight centres namely at Paleta, Gurna, Dhunaghat, Lohaghat, Champawat Town, Baluwakot, Dharchula Town and Mowani.

Out of the above eight centres RBI had allowed the Pithoragarh Gramin Bank to open branches at four centres namely Paleta, Gurna, Baluwakot and Mowani as these centres conformed to the norms laid down under the branch licensing policy for 1985-90.

Reserve Bank of India has reported that Pithoragarh Gramin Bank has again approached the Reserve Bank in April 1986 for opening branches at six centres. As Reserve Bank of India has subsequently received a list of 28 identified centres from the State Government of Uttar Pradesh for opening bank branches in Pithoragarh district, the allotment of eligible centres and the allocation of branches to the Pithoragarh Gramin Bank out of such eligible centres would be done by Reserve Bank of India in accordance with the branch licensing policy for the period 1985-90.

[*English*]

**Price of Synthetic Fibre**

1829. SHRI MURLIDHAR MANE : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that recent review of textile industry by the Planning Commission indicated that there is no control of Government over the prices of synthetic fibre inputs ; and

(b) if so, the steps taken by Government to ensure availability of synthetic fibre at reasonable cost in order to make our textile products more competitive in the domestic as well as international market ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) No, Sir, The meeting held by the Member Planning Commission was regarding the impact of the Textile Policy and it did not discuss synthetic fibre inputs.

(b) The following steps have been taken to ensure availability of synthetic fibres/yarn at reasonable prices :

(i) In the synthetic sector, new capacity has been licensed.

(ii) Government have extended concessions in fiscal levies on certain man-made fibres/yarn.

(iii) Imports of important man-made fibres and yarns have been kept under O.L.

**Raising the Issue of Development of  
Nuclear Weapons by Israel at IAEA  
Conference**

1830. SHRI SYED SHAHABUDDIN : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have raised the issue of nuclear weapon by Israel at the International Atomic Energy Agency Conference held in Vienna ;

(b) whether Government have taken the matter bilaterally with the nuclear weapon States for taking proper action against Israel ; and

(c) if so, the reaction of nuclear weapon States ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K. NATWAR SINGH) : (a) At its 30th session in Vienna, (Sept. 29 Oct. 3, 1986) the General Conference of the International Atomic Energy Agency (IAEA) considered, among other things, the subject of Israel's nuclear threat. Intervening in the debate on the subject, the Permanent Representative of India to the IAEA said : "The growing capability of Israel in the nuclear field constitutes a serious threat to peace and security, since it adds an ominous and new dimension to its capability to destabilize or dominate the region".

(b) and (c) The matter has not figured in bilateral discussions with any of the nuclear weapon States.

#### Criteria for Import of Rubber

1831. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) the criteria adopted by Government for import of rubber ;

(b) whether the quantum for import of rubber during 1986-87 has been fixed ;

(c) if so, the details thereof ; and

(d) if not, the reasons for delay ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) to (d) Rubber is imported keeping in view the demand—supply gap as reviewed from time to time in consultation with the Rubber Board, Department of Industrial Development and DGTD. For the year 1986-87 requirement of imported rubber was assessed at 40,000 tonnes.

#### Guidelines Re-grant of Loans to Persons Living below Poverty Line

1832. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether specific guidelines and instructions are issued to the nationalised banks for granting loans to the persons living below the poverty line ; and

(b) whether periodical review is made regarding the observance of these guidelines by the bank authorities in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The Integrated Rural Development Programme (IRDP) is the major bank credit linked programme for the persons living below the poverty line. Detailed guidelines/instructions have been issued to the banks both by Government and Reserve Bank of India (RBI) regarding grant of loans under IRDP and matters related thereto.

(b) The guidelines and instructions issued under IRDP are revised periodically in the light of experience and the need for implementing the programme more effectively. Quite recently, banks have been once again advised about the need for following these guidelines scrupulously.

#### Mini India Theme Park for Pathiramanal in Kerala

1833. PROF. K.V. THOMAS : SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of TOURISM be pleased to state :

(a) whether Kerala Government have sent a proposal to start Mini India Theme Park at Pathiramanal in Kerala ; and

(b) if so, the decision taken thereon ?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED) : (a) and (b) The Government of Kerala had forwarded a proposal for financial assistance to the tune of Rs. 50.00 lakhs to start a Mini India Theme Park at Pathiramanal in Kerala. The Ministry of Tourism had examined the proposal and suggested that a major share of the finance involved should be contributed by the State Government/Private Sector/NRI. It has been proposed that the Ministry of Tourism would provide assistance for the construction of a restaurant and provision of boats etc.

There has been no response from the State Government so far, in respect of this proposal.

### Seizure of Smuggled Goods at Airports

1834. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the total value and particulars of smuggled goods seized at Delhi Airport from the employees of the Indian Airlines, Air India and other Government Departments during 1984 to October 1986 ; and

(b) the steps Government have taken to check the smuggling activities at the airports in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total value and particulars of smuggled goods seized at Delhi Airport from the employees of the Indian Airlines, Air India and other Government Departments during 1984 to 1986 (upto October) is furnished below :

(Value : Rs.  
in lakhs)

Particulars of employees	1984	1985	1986 (upto October)
Indian Airlines	0.58	17.06	---
Air India	1.22	2.70	—
Other Government departments	0.01	—	9.42

The goods seized mainly consist of gold, wrist watches electronic equipments and medicinal powder.

(b) The drive against smuggling activities at the airports has been intensified. A separate set of Air Intelligence Officers are posted in the airport to discreetly watch the movements of passengers and their baggages. Further, anti-smuggling equipments such as metal detectors X-ray baggage scanners, etc. are also used to detect concealment of contrabands on person/inside baggage/cargo.

The scheme of rewards to informers and Government servants has also been liberalised.

Besides, the trends of smuggling and seizures made at the airports are kept under constant review for taking appropriate remedial action as warranted.

Stringent action is taken against persons found involved in smuggling activities both departmentally as well as through prosecution in Courts. Apart from confiscation of goods involved and the imposition of personal penalties, preventive detention under the COFEPOSA Act is also resorted to in appropriate cases.

### Fall in Value of Rupee

1835. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the value of rupee has considerably gone down and is progressively on the decline ; and

(b) if so, the steps proposed to be taken to compensate salaried persons and mitigate hardship to unemployed and people below poverty line ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The value of rupee worked out as a reciprocal of the Consumer Price Index for Industrial Workers (1960=100) (CPI) has been changing from year to year according to the movement of the CPI. A rise in the CPI means a fall in the value of the rupee and vice-versa. The increase in CPI in recent years was 5.0 per cent in 1984-85 and 8.9 per cent in 1985-86.

(b) Government employees and employees in the public sector and local bodies are paid dearness allowance so as to partly compensate them for the rise in the cost of living. Similar arrangements also exist in respect of employees in the organised sectors. For unorganised labour, minimum wages are periodically reviewed taking into account various factors including increase in the cost of living. The interests of the weaker sections are safeguarded by the supply of highly subsidised foodgrains under special schemes and through larger allocations for various anti-poverty programmes.

**Position of Flow of Money**

1836. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that flow of money in the country is poor ;

(b) if so, the details thereof ; and

(c) steps Government propose to take to improve the position of flow of money ?

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

(b) and (c) Do not arise.

**Benefit to Small and Marginal Farmers from Banking Service**

1837. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have conducted a study on the performance of banking service in the country for the benefit of the small and marginal farmers ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Committee to Review Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD) appointed by the Reserve Bank of India at the instance of the Government of India has in its report submitted in 1981 dealt, inter alia, with certain aspects of banking service for the benefit of small and marginal farmers. In pursuance of the recommendations of CRAFICARD, National Bank for Agriculture and Rural Development (NABRAD) has been established by the Government of India. The short-term credit limit for Agricultural purposes sanctioned by NABRAD is subject to a condition that at least 20 per cent of the limit should be utilised by central cooperative banks for small and marginal farmers. NABARD also

insists that at least 60 per cent of investment credit under schematic lending should go for small and marginal farmers and other weaker sections. Further other concessional terms such as lower down payment, lower rate of interest and longer repayment period etc. are stipulated by NABARD for financing small and marginal farmers under schemes for development of agriculture and allied activities.

**Identification of Tourism Potentialities in the States**

1838. SHRI K. KUNJAMBU : Will the Minister of TOURISM be pleased to state :

(a) whether Government have identified the States which have a very high tourism potential ;

(b) if so, the names of the States ;

(c) the steps taken to develop tourism in each of these States so far ; and

(d) the steps being taken to exploit fully the potential in these States during the Seventh Plan ?

THE MINISTER OF TOURISM (MUFTI MOHD. SAYEED) : (a) to (d) The Department of Tourism in consultation with the State Governments/Union Territories have identified tourists centres in all States/Union Territories for integrated development in a phased manner with the combined resources of Centre, State and Private Sectors. Schemes for development of infrastructure at tourist centres are taken up in consultation and coordination with the State Governments/Union Territories keeping in view specific requirements of a particular tourist centre.

During the Seventh Five Year Plan the steps being taken for development of tourism include selective approach for development of infrastructure at centres of tourist interest in consultation with State Governments, promotion of domestic tourism development of Beach Resorts, improvement of facilities for Himalayan tracking and Water Sports, preservation of National Heritage areas, flood lighting or monuments, development of Buddhist Tourism, Construction of Yatrikas/

Dharamshalas at Pilgrim centres, improvement in the quality of surface transport facilities, development of Wild Life Tourism, professionalisation of services in tourism and travel industry, production of quality publicity material and increased overseas promotional efforts and publicity.

#### Export of Coir Goods

1839. SHRI K. KUNJAMBU : Will the Minister of TEXTILES be pleased to state :

(a) the total amount received from the export of coir goods during the past two years ;

(b) whether it is a fact that our coir goods cannot stand the competition from synthetic material in the international market ;

(c) whether this has seriously affected our export ; and

(d) if so, the steps taken to find new markets as well as improve the quality of coir products so as to be able to compete with synthetic goods ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILES (SHRI S. KRISHNA KUMAR) : (a) to (d) According to figures made available by Coir Board, the exports of coir and coir products amounted to Rs. 32.85 crores in 1985-86 as against Rs. 26.41 crores in 1984-85. The quantitative exports have however suffered a slight decline due, among other reasons, to the competition from cheaper synthetic substitutes in international market. In order to improve the competitive strength of Indian Coir, the Government grants Cash Compensatory Support, Import Replenishment and Duty Drawback on exports of certain coir products. Besides, the Coir Board has been undertaking a number of steps for promoting coir exports which *inter-alia* include sending trade delegations, conducting market studies and market research, releasing advertisements in foreign trade magazines, distribution of publicity material and participation in fairs in major markets. The Coir Board's on going R&D, training and extension programmes aim at

process improvement, product diversification, design development and quality upgradation.

#### Export of Silk

1840. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Indian silk have good demand in world market ;

(b) if so, the steps taken to export value added silk items so as to compete with the silk goods manufacturer in Western Europe and other parts of the world ; and

(c) the details thereof ?

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

(a) and (c) The following steps have been taken to enable Indian exporters to compete in international markets :

(i) Cash Compensatory Support on silk items has been extended for a further period of three years from 1.7.1986. The rate of Cash Compensatory Support on value-added items like garments, made-ups and sarees has been raised from 10% to 12%.

(ii) Facilities for duty-free import of raw materials for or against export of silk goods continue to be available. Under the Replenishment scheme the replenishment percentage against export of 100% natural silk goods has been raised from 20% to 30% in the current Import-Export Policy.

(iii) The Indian Silk Export Promotion Council, set up for handling export promotion activities of silk items exclusively, has organised participation in important international fairs and sponsored Trade Delegations/Buyers Seller Meets to keep exporters abreast of trends in international markets. Assistance from Market Development Assistance Fund is also available to exporters for undertaking export promotion activities.

**Kuwait Keeness to Invest in India**

1841. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether the high-powered delegation from Kuwait which visited India recently has shown its keenness in making investment in India ;

(b) if so, the details thereof ; and

(c) reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) A four Member Kuwaiti Delegation visited India from 19th to 26th October, 1986. The main objective of the visit was to understand Government of India's policies and Procedures, to look at investment possibilities and to have discussions with entrepreneurs having specific projects requiring finance. The members of the Delegation met senior Government officials as well as representatives of the Industrial Development Bank of India, Federation of Indian Chambers of Commerce and Industry, Federation of Indian Export Organisations etc. The members were apprised of the Govt.'s policies relating to investment from Oil Exporting Developing Countries and the investment climate in India. They were also informed of the scope for investment in large projects in India.

**MMTC Agreement with A.P. Mineral Development Corporation**

1843. SHRI E. AYYAPPU REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether MMTC has entered into an agreement with Andhra Pradesh Mineral Development Corporation for the development of Baritis mines in that State and their eventual sale abroad ;

(b) whether the M.M.T.C. has also planned for financial assistance to export oriented units dealing in mineral products with a view to increase the export of minerals and mineral products ; and

(c) the increase in terms of value in the financial year 1985-86 in the export of iron ore and other ores as compared to the year 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DASMUNSI) : (a) MMTC has entered into an agreement with Andhra Pradesh Mining Corporation for marketing the barytes produced by it.

(b) MMTC provides need based finances to their export associates against their working capital requirements and for purchase of mining machinery and equipment.

(c) Export of Iron Ore and other ores handled by MMTC increased as follows :

	(Rs. Crores)
	Increase value in 1985-86 over 1984-85.
1. Iron Ore	31.0
2. Iron Ore concentrates	21.6
3. Coal	6.0
4. Barytes	1.4
5. Chrome Ore	0.3
6. Bauxite	2.02

Export of Manganese Ore declined in value terms in 1985-86 over 1984-85 by Rs. 4.8 crores.

**Tax Relief to Refrigeration Industry**

1844. SHRI E. AYYAPPU REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether there is heavy inventory in the Refrigeration Industry ; and

(b) if so, whether there are any proposals to give tax relief to this industry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The stock of refrigerators until 30.9.1986 is lower than that in the corresponding period in 1985.

(c) Some proposals have been received for stimulating the demand. It is not considered expedient in public interest to give details of these proposals at this stage. Decision would be taken at the appropriate time having regard to all the relevant considerations.

#### Proposal to Construct Hotels in Andhra Pradesh

1845. SHRI E. AYYAPPU REDDY: Will the Minister of TOURISM be pleased to state:

(a) whether India Tourism Development Corporation has proposals to construct hotels at Nagarjunsagar, Vimlipatam and Tirupati in Andhra Pradesh; and

(b) if so, the details thereof?

THE MINISTER OF TOURISM (MUFTI MOHD. SYED): (a) No, Sir.

(b) Does not arise.

#### Borrowings from World Bank

1846. SHRI E. AYYAPPU REDDY: Will the Minister of FINANCE be pleased to state:

(a) the up-to-date outstanding borrowings from the World Bank by Government of India;

(b) whether the assistance from the World Bank for the year 1986 has been cut down as compared to the previous years; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) Uptill 30th June 1986, the World Bank group has committed assistance of US \$ 24,520.1 million comprising US \$ 10,691.9 million

IBRD loans and US \$ 13,828.2 million IDA credits.

(b) and (c) The amount of loans/credits committed by the World Bank group in the Bank's fiscal year 1986 was \$ 2368.3 million as compared to US \$ 2150.9 million in FY 1983, US \$ 2722.4 million in FY 1984 and US \$ 2346.9 million in FY 1985. Country allocations of IDA/IBRD funds are made by the World Bank within the framework of total resources available and with regard to the competing claims of different countries.

#### Financing of Kerala's Schemes by LIC

1847. PROF. K.V. THOMAS: Will the Minister of FINANCE be pleased to state:

(a) the amount allocated by Life Insurance Corporation for financing the schemes of Kerala Government for 1986-87;

(b) the amount released so far; and

(c) if no amount has been released, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The amounts allocated by Life Insurance Corporation for financing the relevant schemes in Kerala for 1986-87 are as under:

(Rupees in crores)				
State Govt. Housing Schemes	S.E.B.	S.R.T.C.	Water Supply & Sewerage Schemes	Apex Co-op. Housing Schemes
6.21	7.58	2.66	6.00	10.00.

(b) and (c) LIC have issued loan offers for all the Schemes except water supply and sewerage schemes. Loans will be released after the requirements in the loan offer are complied with by the borrowing agencies. Applications for loans for water supply and sewerage schemes from Kerala Water and Waste Water Authority are awaited by the LIC.

**Export of Spices**

1848. SHRI K. KUNJAMBU : Will the Minister of COMMERCE be pleased to state :

(a) whether export earnings from spice have declined during 1986 ;

(b) if so, the details thereof ; and

(c) the steps being taken to boost the export of spices ?

THE COMMERCE MINISTER IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Export earnings from spices during last three years have shown an increasing trend. While exports of spices during 1984-85 were valued at Rs. 209 crores, the earnings during 1985-86 increased to Rs. 282.52 crores. Exports of spices during April-September 1986 have been provisionally estimated to be valued at Rs. 183.35 crores as against exports valued at Rs. 53.06 crores during the corresponding period in 1985.

(b) Does not arise.

(c) Spices Export Corporation Council is taking various steps such as participating in fairs, exhibitions, sending trade delegations, arranging trade meetings, advertisement and publicity through media for increasing export of spices including pepper. A spices Board is going to be formed soon.

**Outstanding Issues between India & U.K.**

1849. SHRI RANJIT SINGH GAEKWAD : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether after the Prime Minister's visit to United Kingdom many outstanding issues between the two countries have been solved ;

(b) if so, details thereof ; and

(c) how many agreements have been reached between the two countries ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS

(SHRI K. NATWAR SINGH) : (a) No, Sir.

(b) Does not arise.

(c) No agreements have been signed between the two countries since Prime Minister's visit to U.K.

**British Economic Aid**

1850. SHRI RANJIT SINGH GAEKWAD : Will the Minister of FINANCE be pleased to state :

(a) the U.K. Government's economic aid to India for the last three years ; and

(b) whether the economic aid from that country has declined recently ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total grant assistance from UK to India in the last three years is given below :

Year	Bilateral grants (£. m)	Special Projects grants (£. m)	Total (£. m)
1983-84	92.5	2.8	95.3
1984-85	110.6	23.2	133.8
1985-86	115.9	11.1	127.0

(b) Thus while the bilateral grant assistance has recorded a steady increase during this three year period, the total grant assistance is seen to have registered a 4.5% decline in 1985-86, in relation to the total assistance for 1984-85.

**Steps to Arrest Rising Prices**

1851. SHRI RANJIT SINGH GAEKWAD : SHRI DINESH GOSWAMI : Will the Minister of FINANCE be pleased to state :

(a) the All India Consumers Price Index in September-October 1986 as against the corresponding period last year ;



(b) whether it showed a sharp rise in consumer price ;

(c) whether rising prices are causing great concern ;

(d) if so, factors which mainly accounted for sharp rise in consumer price index and the inflation rate ; and

(e) the steps proposed to arrest rising prices ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) All India Consumer Price Index (1960=100) in September, 1986 was 676 as against 619 in September, 1985. Index for October, 1986 is not available.

(b) There was a 9.2 per cent increase in consumer price Index in September, 1986 over September, 1985.

(c) and (d) Rise in consumer price index and the inflation rate is the cumulative result of a variety of factors affecting the demand-supply position of items of consumption, weighted according to their value in the consumption basket.

(e) The thrust of the Government's anti-inflationary policy continues to be on effective demand and supply management including strengthening of public distribution system, regulated releases of sugar and edible oils, enforcement of discipline and mopping up of excess liquidity in the system. The Central Govt. has advised the State Governments to take strict action against traders including in profiteering hoarding and black marketing.

#### Offer of Singapore Trade Development Board for Exporting Indian Goods

1852. SHRI DINESH GOSWAMI : Will the Minister of COMMERCE be pleased to state :

(a) whether Singapore Trade Development Board has offered to export Indian goods as reported in the Economic Times dated 24th October, 1986 ;

(b) if so, the details thereof :

(c) the efforts made by various Export Promotion Councils and Boards to increase exports ; and

(d) whether any delegations/Missions are proposed to be sent abroad to explore new trade outlets during the Seventh Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI) : (a) Government have not received any such offers.

(b) Does not arise.

(c) Various steps like improvement in quality standards, participation in trade fairs and exhibitions, conducting market surveys, exchange of commercial delegation etc. are being undertaken by the various Export Promotion Councils and Boards to increase exports of commodities and items.

(d) Yes, Sir.

#### Depreciation in Value of Rupee

1853. SHRI CHITTA MAHATA :  
SHRI AMAR ROYPRADHAN:  
Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there has been a fast depreciation in value of rupee against the major currencies recently ; and

(b) if so, the steps taken to correct the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The exchange rate of the rupee is fixed with reference to the value of a basket of currencies, mainly of countries which are India's major trading partners. The exchange rates between rupee and other currencies move upward or downward depending upon the fluctuations in the value of these currencies. In recent months, rupee has remained fairly stable vis-a-vis dollar and has depreciated against Yen etc. which in turn have strengthened against the dollar. In a regime of floating exchange rates, such frequent variations in exchange value of Rupee are not unusual.

### Seizure of Gold and Narcotics

1854. SHRI CHITTA MAHATA : Will the Minister of FINANCE be pleased to state :

(a) the total quantum of smuggled gold and narcotics seized by Government during the last three years ; and

(b) the particulars of the officials found involved and the action taken against them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total quantity of gold and narcotic drugs (drug-wise), seized during the years 1983, 1984, and 1985 is given below :

(Quantity : in Kgs)

Year	Gold	Heroin	Opium	Charas	Ganja	Morphine	Mandrax tablets
1983	230	139	6592	6072	21,685	21	95
1984	524	203	7938	4368	21,207	29	1669
1985	2525	761	6839	10,312	66,313	125	745

(b) The particulars of the officials including employees of airlines/Shipping Companies found involved in smuggling activities are given below :

1983	1984	1985	1986 (upto September)
54	30	25	71

Stringent action is taken against all these found involved in smuggling activities both departmentally as well as through prosecution in Court of Law. Apart from imposition of penalties and confiscation of goods, in appropriate cases, preventive detention under the COFEPOSA Act is also resorted to.

### Uniformity in Sales Tax

1855. DR. DATTA SAMANT : Will the Minister of FINANCE be pleased to state :

(a) whether the issue of uniformity in sales tax has been discussed with State Governments ; and

(b) if so, the views expressed by the various State Governments ?

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

(b) The issue has been discussed at the Conference of Chief Ministers of all States and Union Territories and again at the meetings of Finance/Revenue Secretaries and Commissioners in-charge of Sales-tax in all States and Union Territories and also at the meetings of Regional Councils for Sales-tax and State Excise Duties at the zonal level but each State has justified its rate fixation on some ground or the other and there has been no consensus amongst the States and Union Territories.

### Collection of Taxes by China from Indian Nationals in Arunachal Pradesh

1856. SHRI V. TULSIRAM : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government are aware that the Chinese authorities are collecting taxes from the Indian citizens in Arunachal Pradesh where they had sneaked into Indian territory and built up a helipad ; and

(b) if so, the details thereof and steps being taken to save the Indians from the harassment meted out to them at hands of Chinese intruders ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) :

(a) According to information available with Government, no tax has been paid by Indian citizens in Arunachal Pradesh to the Chinese authorities.

(b) Does not arise.

**Pakistan's Plan to Set Up a Base in Arabian Sea**

1857. SHRI THAMPAN THOMAS : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government have any indication of the plans of Pakistan Government to set up a base which would be capable of accommodating nuclear submarines in the Arabian sea and particularly at Karachi ;

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

(c) whether Government have noticed any leakage of these plans in the recent agreement between Pakistan and China on nuclear weapons ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) Government have seen reports that a nuclear submarine had visited Karachi port in March, 1986. Government also have reports that a Pakistan Foreign Office spokesman said on October 22, 1986 that nuclear power or nuclear weapon carrying ships were not barred from making port calls at Karachi.

(b) Government continues to maintain a constant vigil over all developments having a bearing on the country's security.

(c) The Nuclear Cooperation Agreement between China and Pakistan has so far not been published.

**Nicaragua's Offer of No-War Pact with USA**

1858. SHRI ANAND SINGH : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether the Nicaraguan President during his visit to New Delhi in the 2nd

week of September, 1986 made a mention about his offer for a no-war pact with USA with a view to ensure stability and peace in his country and for ensuring world peace in general ; and

(b) if so, the reaction of Government of India thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) : (a) and (b) Discussions held with the Nicaraguan President were of a confidential nature. It is not appropriate or customary to disclose details of such discussions.

**External Commercial Borrowings during Seventh Five Year Plan**

1859. SHRI V. SOBHANADREESWARA RAO :

SHRI KALI PRASAD PANDEY :

DR. CHINTA MOHAN :

SHRI JAGANNATH PATNAIK :

Will the Minister of FINANCE be pleased to state :

(a) whether a target has been fixed by Government for commercial borrowings from abroad during the Seventh Five Year Plan period ;

(b) if so, the details thereof ; and

(c) the terms and conditions at which commercial borrowings from foreign countries are proposed to be made ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The Seventh Plan provides for a total flow, at 1984-85 prices, of Rs. 20,900 crores over the Plan period, by way of net aid and other borrowings. This is inclusive of all net receipts on account of bilateral aid/loans, multilateral loans and external commercial borrowings. The terms and conditions of external commercial borrowings vary depending upon the instruments used and the timing of the borrowings.

**Voluntary Retirement by Income Tax Officials**

1860. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) the number of income-tax Commissioners and other officers in the Income-tax Department who have sought voluntary retirement since the operation cleansing was taken up by Government ;

(b) the number out of them permitted to retire ;

(c) whether, besides permitting them to retire voluntarily any departmental or legal action has also been taken or proposed to be taken for their involvement in proven corruption cases ;

(d) If so, the details thereof ; and

(e) If not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) From July 1985, 14 Commissioners of Income-tax and 38 other officers of the Income-tax Department have opted for voluntary retirement.

(b) Out of the above, 44 Officers (including 14 Commissioners of Income-tax) have since been permitted to retire.

(c) No, Sir. No cases of proven corruption charges against them have come to light.

(d) Does not arise.

(e) Adequate evidence was not available to proceed against them on charges of corruption. As such departmental or legal action could not be taken.

#### Chakma Influx into Tripura

1861. SHRI BAJU BAN'RIYAN : Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether Government took up the matter of Chakma influx into Tripura with the Bangladesh Government ;

(b) if so, the details thereof ;

(c) the reaction of the Bangladesh Government thereon ; and

(d) steps taken by Government of India for the return of Chakma refugees safely to the Chittagong hill tracts ?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI EDUARDO FALEIRO) :

(a) Yes, Sir.

(b) to (d) The question of the influx of Chakma refugees into India has been discussed with the Government of Bangladesh on a number of occasions including with the President of Bangladesh during his visit to India in July, 1986. The Government of Bangladesh has undertaken to take action to work out modalities for the early return of these refugees.

#### News Item 'Jute Labour may be Axed Under Revival Scheme'

1862. SHRI SANAT KUMAR MANDAL : Will the Minister of TEXTILES be pleased to state :

(a) whether Government's attention has been drawn to the news item captioned 'Jute labour may be axed under revival scheme' ; appearing in the Business Standard Calcutta edition dated 2 October, 1986 ;

(b) if so, the facts of the case and whether cutting down the labour force is likely to be an integral part of the facelift scheme for the jute industry ; and

(c) the measures proposed for the rehabilitation of the labour force as a part of the total package being worked out for the rehabilitation and modernisation of jute mills in West Bengal and Union Government's involvement therein from the labour's point of view ?

THE DEPUTY MINISTER IN THE MINISTRY OF TEXTILE (SHRI S. KRISHNA KUMAR) : (a) to (c) With a view to revitalising the Jute Industry and giving a major thrust to the Modernisation Programme, Govt. of India have created a Jute Modernisation Fund and have designated the Industrial Finance Corporation of India as the Nodal Agency to administer the same. The scheme has become operative with effect from 1st November, 1986. A Monitoring Committee under the Chairmanship of Secretary (Textiles) has

been setup to review the progress of implementation of the scheme. All aspects relating to any such rationalisation as and when it would arise are to be carefully looked into on a unit to unit basis in close consultation and coordination with the Government of West Bengal according necessary priority to the labour interests.

**Loans for Setting up Portable Rice Mills to Farmers.**

1863. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether loans will be made available to the farmers from the National Bank for Agriculture and Rural Development and Cooperative Institutions for setting up portable rice mills ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI JANARDHANA POOJARY) : (a) and (b) The National Bank for Agriculture and Rural Development (NABARD) provides refinance to the bank against their loans to the farmers for various economic activities including setting up of Rice Mills.

NABARD provides refinance at 100% to the banks against their loans upto Rs.5 lakhs in the case of individuals and without any limit in the case of registered institutions (registered under Societies Registration Act, 1860) and industrial cooperative societies provided the unit is covered by the definition of a small scale industrial unit. Margin money in the case of individuals and group of individuals is stipulated at 5% of the investment for loans upto Rs. 1 lakh and 10% for loans above Rs. 1 lakh. In the case of registered institutions and cooperative societies the margin money is prescribed at 10%. The banks are required to charge 12.5% interest in the case of individuals and group of individuals and 9% in the case of registered institutions and industrial cooperative societies. The repayment period in the case of individuals and group of individuals is 10 years while in the case of registered institutions and industrial cooperative it is between 3 to 10 years.

12.00 hrs.

[*Translation*]

SHRI BASUDEB ACHARIA (Bankura): Mr. Speaker. Sir, kindly listen to me .....

MR. SPEAKER : If you give in writing what you have told me.

[*English*]

We can get the information. No problem.

[*Translation*]

SHRI BASUDEB ACHARIA : Please listen to what I am telling you.

SHRI AMAL DATTA (Diamond Harbour) : What is the use of writing. It is good to express one's views here itself.

MR. SPEAKER : I shall do it.

[*English*]

I can allow a Calling Attention.

SHRI AMAL DATTA : Parliament is not for writing. If I may say so, Parliament is for speaking.

SHRI BASUDEB ACHARIA : There mills have declared lock out affecting 15,000 workers. It is affecting jute growers also.

MR. SPEAKER : That is why I say that if you give me a Calling Attention notice, I will look into it, get the facts and come before you.

SHRI BASUDEB ACHARIA : The facts are known, Sir.

SHRI INDRAJIT GUPTA (Basirhat) : The fact of lock out is not disputed. Three mills have been locked out, affecting 15,000 workers.....

(*Interruptions*)

MR. SPEAKER : I will take action accordingly.....

(*Interruptions*)

SHRI INDRAJIT GUPTA : Mr. Mirdha should make a statement.

MR. SPEAKER : Gupta Ji, We can have a Calling Attention.

SHRI INDRAJIT GUPTA : Yes, Sir.

MR. SPEAKER : That is what I say. That is what my action will be. I cannot take any other action.

SHRI BASUDEB ACHARIA : Thank you, Sir.

SHRI INDRAJIT GUPTA : Good.

MR. SPEAKER : I can. But let me have the facts.

SHRI AMAL DATTA : No writing, Sir, because Parliament is for speaking.

*(Interruptions)*

SHRI S. JAIPAL REDDY (Mahbubnagar) : We tabled a Privilege Motion against hon. Minister Mr. Mirdha for giving a wrong reply to a question.

*[Translation]*

MR. SPEAKER : You might have got its reply. Even then.....

SHRI S. JAIPAL REDDY : We have not got your ruling, Sir.

MR. SPEAKER : Please listen to me. You will get the reply. If that does not satisfy you, you may discuss the matter with me.

*[English]*

SHRI S. JAIPAL REDDY : My humble request, Sir, is that your ruling coupled with our notice be read out in the House.

*[Translation]*

MR. SPEAKRR : No, No.

*[English]*

It is never done.

SHRI SAIFUDDIN CHOWDHARY (Katwa) : You don't give your ruling in the House, Sir.

SHRI S. JAIPAL REDDY : These matters cannot be disposed of in the Chamber.

MR. SPEAKER : That is how they are always disposed of and they will be disposed of.

*[Translation]*

MR. SPEAKER : Why are you insisting when I am going to allow this? What I had said, that still stands. I only say after thinking carefully. I never say a wrong thing.

*(Interruptions)*

*[English]*

MR. SPEAKER : Shri Poojary.

12.01 hrs.

#### PAPERS LAID ON THE TABLE

*[English]*

Notification making amendment to Notification under Finance Act, Notifications under Wealth-tax Act and Review on Deposit Insurance and Credit Guarantee Corporation, Bombay for period ending 31.12.85.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table :

- (1) A copy of Notification No. G.S.R. 1188(E) (Hindi and English versions) published in Gazette of India dated the 6th November, 1986 together with an explanatory memorandum making certain amendment to Notification No. 3/FTT/86 dated the 15th October, 1986 so as to substitute the work's 'and the members of delegations holding the status of Ministers in their countries' by the words 'and the members and other officials of

the delegations" under section 41 of the Finance Act, 1979.

[*Placed in Library, See No. LT-3206/86*]

(2) A copy each of the following Notifications (Hindi and English versions) issued under clause (xvi) of sub-section (1) of section 5 of the Wealth-tax Act, 1957 :

- (i) S.O.501(E) published in Gazette of India dated the 22nd August, 1986 specifying (i) 7-Year "14 per cent Secured Redeemable Non-Convertible Bonds ('A'—Series)" issued by Messers National Hydroelectric Power Corporation Limited and (ii) u-Year "14 per cent Secured Redeemable Non-Convertible Bonds" issued by Messrs Neyveli Lignite Corporation Limited, as debentures for the purposes of the said clause.
- (ii) G.S.R. (" 918(E) published in Gazette of India dated the 27th June, 1986 specifying (i) 7-Year "14 per cent Secured Redeemable Non-Convertible Bonds (A series)" issued by Messrs Indian Telephone Industries Limited, Bangalore in 1986 and (ii) 7-Year "14 per cent Secured Redeemable National Thermal Power Corporation Bods-1986, 1st Series" as debentures for the purposes of the said clause.

[*Placed in Library, See No. LT 3207/86*]

(3) A copy of the "Review (Hindi and English versions) by the Government on the working of the Deposit Insurance and Credit Guarantee Corporation, Bombay, for the year ended the 31st December, 1985.

[*Placed in Library, See No. LT-3208/86*]

**Notifications under Territorial Waters, Continental Shelf, Exclusive Economic Zones and other Maritime Zones Act, 1976**

**THE MINISTER OF STATE IN THE  
MINISTRY OF EXTERNAL AFFAIRS**

(SHRI EDUARDO FALEIRO) : Sir, on behalf of Shri K. Natwar Singh I beg to lay on the Table a copy each of the following Notifications (Hindi and English versions) under-sub-section (4) of section 15 of the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 :

- (1) S.O. 429(E) published in Gazette of India dated the 18th July, 1986 declaring the areas in the continental shelf or, as the case may be, in the exclusive economic zone of India where the installations, structures and platforms, the coordinates of which are given in the Schedule annexed to the notification are situate and the areas extending upto five hundred metres from the said installations, installations, structures and platforms as designated areas for the purposes of sub-section(5) of section 6 and sub-section (6) of section 7 of the said Act.
- (2) S.O. 435(E) published in Gazette of India dated the 23rd July, 1986 prohibiting entry of any ship within the designated areas except Indian Naval ships and Coast Guard ships or other ships which are authorised in writing by the Secretary to the Government of India in the Ministry of Petroleum and Natural Gas or any competent authority notified by him in this regard.

[*Placed in Library, See No. LT-3209/86*]

**Notification under Agricultural and Processed Food Products Export Development Authority, 1985**

**THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P.R.  
DASMUNSI) :** I beg to lay on the Table a copy of the Agricultural and Processed Food Products Export Development Authority Rules, 1986 (Hindi and English versions) published in Notification No. S.O. 652(E) in Gazette of India dated the 3rd September, 1986 under section 34 of the Agricultural and Processed Food Products Export Development Authority, 1985.

[*Placed in Library, See No. LT-3210/86*]

\*The Annual Report was laid on the Table on 25th April, 1986.

**Corrigenda to Annual Accounts etc. of  
Central Silk Board for 1984-85**

THE DEPUTY MINISTER IN THE  
MINISTRY OF TEXTILES (SHRI S.  
KRISHNA KUMAR) : I beg to lay on the  
Table :

- (1) A copy of the @ Corrigendum (Hindi and English versions) to the Annual Accounts of Central Silk Board for the year 1984-85.
- (2) A copy of the @ Corrigendum (Hindi and English versions to the Statement showing reasons for delay in laying the Annual Accounts of the Central Silk Board for the year 1984-85.

[Placed in Library, See No. LT-3211/86]

12.03 hrs.

**MESSAGE FROM RAJYA SABHA**

[English]

SECRETARY GENERAL : Sir, I have to report the following message received from the Secretary-General of Rajya Sabha :

"In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Indecent Representation of Women (Prohibition) Bill, 1986 which has been passed by the Rajya Sabha at its sitting held on the 12th November, 1986."

**INDECENT REPRESENTATION OF  
WOMEN (PROHIBITION) BILL  
AS PASSED BY RAJYA SABHA**

[English]

SECRETARY-GENERAL : Sir, I lay on the Table the Indecent Representation of Women (Prohibition) Bill, 1986, as passed by Rajya Sabha.

@The Annual Accounts and Statement of Reasons for delay were laid on the Table on 2nd May, 1986.

[Translation]

SHRI MOOL CHAND DAGA (Pali) :  
Sir..... (Interruptions)

MR. SPEAKER : Your Motion will be taken up.

[English]

I have already taken action.

[Translation]

I shall discuss it with you later on.

(Interruptions)

[English]

SHRI M. RAGHUMA REDDY (Nalgonda) : Sir, the accusation about our hon. Chief Minister has gone on the records of SANSAD.

[Translation]

MR. SPEAKER : It will come to you.

[English]

SHRI M. RAGHUMA REDDY : This is a private letter. What can we do with it? The explanation should go on the records of the House.

[Translation]

MR. SPEAKER : You may move under Direction 115.

[English★]

SHRI S. JAIPAL REDDY (Mahbubnagar) : The hon. Minister of Andhra Pradesh Government has gone on record.

SHRI M. RAGHUMA REDDY : Let the explanation of the Minister also go on the record.

MR. SPEAKER : That is why I say that you should come under Direction 115 again. No problem. We can solve that. We have got some rules and we can go according to them.....

(Interruptions)



MR. SPEAKER : What is bothering you Sir ?

SHRI SURESH KURUP (Kottayam) : Sir, about the Union Carbide selling their assets..... (Interruptions)

MR. SPEAKER : Nothing doing. We will find out.

[Translation]

It can be done again.

[English]

SHRI SURESH KURUP : Last time we discussed.....

(Interruptions)

MR. SPEAKER : We will always discuss what is important. Nothing will be left.

SHRI SURESH KURUP : You should ask the Minister to make a statement at least because it is a very serious matter.

MR. SPEAKER : Whatever is serious we will get discussed. Don't worry.

SHRI SURESH KURUP : They are selling their assets.

SHRI INDRAJIT GUPTA (Basirhat) : You write about that matter, Sir. Union Carbide are selling their assets.

MR. SPEAKER : I will ask them. You can also wrote to them. No problem. We will ask them.

SHRI INDRAJIT GUPTA : We raised it. You said you will ask them but after that nothing happened.....

(Interruptions)

MR. SPEAKER : We can take action, Sir.

SHRI INDRAJIT GUPTA : They are incapable of doing anything. They cannot get even an injunction on the company?.....

(Interruptions).

[Translation]

MR. SPEAKER : I have been told that presently the matter is SUB-JUDICE I will talk to you later on.

[English]

You talk to me. They say it is SUB-JUDICE or something. But I will have to find out.....

(Interruptions)

MR. SPEAKER : I know. I have been sharing the concern with you.

SHRI INDRAJIT GUPTA : I appreciate your sharing our concern but what about the Government doing something ?

MR. SPEAKER : They will also do.

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND MINISTER OF HEALTH AND FAMILY WELFARE (SHRI P.V. NARASIMHA RAO) : We also share.

MR. SPEAKER : No problem...

(Interruptions)

SHRI SOMNATH CHATTERJEE (Balpur) ; Your concern is not being responded to by them.

[Translation]

MR. SPEAKER : It will be done again.

[English]

SHRI INDRAJIT GUPTA : One American company is able to reduce this whole Government to absolute paralysis. What is this ?

MR. SPEAKER : We will do it.

[Translation]

When I have told you once—

[English]

That I will do it, then—

[Translation]

Why are you wasting my time by interrupting time and again.

(Interruptions)

[English]

SHRI AMAL DATTA : (Diamond Harbour): It happened before the last election and another election will be over.

MR. SPEAKER : Shri P.V. Narasimha Rao.

12.05 hrs.,

STATEMENT RE : AGREEMENT  
REACHED ON THE DEMANDS  
OF JUNIOR DOCTORS'  
FEDERATION OF DELHI

[English]

THE MINISTER OF HUMAN RESOURCES DEVELOPMENT AND MINISTER OF HEALTH AND FAMILY WELFARE (SHRI P.V. NARASIMHA RAO) : Honourable Members would recall my statements given in the House on 10th November and 13th November, 1986 on the resident doctors strike. I had informed the House that we were continuing our efforts to find a mutually agreeable solution and come to an understanding with the striking junior doctors. I am happy to inform the Honourable Members that we have reached a settlement with the Junior Doctors' Federation of Delhi and Associations of other Central Medical Institutions late last night. A copy of the agreement reached with the Junior Doctors' Federation is placed on the Table of the House. The strike has been called off with immediate effect. I take this opportunity to thank the Honourable Members for the understanding they showed while we were engaged in working out a solution. I am also grateful to the public of Delhi for putting up with the inconvenience for a few days. My thanks also go to the media, public individuals and the junior doctors in helping us in the process.

As mentioned in my statement to the House on 10th November, 1986, we will review the entire residency scheme at the earliest.

It is desirable that the recruitment of doctors to this programme is through the normal channels of Government recruitment and based on the principles adopted for similar recruitment. At the same time there might have to be some measure of flexibility in the scheme to allow the students to acquire postgraduate qualifications and training and also serve in the various specialities with a view to help the hospitals and colleges discharge their functions effectively and efficiently.

Tax of the Agreement

The Junior Doctors' Federation of Delhi and Associations of other Central Medical Institutions welcome the Government proposal to undertake a review of the Residency Scheme with a view to placing it on more sound lines so that the discontent of the Resident Doctors could be removed and the functioning of the Scheme improved to benefit the patients who throng our hospitals.

The Junior Doctors' Federation of Delhi and Associations of other Central Medical Institutions are gratified to note that :

- a) The Junior Residents/House Surgeons will be paid respectively Rs. 2400, Rs. 2475, Rs. 2550/- per month in the first, second and third year of their junior residency. This will be inclusive of all allowances including NPA. They will be eligible for admissible CCA and HRA. They will be sanctioned DA on 90 per cent of the remuneration.
- b) Senior Residents will be paid respectively Rs. 3000, Rs. 3100, Rs. 3200 in the first, second and third year. This will be inclusive of all allowances including P.G. allowance and NPA. They will be eligible for admissible CCA and HRA. They will be sanctioned D.A., as admissible on 90 per cent of their consolidated remuneration.
- c) The revised remuneration approved for the Junior and Senior Residents will be disbursed to the Resident Doctors expeditiously. The sanction of this remuneration will be with effect from 1-1-1986. The revised CCA and HRA

will be sanctioned with effect from 1-10-1986.

- d) These remunerations will be subject to revision as and when remuneration of other relevant Government servants are revised including revision made in the Fourth Pay Commission recommendations.
- e) The JDF and Associations of other Central Medical institutions request the Government to consider the sanction of emoluments of specialists to Senior Residents.
- f) The JDF requests the Government to consider the period of Residency Scheme for purpose of pension, retirement benefits, sanction of advance increments in lieu of the Residency service and relaxation of age limit to the extent of Residency Service.
- g) There will not be any victimisation of all those who participated in the strike. Those who had been suspended/whose services have been terminated on account of strike will be reinstated. If any criminal cases are pending against them on account of strike, they will be withdrawn.
- h) The strike period will be condoned with the concurrence of MCI and concerned Universities for academic purposes.

In view of the above, the JDF and associations of other central medical institutions have decided to call off the strike and join duty immediately.

Sd/-P.P. Chauhan/13th  
Nov., 1986, Joint  
Secretary Ministry of  
Health & FW Govern-  
ment of India

Sd/-  
(Dr. Lokesh Kumar)/  
13th Nov., 1986  
Convenor, J.D.F.

DR. KRUPASINDHU BHOI  
(Sambalpur) : I must congratulate you,  
Prime Minister, Health Minister and

Finance Minister because they have resolved the crisis of Junior Resident Doctors who were on strike.

12.08 hrs.

CALLING ATTENTION TO MATTER  
OF URGENT PUBLIC IMPORTANCE

[English]

Reported sharp increase in clandestine  
deposits made by Indians in foreign  
banks

SHRI MOHD. MAHFOOZ ALI KHAN  
(Etah) : I call the attention of the Minister of Finance to the following matter of urgent public importance and request that he may make a statement thereon :

'The situation arising out of the reported sharp increase in the clandestine deposits made by Indians in foreign banks and the steps taken by the Government in the matter.'

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : The subject of the Calling Attention Motion today is an extremely important one for the economic health of our country. Of all the economic crimes committed against the nation, illegal siphoning of foreign exchange is probably the most serious, as it weakens the country, undermines our efforts at self-reliance and reduces our ability to cope with external problems.

As the House is aware, recently certain reports have appeared referring to a study made by a staff member of the IMF on non-resident bank deposits and fiduciary deposits with Swiss Banks. This study shows that in 1984 such deposits from all countries, outside Switzerland, amounted to \$42,375 million Swiss Francs.

SHRI INDRAJIT GUPTA (Basirhat) :  
In rupees, Indian currency, how much does it come to ?

[Translation]

MR. SPEAKER : Multiply it by six.

[English]

SHRI VISHWANATH PRATAP SINGH : I shall get it converted and let you know.

MR. SPEAKER : Swiss Franc is equal to Rs. 7.80.

SHRI VISHWANATH PRATAP SINGH : This study estimates that nearly 49.1% of such deposits in 1984 were held by residents of Middle East countries, 6.5% by residents of Latin American countries, 5.3% by residents of Asian countries and 3.5% by residents of African countries. For India, the estimate is that 1,397 million Swiss Francs, amounting to 0.6% of total such deposits, in 1984, were held in this form. This amount of 1,397 million Swiss Francs is a little more than Rs. 900 crores—between Rs. 900 crores and Rs. 1000 Crores.

The Government has been aware that clandestine deposits by Indian citizens in foreign banks to exist. These arise from various illegal practices, such as, invoice manipulations in exports and imports an illegal retention of commissions abroad, illicit traffic in drugs and the smuggling of Indian currency etc. In order to curb such activities, the Government has launched a major drive against economic offenders. Recently, an Economic Intelligence Bureau has been set up in the Department of Revenue, and the Enforcement Directorate has stepped up raids and prosecution of persons and companies violating FERA. Strong action has also been taken to curb smuggling. In 1985-86, as a results of stepped-up efforts on the Enforcement side, over 5200 raids were conducted. The documents seized in these raids involve crores of rupees and more than 1300 prosecutions were launched. The amount of gold seized by Customs authorities in 1985-86 was also the highest in recent history, at over 2,500 kg., valued at more than Rs. 50 crores. The number of persons prosecuted for smuggling and customs-related offences was over 2100 in 1985-86.

Simultaneously, the Government has also tried to create an atmosphere of healthy growth and investment in the

country so that incentives to keep money abroad are reduced.

I would like to re-assure the House that the Government is determined to work relentlessly to eliminate this evil.

[Translation]

SHRI MOHD. MAHFOOZ ALI KHAN (Etah) : Mr. Speaker, Sir, I am very grateful to the hon. Finance Minister for presenting the data and for giving details of the proposed action proposed to be taken in this matter.

This is not a new thing. But it is unfortunate that all these things have been exposed through the I.M.F. reports. Why these things did not come to the notice of the Government earlier? This practice of remitting money abroad has been going on for a long time, Who are the people remitting money, which are the agencies dealing in such transaction and what are the methods adopted for it? In which different countries and the banks the money is deposited? As a layman we used to hear that so and so Minister or influential person has opened his account in other countries so that he may be able to take shelter in Italy, France and Switzerland when he flees this country.

Today I am speaking on this subject in this House. It has been revealed that it is a fact that some people have opened accounts in the banks of Switzerland for using the money abroad. Some people, whose names I don't want to mention, have already left the country and have started business there. This is an important issue concerning the economy of the country.

I think they are 'beiman'. The word 'beiman' does not sound goods in urdu. It should be dishonest businessmen.

SHRI INDRAJIT GUPTA : 'Beiman' word is innocuous.

SHRI MOHD. MAHFOOZ ALI KHAN : Yes. But the word sounds little awkward. For that we can use the English word 'dishonest'.

SHRI INDRAJIT GUPTA : Is 'beiman' an un-parliamentary word, Sir?

SHRI MOHD. MAHFOOZ ALI KHAN : 'Beiman' is a translation of dishonest.

SHRI INDRAJIT GUPTA : Is it unparliamentary to term such people as 'beiman' ?

MR. SPEAKER : You are yourself comprehending this. There is nothing to object.

*(Interruptions)*

SHRI HARISH RAWAT (Almora) : 'Beiman' is a fit word. Even 'Maha-beiman' can be used for them.

SHRI MOHD. MAHFOOZ ALI KHAN : 'Beiman' is an Urdu word. Therefore, I have myself used the word, dishonest.

So you are encouraging the already increasing dishonest business. You issue import and export licences to them and these very persons remit money to foreign countries. Their *modus operandi* is that they over-invoice while importing the goods and under-invoice at the time of exporting them. In this way they misappropriate foreign exchange and deposit it in the foreign banks. These people are the arch enemies of the country. Stern punishment should be awarded to them.

I had said yesterday also that laws are enacted in the Parliament but they are not implemented. When the Commission submitted its report, the hon. Finance Minister brought an amnesty scheme under Foreign Regulation Act and he gave one more chance to those dishonest persons to declare their assets and liabilities by 31st March 1987. Raids should be carried out against them and the money seized. Such facilities should be given to those who have migrated to other countries so that they may return to India along with the money. Which may help in improving the economy of our country.

SHRI VISHWANATH PRATAP SINGH : We have offered these facilities.

SHRI MOHD. MAHFOOZ ALI KHAN : But the facilities have been given late.

MR. SPEAKER : You might have heard an Urdu couplet :

DER KI AANE MEIN AAPNE.

MAGAR SHUKR HUA PHIR BHI AAYE.

SHRI MOHD. MAHFOOZ ALI KHAN : Mr. Speaker, Sir, you have expressed my views. It is true ; 'Better late than never'.

However, you have enacted law and it is a matter of pleasure that you are going to enforce it strictly. People of other countries are using our money for their own benefit. They are being given import export licences and they are using the money thus earned in other countries and are also depositing it there. If that money is remitted to our country, the people can be raised above the poverty line. The situation in our country at present is such that the poor are not getting drinking water, clothes to wear and houses to live in. According to the report of the Commission there are at least 75 such industrial Houses in the country which have cornered the wealth of the country. This thing should be done away with and this wealth should be used for the benefit of the poor. A law to this effect should be enacted and enforced strictly.

Now the question arises how to extract information from the foreign banks ? We understand that the banks of Switzerland do not reveal the accounts of businessmen. They keep everything secret. One way to know about these accounts is to submit a particular name, say, Mahfooz Ali Khan to them and ask them to tell about the money deposited in his name ? Though I am a poor man I am equating myself with them. I would also urge that the Ministers and M.Ps should be asked to declare their assets and liabilities. I should be excused for saying this because I am not mentioning any particular name. You go to their houses. You will find that they have constructed palatial buildings and own cars. All these things should be investigated. Investigation should also be conducted to know as to how the M.Ps, M.L.As, Ministers, ex-M.Ps and ex-M.L.As have amassed such a huge wealth.

MR. SPEAKER : We should enact a law to make it obligatory that all these people should declare their wealth.

SHRI MOHD. MAHFOOZ ALI KHAN : Yes, we should enact a law under which M.P.s, M.L.As and Ministers should declare their assets before as well as after their election and should inform about the source through which the assets have been acquired. There are a number of instances to show that previously people had modest means but now they have bungalows and palatial buildings. Previously they used to go on bicycles but now they have fiat cars. Wherefrom then have they got so much wealth ?

MR. SPEAKER : Please conclude early.

SHRI MOHD. MAHFOOZ ALI KHAN : This money is not lying in the banks of Switzerland only. According to my information Rs. 25,000 crores are lying outside,

SHRI VISHWANATH PRATAP SINGH : Tell us where that money is lying ?

SHRI MOHD. MAHFOOZ ALI KHAN : Listen and note down. I am telling you—it is lying in the banks of Hong Kong, New Jersey, Philadelphia, Manhattam and Bermuda.

AN HON. MEMBER : Not in Etah ?

SHRI MOHD. MAHFOOZ ALI KHAN : Etah is the most backward area. I often pleaded its case. Hon. Finance Minister knows about Etah very well. I would request for allotment of some funds to Etah. The money thus mopped up may be released for Etah.

SHRI VISHWANATH PRATAP SINGH : Shri Mahfooz Ali, banks hesitate to open their branches there.

SHRI MOHD. MAHFOOZ ALI KHAN : It is not so. You have been the Chief Minister of that State.

MR. SPEAKER : Shri Mahfooz Ali Khan, no other place is as safe as the place to which Shri Mahfooz Ali Khan belongs.

SHRI MOHD. MAHFOOZ ALI KHAN : Sir, believe it, this area is very backward and crime proul area. The Government is neither setting up any factory there nor is there any institution in that area. I would request that the Government may not allot funds under any other head to us but do allot us some funds from the money you will be seizing from these dishonest businessmen or rich people. Their money is lying in the foreign banks. You may give us some money out of it. We will not demand more from you...

*(Interruptions)*

MR. SPEAKER : Now conclude.

SHRI MOHD. MAHFOOZ ALI KHAN : We are poor people. The legislation you have brought should be implemented strictly. This tendency is increasing and every one is trying to deposit his money in the foreign banks.

SHRI ZAINUL BASHER (Ghazipur) : Mr. Speaker, Sir, the hon. Finance Minister has expressed concern over the deposits made in foreign banks from out country and it is natural that people should be worried about this trend. In the newspapers, reports have appeared that during the last three years there has been increase in such clandestine deposits. Such deposits are not confined to Swiss Banks only. As has been told just now, Indian money on large scale has been deposited in the banks of Hongkong and America also. There are no two opinions that the hon. Minister of Finance has launched a relentless war to bring out the black money. The effect of these efforts is clear from the fact that people have got panicked and have started thinking of taking their money out of the country and some of them in fact already deposited it abroad. People have deposited or are thinking of depositing their money abroad with the same speed with which the Finance Minister has made saids on them. So far as the question of curbing the black money is concerned...

SHRI VISHWANATH PRATAP SINGH : Sir, I may give the information that the report of the IMF is for the period upto 1984 whereas the panic you are referring to is after 1985.

SHRI ZAINUL BASHER : That means I was under the wrong impression. Your efforts have made no impact on them.

SHRI VISHWANATH PRATAP SINGH : This report is for the period upto 1984.

SHRI ZAINUL BASHER : I thought that between 84 to 86 there was sharp increase in it but the question now is that how will you stop it? You are adopting stick and carrot policy. I want to give an example of Shri Lalit Mohan Thapar. The Thapar case has not only made fun of the Supreme Court, you will excuse me, but has also mocked at you, Mr. Finance Minister. If I first steal and later on return the stolen goods and apologise for the act, will the judge let me go? Will he not send me to the jail?

*(Interruptions)*

Moreover, a man like me will steal property worth one hundred, fifty or one thousand rupees and for that it is possible that the judge may excuse me also but if the people who have evaded taxes worth crores of rupees apologise, pay taxes subsequently—and that too will be known only say after two or three years as to how much tax they will pay, though a Minister like you will definitely realise money from them—will they be allowed to go scotfree? Whatever is under your jurisdiction, for that you are adopting a strict policy. Therefore, I will not go into details on that because time is also short. I would like to submit only this much that there should not be any let up in the strictness that has so far been shown. Rather it should be doubled.

Secondly, I want to know how will you bring that money back which has already been taken out of the country? I am unable to understand how that will be recovered or how will you come to know about the precise amount that has been sent out of the country? I have heard that there are several agencies in the foreign countries—they are both Government agencies as well as Corporate sector agencies—which detect the accounts of the businessmen. Have you any such agency or are you thinking of constituting such an agency so that informa-

tion could be gathered about the bank accounts of such peoples?

Thirdly, so far as foreign money through commission, under-invoicing or other means is concerned the biggest culprit is our Public Sector. The Public Sector imports goods worth crores of rupees and the officers charge commission thereon which is deposited in the foreign banks. The same is the position with the Private Sector. You are aware that in under-invoicing actual prices are somewhat different from those shown in the invoice and it is this difference that is deposited in the foreign banks. Therefore, it should be controlled from here, and a begining should be made with the Public Sector and the Private Sector. In the export and import business, under the table commission is provided. You will have to advise methods, to stop it. I hope that an able, sincere and devoted person like you, if willing can find a solution to the problem.

*[English]*

SHRI M. RAGHUMA REDDY (Nalgonda) : Sir, the International Monetary expert have noticed a sudden jump in the capital flight from India. Recently, one survey report says that Rs. 1333 crores are deposited in Swiss Bank till now. But people say it is tip of the Ice-berg. In Hong-Kong, New Jersey and other places the deposits are amounting to Rs. 20,000 to 30,000 crores, as per the reports. It is more or less equal to our foreign debts. This is the situation where we are. As my hon. friend has said, people are starving here and crores of rupees are flowing to other countries. What are the reasons? Who are the people responsible for all these things? Our economy is being depressed by this. The value of the rupee has come down to 14 paise. Black money is gathering too much. For all these things, the businessmen, industrialists and the politicians are responsible. Every paise which we deposit is a cost to the Indian economy. We have to take stringent steps against those dishonest persons. It is as good as a murder. These persons are murdering our economy. The hon. Minister has to take stringent action against those people. The process, as I have come to know, is likes this. Kickbacks will be

collected by the officials, Ministers and others. For as much as Rs. 10,000 crores we are making purchases from foreign countries and on that, a minimum of ten per cent they will get and those amounts are being deposited in foreign banks, as per this report. As my friend has said just now, you must cut down these things. Our foreign trade is running at a loss to the extent of Rs. 9,000 crores. All these things have happened because of malpractices and mismanagement. Those who are responsible for these things have to be punished. *(Interruptions)* Yes, defence stores also. Our yearly budget is Rs. 8,000 crores; they are getting defence contracts, trade contracts, business contracts, public sector contracts, and so on. Amounts are being looted like this. This has to be checked. If the same tendency continuous, we will go like Mexico and the same situation will come to us in future. The hon. Minister has to take some stringent action against these dishonest people. Your liberalisation policy might have weakened the detection process, leading to spurt in the deposits there. No action has been taken so far. You can approach the Governments of those countries or the International Monetary Fund or some such organisations, you can contact the Swiss Bank also. You can find out. Where there is a will, there is a way. Even the secret numbers can be found out. You can find out the numbers and you can discover the dishonest people. We have to punish those dishonest people. These people might be in the ruling Party or in the Opposition or they may be big industrialists or big officials or even politicians. We understand that, during the election period, nearly Rs. 4,000 crores were drawn from the Swiss banks and that money was used during elections. Our fate is decided by the foreign bank money. This is the position. These things have to be taken note of and viewed with serious concern. This is a very serious matter. Whosoever it is, to whichever Party he may belong, be it official or anybody, serious action has to be taken against such people. I request the hon. Minister to take stringent steps in this regard. Your Ministry conducted many raids. But unfortunately the raids have been reduced recently due to many factors. I know what pressure the Minister is having. Because of pressure if you are not able to conduct raids here, how

can you prevent these things relating to deposits in foreign banks? We have no doubt about the integrity of the hon. Minister, but many factors are acting on him in the discharge of his duties. We request the hon. Minister to take stringent action against all these culprits.

*[Translation]*

SHRI HARISH RAWAT : Mr. Speaker, Sir, whatever has been published in the newspapers on the basis of IMF Study, and the concern which has been shown in the country is reflected in the Statement by the hon. Finance Minister. The Finance Minister, as per his commitment, has stated with firmness that there is need to check it. The hon. Minister has enumerated those loopholes which assist in depositing the money in foreign countries in clandestine manner.

Sir, from the newspaper reports it has been revealed that during the last one and one and a half year, from the time we have made our policy a little liberal and have provided some relaxations to the industrialists, these deposits have been made in the Swiss banks.

SHRI VISHWANATH PRATAP SINGH : I would like to correct you. This report is for the period upto 1984. Liberalisation etc. which you have been mentioning was after the report.

SHRI HARISH RAWAT : That is why, Mr. Minister, its clarification is necessary because it puts a sort of question mark on our financial policy. Therefore, I want to bring this thing to your knowledge. I am grateful for clarifying the position but even then this matter needs to be taken seriously. It is possible that out of foreign exchange worth crores of rupees which we have been giving to the businessmen for import of technology, they have created this sort of money by over invoicing about which you have made a mention. I would, therefore, urge you to tell us that against how many big businessmen, to whom large scale foreign exchange has been made available for importing foreign technology, enquiry has been instituted to know whether they have resorted to over-invoicing with the parties with whom they had entered into agreements.



The reason is that reports on other aspects are published in the newspapers but we have not come across Press reports about businessmen found guilty of over invoicing and under invoicing or about some officers found to be in collusion with these businessmen. Therefore, I would request you to enquire into this aspect thoroughly.

One thing more has been observed. As per my ordinary knowledge, I think it is necessary for an Indian who wants to open his account in some foreign bank to take permission from the Reserve Bank of India. It is, therefore, possible that some of the businessmen of our country in the name of opening account in foreign banks take permission from the Reserve Bank and deposit the commission which they get by under invoicing and over invoicing in the banks of the foreign countries. This aspect also needs to be enquired into.

One thing more I would like to submit. Usually some people, because of some political interests try to involve politicians with this. When I was a student at that time also I used to hear from the opposition people that the politicians have deposited their money in foreign banks. I do not think it is so. It is possible that there might be one or two black sheep but majority of them are not black sheep. It is the businessmen who in collusion with the officials indulge in such things. Therefore, there is need to monitor these things strictly.

Besides, as Shri Zainul Basher has stated, you have given amnesty to those offenders who have violated FERA. You have done this with good intention and for a pious cause and the entire country has faith in your honesty and sincerity. This House also has faith in you but it is possible that those people who have become habitual offenders acts and indulge in corruption, may misuse this facility. What steps you intend to take to check misuse of this facility? The strictest possible steps should be taken against such people so that there are no misgivings on this issue.

[English]

SHRI VISHWANATH PRATAP SINGH : Sir, I thank the Hon. Members

for their suggestion for taking strong action against those who are siphoning away the wealth of the country. On this one issue there is no difference of opinion either from this side or that side of the House. It is a matter of serious concern. I am not going into details. I did mention that this report concerns 1984. No revelation has been done in this and it is from the Public Data Banks that they have published it. I am not going into this.

The basic fact does remain that qualitatively we know that by various methods—by under-invoicing, over-invoicing, charging of fees and also not bringing back the export earnings—it is done. There is a whole list of two sheets of pages to mention the various methods by which it is done and I would not take the time of the House on this. But the fact remains that the wealth of the country is being taken out by various businessmen. I have had quite a revelation coming in the Finance Ministry that some of the very top-most people in industry and business are taking out money. This is one thing.

SHRI INDRAJIT GUPTA : Can you identify them ?

SHRI VISHWANATH PRATAP SINGH : Yes, we are doing that job. I will come to the whole issue as to what we are facing. I will not hide anything.

SHRI INDRAJIT GUPTA : Their accounts in the Swiss banks are supposed to be secret but if you know the names of some of these account holders...

SHRI VISHWANATH PRATAP SINGH : I will tell you what is our problem and what we are doing. We are in touch with the foreign governments. We have sent our people abroad also. We have collected information. It has to mature enough to get conviction in the court. We are taking action under COFEPOSA but let us address ourselves to the major issue. Now rightly Mr. Indrajit Gupta is agitated as to what we are doing as a Government. Certainly as a government we are responsible to see that this does not happen. Sir the several steps that we have taken in this regard have shown results. In the year 1985 the contraband that was seized was to

the tune of Rs. 191 crores against the previous year's of Rs. 101 crores. It was almost double. Then we went into several special operations like 'Operation Fetu', 'Operation Kali', 'Operation Rana', and 'Operation Burma Bazar' in Madras. Action has been taken against Orkay, Kirloskars, Bata, Kothari Electronics, GTC and NTC. It is not that the government is lacking in will. At least this government cannot be challenged on this issue. *(Interruptions)* Orkay is a case of undre-invoicing. It is not that we are not taking action. There are many cases of under-invoicing. Under COFEPOSA in 1985 760 people were actually detained and prosecution were launched against 2111 people. About 802 people were convicted under Customs Act and some of the highest quantity of 'hashish' in the world was caught in India. It also causes concern that India is becoming a conduit but so far as the action is concerned it has shown results and the action taken by India has been recognised by the world organisation.

The Economic Information Bureau that we have established is developing contacts with its counter-part agencies in other countries. We cannot publicise many things day to day. Our officers are in contact with foreign governments also and in some of the cases we have been able to get help. They have given us documents which will help us in prosecution and conviction in some of the biggest cases that we are conducting.

We are also going in for computerisation in these matters so that retrieval of information is easier. We are also going to strengthen our offices abroad. We have offices in Dubai, Hong Kong, London and Kathmandu. We are making it multi-functional. It is not that one officer looks after only one area but they look after the whole gamut of economic offences. We are also going in for training of officers. I am not going into the details. I am just sharing what effort the Government is making. In this regard an hon. Member rightly said why don't you put them in jail? I had the occasion to go to jail during 1977-80 several times for weeks together and Naini Central jail in Allahabad is one of the largest jails and one thing did strike me and I share with you what you say. In

that large jail there was hardly any tax assessee. This fact did hit me flat on my face. Is it that after one crosses a certain income limit he becomes an angel, and he can commit whatever economic offences he wants. Was it a guarantee for crossing the jail line? As we have a poverty line, was it a condition that you cross the jail line once you cross a certain income limit? It was during that period that I did start thinking. Was something wrong with the administration or with the dispensation of law in the courts, or what is the actual reason? It will be an interesting study if we analyse the income groups of those who are in jail. I think, such a social study has not been done. If this is done, if we relate this data with the common perception which basically quantitatively may not quantify itself, but qualitatively is correct of people's perception of who are the economic offenders—and the scale is going on—I think, it will be quite in contrast to the challenges we have.

As Government, it is our bounden responsibility and duty to challenge these people to take severest action against them because there cannot be a more anti-national activity than this. After all in the colonial rule what is the economic harm that is done? It is the pumping of the country's wealth. If somebody sitting here taking the benefit of the market of this country siphones away money, he is worse than a colonial exploiter, because he has at least his own country to serve, he has other countries to serve.

I tell you, we went for Kirloskar case and see what came up. I am sharing the difficulties of the Ministry of Finance and how we are grappling with them. This is an extract of the evidence in the court in which we had filed the case against Mr. Kirloskar. This is the evidence of the Secretary of the Company. After such clinching evidence in the court, there is acquittal. The question put to the Secretary of the Company was :

"It is disclosed from the entries in column No. 6 and 7 against serial No. 13 in the xerox extract of the commercial register pertaining to Messrs F H Schule Company maintained by the Country, Court, Hamburg (Exhibit No.

24) that on 10.12.1973 by resolution of the members the share capital has been increased from DM 2,000,000 to DM 4,000,000 and the entry of the said increase of the share capital has been made in the commercial register on 22.4.1974..."

...after the new FERA.

Then :

"What have you to say ?"

The answer was :

"This evidence is true and correct."

That is the confession in the court.

Then, the question was :

"It is disclosed from the xerox copy of approval dated 10.1.1974 (Exhibit No. 30) made by the accused No. 1 as Chairman Managing Director..."

That is Kirloskar.

"...of the accused No. 1 of the Company..."

That is this Company.

"...and Mr. Fried H. Schule with his address at Pune/India before a notary at Pune that on 10.12.1973..."

M/s...(It is a German name and I cannot pronounce it) acquired shares worth DM 2,000,000 which constituted 50 per cent of the share capital of M/s Schule Company and paid DM 2,000,000 to the said company on or about 26.8.74, as disclosed from the xerox copy of a letter dated 26.8.74—That is after the FERA came into operation—by M/s Schule to the County Court, Hamburg (Exh. 32) and that thereby the percentage of non-resident share holding was increased to 52.05 per cent in M/s Schule Company. What have you to say ?

The answer given is :

"This evidence is true and correct."

This is the admission in the Court. Then it is asked :

"It is alleged that you and the remaining two accused did not obtain the general or special permission of the Reserve Bank of India for increase in the percentage of non-resident share holdings to 52.05 per cent in M/s Schule Company. What have you to say ?"

The answer :

"We did not obtain the general or special permission of the Reserve Bank of India for increase in the percentage of non-resident share holdings to 52.05 per cent in M/s Schule Company so far."

This is the evidence given by the Secretary. Similar evidence has been of Mr. Kirloskar himself. A question was put :

"It is disclosed from the xerox copy of approval dated 10.1.1974 (Exh. 30) made by you as Chairman and Managing Director of the accused No. 1 Company and Mr. Schule with his address at Pune/India before a Notary at Pune that on 10.12.1974 M/s INTERESSENVERWERTUNG ANSTALT Vaduz (This is the same German Company) acquired shares worth DM 2,000,000 which constituted 50 per cent of the share capital of M/s Schule Company and paid DM 2,000,000 to the said company on or about 26.8.74 as disclosed from xerox copy of a letter dated 26.8.74 by M/s Schule to the County Court, Hamburg (Exh. 32) and that thereby the percentage of non-resident share holding was increased to 52.05 per cent in M/s Schule Company. What have you to say ?"

Then Mr. Kirloskar said :

"This evidence is true and correct. I used to sign a number of documents daily at that relevant time. Therefore, I cannot say under what circumstances and why I signed this."

What more evidence is required ?

But then, the Court acquitted him. And it is SUB JUDICE now. I cannot say anything more. But I can share with you as to what the Government has gone through in this case.

SHRI INDRAJIT GUPTA : There is something wrong with the dates. That is why he was acquitted.

SHRI K. RAMACHADRA REDDY (Hindupur) : Has no appeal been filed in this case ?

SHRI VISHWANATH PRATAP SINGH : Yes. An appeal has been filed.

SHRI SANTARAM NAIK (Panaji) : Even the court's judgement can be criticised. There is no bar.

SHRI VISHWANATH PRATAP SINGH : Certainly, we do feel that the Magistrate has not fully appreciated the evidence on record. That is why we have gone in for an appeal.

DR. DATTA SAMANT (Bombay South Central) : FERA has come subsequently. All these things have been done prior to FERA. That is what the Court has written to you.

SHRI VISHWANATH PRATAP SINGH : These dates are after the new FERA.

I do not want to go any further. But I do feel here that the Government virtually have a watertight case....

SHRI INDRAJIT GUPTA : Why was he given a bail in the middle of the night ?

SHRI VISHWANATH PRATAP SINGH : That, you can ask the Court. So, in these circumstances, this appeal has been admitted by the High Court. In this scenario we notice that when we are powerfully acting against in one those cases in which we though that we have a watertight case. now we have got years of litigation ahead of us in the High Court and in the Supreme Court.

So, I am just saying one thing. In this regard, we have taken strong action And we have also taken the route of Amnesty, that is in a practical sense for a limited time. It is not for ever. If somebody wants to come to you, allow a time window, but we have not compromised with any obligation, that he has to do for payment of tax or anything that is due to the country.

Neither the act of amnesty nor under the custom of FERA, none in FERA in fact, he has to bring back all the money and if he is within that time window, and if he does not do that probably, we are again to prosecute him.

SHRI INDRAJIT GUPTA : How would you know that they have brought the whole of it ? They might have concealed half of it.

SHRI VISHWANATH PRATAP SINGH : For the amount which he does not bring and does not disclose, he runs the risk of prosecution and going to jail. The other thing is also, apart from his time limitations, which is a few months, is not that all have got amnesty ? We will continue our raids and put into book, only those few who come forward. Those who will not come forward, we will continue with our action and we will book them, prosecute them and penalise them. So, it is not an overall thing that has been done. That is one point which I want to make clear in the appreciation of this thing.

SHRI C. MADHAV REDDI (Adilabad) : Sir, it is not very clear to us that you have given the amnesty and how are you free to book the cases ?

SHRI VISHWANATH PRATAP SINGH : Only we have said that we are not going to stop our raids. Once we catch hold of them and launch prosecution, then we are not going to hold back, then the amnesty is not going to affect it. The whole sea is open. And only when we take strong action, then people will confess and nobody is going to confess by sweet words. All right, if by one window, we want people to go, we have to see that they don't go by other doors. We will have to be alert on that and see to that. That is the philosophy behind it, not that because, I have made an appeal, people will come and put their money, they know that if, they don't do that, they run the risk and that risk, I will make as high as possible. Then, it will be successful, otherwise, amnesty is not going to be successful.

The other thing, which I want to say is that while administrative action on this

subject has to be taken, the overall environment also has to be taken care of, so that investment climate is maintained. So, these are the economic measures to stop capital flight. We have to fight it on that front and in this respect, you have mentioned some of the parameters on which the country attracts capital and that is, (1) political stability and the other is (2) economic stability. Now, this country has shown to the world that there has been political stability. There has been transition of Government. We have democratically been able to establish that there could be transition of power, smoothly and economic stability and continuity is maintained.

On the economic front also, we have maintained our growth. So, this is an area where capital can be attracted. This is one point we have shown. That is why in respect of collaboration, we have to take care, that collaborations are in areas which we really need and not on areas of low priority. We have shown an increase in 1984, it was 11.73 per cent. It is 36.17 per cent in 1985. So, there is a trend of attraction of capital in the country, I am talking in general terms. If you see the inflation rate, though we debate it and differently we will debate it, I do not justify any rate of inflation is being very high. But, if we compare it, in 1985, Turkey was 40.2 per cent, Brazil—228.9 per cent, Yugoslavia—74.4 per cent, Mexico—53.5 per cent, Colombia—24.9 per cent, Phillipines—18.2 per cent and India 5.8 per cent.

So, the inflation rate is also something which relates to capital flight or income flow. We have been able to manage that. Foreign Exchange are comfortable. If we see the debt service, ratio of Korea it is 13.5 per cent. This debt service on public and publicly guaranteed debts and percentage of exports on goods and services :

Korea 13.5%, Phillipines 14.1%, Pakistan 26.7%, Turkey 22.8% and Brazil 26.5%. I would not go into Latin American countries' percentage. I do not have to compare with them. But with Korea and Phillipines we can compare, i.e. Korea 13.5% and India 10%. So, on this, our management has been sound. A recent study was made, also on the flow of capital; how much risk is there in the country, for

foreign capital. A rating was done of India; and in 1986, compared to 1985, India has gained the 18th position, and its position is sounder than that of Singapore, or Taiwan which is many times quoted as growing, and being industrially powerful and getting ahead of India. But in stability and risk factors, India has improved upon these countries in 1986.

13.00 hrs.

SHRI NARAYAN CHOUBEY (Midnapore) : What is meant by 18th position ?

SHRI VISHWANATH PRATAP SINGH : A study was made by some economists, of the risk element of a country, in investment. On that, its ranking was 46th in 1940, i.e. of India. It has come up to the 18th position, and now it ranks 28th. Its position is higher than that of Singapore, and Taiwan which is so many times quoted before us ; and we are asked : what are you doing in comparison to them ? So, India has improved in its economic stability. In fact, in this period, it has improved, even compared to China. China has slid by three points during this period.

SHRI C. MADHAV REDDI : Is it an authentic source ?

SHRI VISHWANATH PRATAP SINGH : It is a study by some economists. That is all I will say about its authenticity. But we are here. Also, the tax rate and tax structure have effect on these factors. On this matter, various reforms that have been done on the tax side, I think, have been of great help to the capital here.

Mr. Zainul Basher said : 'Because you are scaring them, they are running away.'

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram) : If I may interrupt—there is a general feeling in the country that a large portion of this money which is deposited in the Swiss banks is also a sort of corruption. Are you making any effort find out what percentage of this money is part of the kickbacks that might have been received either by senior politicians or bureaucrats towards commission on various contracts : (*Interruptions*) and are you

trying to stop it or expose it? The country wants to know this.

SHRI VISHWANATH PRATAP SINGH : One thing I want to categorically deny : mention was made about Defence contracts. This is a categorical insinuation, which I cannot accept. I categorically deny it. There is nothing like that. I refer to the insinuation against Ministers and others. Unless there is concrete evidence about anything, I think these general insinuations should not be made. But if there is anything against anybody, that he is doing any anti-national activity, that is a separate thing.

One thing more I want to impress : our total transactions in foreign exchange in a year are more than Rs. 50,000 crores. What has been expressed is the cumulative amount over the years, i.e. deposits in Swiss banks which are about Rs. 926 crores. I think that if you compare it with figures year to year . . . (*Interruptions*)

Mr. Zainul Basher was saying: 'Because the scare was being created, the flight will be there. But the crime they are doing is worse than murder, as one hon. Member said. We have to create terror in the heart of such people. I cannot compromise on it. We should be fearless. (*Interruptions*) At the same time, we have to strengthen ourselves on the side of taxation and intelligence, and we will continue this and we will strengthen our foreign intelligence wing, and take action there also, We cannot compromise on this.

DR. DATTA SAMANT : What about big industrial houses which are making sick units?

SHRI SAIFUDDIN CHOWDHARY (Katwa) : What about the Swiss Bank?

SHRI VISHWANATH PRATAP SINGH : What is there is not revelation ; it is already their published data which has come ; it has been mentioned here that the main source for external capital transaction here is used in the annual balance-sheet of banks and financial companies which provide detailed break-down of banks' foreign assets and liabilities by type of

assets in part maturity and currency. In addition a country's break-down of foreign assets and liabilities as well as of account is published. So, what has come is not a secret intelligence but already published data from the bank itself.

Now about Swiss Bank, they have their law of secrecy and that really becomes a problem for us. They have a law that if there is a criminal act, then they can cooperate in giving the information. But I was reading this in detail and I became very sad when it says that this is not possible for tax evasion which although subject to administrative sanction is not prosecuted at a criminal level in Switzerland. Now this is not a crime in Switzerland. So we are unable to get information. But, anyway, other sources, we will try. May I assure the House that we will take maximum action on this account to safeguard the interest of the country.

DR. DATTA SAMANT : You make some efforts.

SHRI VISHWANATH PRATAP SINGH : Anyway, we will pursue it. We are making efforts. (*Interruptions*) We have sent our officers to tax haven also and we are trying, but many things I cannot just bring up in the House and publish them in the press. But we will try our best.. This is all I can say.

13.07 hrs.

## BUSINESS OF THE HOUSE

[*English*]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT) : With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 17th November, 1986, will consist of :

- (1) Consideration of any item of Government Business carried over from today's Order Paper.

- (2) Consideration and passing of the Child Labour, (Prohibition and Regulation) Bill, 1986, as passed by Rajya Sabha.
- (3) Discussion on the Resolution seeking disapproval of the Coal Mines Nationalisation Laws (Amendment) Ordinance, 1986 and consideration and passing of the Coal Mines Nationalisation Laws (Amendment) Bill, 1986.
- (4) Consideration and passing of :
- (a) The Atomic Energy (Amendment) Bill, 1986.
- (b) The Indecent Representation of Women (Prohibition) Bill, 1986, as passed by Rajya Sabha.
- (5) Discussion on the 35th Report of the Union Public Service Commission.
- (6) Discussion under Rule 193 regarding terrorist activities in Punjab and elsewhere in the country.

**SHRI SOMNATH CHATTERJEE** (Bolpur) : The following matter may be included in the next week's business :

It is a matter of grave concern that the government has decided to close down three printing presses, two in West Bengal and one in Sikla as well as the Forms Store, which is in existence for 70 years in Calcutta. The decision is against public interest. About 5500 workers, and their families would be affected by the decision, which seems to have been taken by the Central Government to give effect to its policy of privatisation. Without utilising the working capacity of the printing presses, the government is placing orders of printing with private undertakings. The government should withdraw its decision and arrange for proper running of the public undertakings.

The proposal for setting up of a power generating station at Bakreshwar in West Bengal is Pending final clearance by the Government of India for over six months. The Central Electricity Authority accepted the feasibility of the proposal but expressed its inability to provide funds for the execution of the project and recommended entering into foreign collaboration for the

execution of the same. Two proposals for foreign collaboration have been forwarded to the Central Government and it is essential that the government should take a decision without any further loss of time, specially as no central grants or funds are to be made available for execution of the project.

13.01 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

[*Translation*]

**SHRI SHANTI DHARIWAL** (Kota) : Mr. Chairman, Sir, the following subject may kindly be included in the Business for the next week :

I would like to draw the attention of the House towards non-supply of the control paper by the Government of India to the Board of Secondary Education, Ajmer, Rajasthan.

As per the orders of the Government of India, the Board of Secondary Education, Ajmera had deposited a sum of Rs. 35,47,250, as 25 per cent advance money with the paper mills for supply of 1501 tonnes of control white paper, but no supply has yet been made by these mills.

The Education Board has promised to those printers, whose tenders for printing of syllabus books for the next academic session have been accepted, that supply of control paper will be made by the middle of December 1986. If the Board does not get control paper from the paper mills sponsored by the Government of India, it will have to purchase paper from the market to supply the same to the printers which will cause a heavy financial loss to the Board.

Consequently, on the one hand, it will cause financial loss to the Board and on the other hand, the syllabus books will be made available to the students quite late due to non-supply of the control paper to the printers in time. One more point is there. These Paper Mills do not pay interest to the Board on the amount deposited with them as 25 per cent advance money whereas these Paper Mills charge interest from the



Board on the rest of the outstanding amount from the day of supply of paper. On this account also the Board has to suffer loss.

I request the Government to issue necessary orders for the supply of allotted 1501 tonnes of control white paper to the Board by the middle of December, 1986 for printing of syllabus books so that the students may not face any shortage of syllabus books with the start of the next academic session.

[*English*]

**SHRI SHANTARAM NAIK (Panaji) :** I suggest that the following subjects be included in the next week's business of the Lok Sabha :

1. Goa Sea men are crying for the help of Central Government for the last several years pleading for the establishment of a Cell or Centre in Goa for the recruitment of seamen on board the ships. However, this demand has, so far, not been conceded. Seamen from Bombay are flown to Goa to be recruited on board the ships anchored at Mormugao but, on account of vested interests involved, Goan Seamen who are unemployed are not considered for the jobs. There was a time that Goan Seamen's efficiency was widely appreciated but, today, they are being given step motherly treatment. I would like the matter to be discussed in the House.

2. Although Parliament has passed the Environment (Protection) Act, 1986, the same has not been enforced—nor the rules under the said Act have been framed. As a result of which those who violate the provisions of the Act can neither be prosecuted nor can they be punished. Besides, the said Act is a skeleton Act as important aspects of the environment have been left, under the Act, to the Rule making authority. Hence it is desirable that the said Rules are framed and laid on the Table of the House next week so that a discussion on the same can be had.

**SHRIMATI JAYANTI PATNAIK (Cuttack) :** I request that the following subject may be included in the next week's business :—

The State of Orissa abounds in marine, inland and brackish water fisheries resources.

The proper exploitation of these resources can contribute substantially to the socio-economic condition of poor fishermen of the State. The Seventh plan envisages increase of marine fish production in Orissa to 70,000 M.T. from the level of 46,070 M.T. during the Seventh Plan. But the Seventh Plan target cannot be achieved unless adequate infrastructural facilities like construction of fishing harbour at Paradeep and other places are expedited. As far as fishing 'harbour' at Paradeep is concerned the site has been selected, investment decision has been taken, but the construction work has not been started due to the constraint of resources. The proposal was originally mooted as many as 16 years ago. But it is unfortunate that there has been an inordinate delay in the construction of fishing harbour at Paradeep. At present about 500 boats are operating in the port area and the trawlers are being accommodated temporarily at wooden jetties in a very limited space inside the turning basin of the main harbour. Thus the trawlers are creating problems for the port authorities on the absence of fishing harbour facilities.

In view of the above, I urge upon the Government of India to take immediate steps to provide necessary funds for the establishment of a fishing harbour at Paradeep. The construction works of the fishing harbour should be taken up and completed within a specific time limit.

This matter needs inclusion in the next week's business.

[*Translation*]

**SHRI HARISH RAWAT (Almora) :** Mr. Chairman, Sir, there are many anomalies in the recommendations of the Fourth Pay Commission as a result of which various Associations of Central Government Employees are either agitating against them or are resentful about them. It was being expected that, on receipt of the recommendations of the Fourth Pay Commission, the Government would constitute a powerful Anomalies Commission whose recommendations would be binding but the Government is not paying attention towards it. Thus a discussion on the anomalies in the recommendations of the Fourth Pay Commission is necessary in the Lok Sabha.



The necessity of a National Forest Policy is being felt for quite a long time. At present the Forest Act 1980 is the only central law on the subject which is more obstructive and negative in approach than being helpful in forest development. There is widespread dissatisfaction among the people living in these regions against this Act which is adversely affecting afforestation policy.

Thus there should be discussion in the Lok Sabha for enacting a law acceptable to all.

[English]

**SHRI NARAYAN CHOUBEY**  
(Midnapur) : I request that the following may be included in the next week's agenda :—

Acute scarcity of water both in the municipal as well as railway town of Kharagpur, is becoming more menacing everyday. The State Government in 1985 had sanctioned a new water works scheme worth Rs. 8 crores to Kharagpur municipality. But the said scheme has not yet secured proper clearance and work, has not yet started. Similarly, the Railways have been spending several lakhs every year for supply of water to the colony. But underground water at Kharagpur is fast being exhausted and water level is going deeper everyday. Many deep tubewells are going dry every year. Even newly sunk tubewells fail to supply anticipated amount of water. If the Government do not move from now to secure new water resources from the river Subarnarekha, Kharagpur will face water famine in the near future. So, the new scheme of supplying water to the municipality should be given immediate clearance and work must immediately start. A fresh scheme to secure water from the Subarnarekha be taken up by the Government in order to supply water to entire Kharagpur complex and thus, save it from water famine.

**DR. G. S. RAJHANS** (Jhunjharpur) : I request that the following may be included in the next week's business :—

It is heartening to note that after a lapse of nearly ten years, Government of India

has started giving importance to the export of Madhubani paintings. There is a great demand of these paintings in France, USA and Canada.

Recently, these paintings were exhibited in Bharat Mela in France and USA. These paintings depict the socio-cultural traditions of Mithila which are several thousand years old. A number of artists engaged in these paintings have been given national awards. But unfortunately, these artists could not benefit financially from their efforts as much as they perhaps, could because of the appearance of middlemen and brokers on the scene.

The Union Commerce Ministry has set up an office of Development Commissioner for Handicrafts and also a service Centre at Madhubani. But it has not solved much of the artists' problems. The artists do not get their payments in time and these agencies have done little to bring about any improvement in the situation. The financial institutions, similarly, have not been able to comprehend the special problems of these artists. As a result, these artists who are mostly poor and illiterate, do not get adequate financial assistance for the promotion of their art. It is, therefore, requested that the Government of India should immediately take steps to give financial assistance to these artists so that this traditional art is preserved and developed and the artists are in a position to afford a reasonably decent living.

**SHRI K. RAMACHANDRA REDDY**  
(Hindupur) : The following matter may be included in the next week's business :—

Anantapur District in Andhra Pradesh has only 14% of irrigation facilities and rest of the area is rain fed. These irrigation facilities include 50 thousand wells irrigating about one and a half lakh acres and also by tanks. Due to continuous drought no tank has received water for the past six years and most of the wells have gone dry. Hence agriculturists and labourers are thrown out of work. If rupees five crores is spent, ten thousand wells can be rejuvenated by drilling in well bores and about thirty thousand acres can be irrigated and the likely yield from these rejuvenated wells will amount to five, to ten

crores per year. Every rejuvenated well will be able to sustain a family of the cultivator and one family of labour providing sustenance for at least ten members. Thus one lakh persons will be taken away from the miserable spectrum of famine. If all the fifty thousand wells are rejuvenated by spending five crores of rupees every year for five years, about 5 lakh persons in the district will be saved from the ravages of famine permanently. The State Govt. is not in a position to spend the amount.

So, it is requested that the Central Govt. without escaping from the responsibility and without showing the burden to the State Government can take a compassionate view over the misery of the famine stricken people of this area, and allot Rs. 5 crores to the Rural Irrigation Corporation of Andhra Pradesh for giving loan to agriculturists for putting in well bores in the area to rejuvenate the wells in Anantapur District.

SHRI ANADI CHARAN DAS (Jaipur) : I beg to submit that the following matters of public importance may be included in Agenda for the next week.

Rural Landless Employment Programme (RLEP) was launched during 1983-84 as it was felt that the hard-core of poverty particularly pertaining to employment opportunities for the landless needed to be tackled in a more directly and specific manner.

The basic objectives of the programme are :—

- (i) To improve and expand employment opportunities for rural landless with a view to providing employment for at least one member of every landless labour-household upto 100 days in a year ; and
- (ii) Creation of durable assets for strengthening the rural infrastructure which will lead to rapid growth.

The programme is fully funded by the Central Govt. during the 6th Plan Rs. 500/- crores was provided and outlay of Rs. 1743.78 crores has been fixed for the Seventh Plan. Employment generation as

many as 1013 million mandays are expected. During the seventh Plan 20% of the allocated funds are to be earmarked for social forestry in the States and U. Ts. while 10% of the funds are to be earmarked for the works directly benefiting scheduled casts and scheduled tribes. The cost of road projects, however, is to be limited to 50% of the total cost. The wage component in a project should not however be less than 50% of the total cost of the project.

But most of the States and U. Ts. are not following the objectives and guide lines issued by the Central Government; they should be directed to follow these objectives and guidelines.

Hence this is an important matter. It should be discussed on the floor of the House in the next week.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H. K. L. BHAGAT) : I am grateful to the hon. Members for having made their submissions. I shall bring them to the notice of the Business Advisory Committee.

13.25 hrs.

*The Lok Sabha then adjourned for Lunch till twentyfive minutes past Fourteen of the Clock.*

*The Lok Sabha re-assembled after Lunch at Thirty one minutes past Fourteen of the clock.*

[SHRI SHARAD DIGHE *in the Chair*]

#### INDIAN POST OFFICE (AMENDMENT) BILL, 1986

[*English*]

MR. CHAIRMAN : Bill for consideration and passing. Shri Sontosh Mohan Dev.

[*Translation*]

SHRI MOOL CHAND DAGA (Pali) : I have a point of order, Mr. Chairman,

Sir, this Bill has been included in today's agenda. If you look at yesterday's agenda i.e. of 13th November, you will find that it was written in it that—'consideration of any item left'. This Bill was not shown in the agenda of 13 November and discussion on Supplementary Demands (General) was there. We prepared ourselves for that discussion but at 8.30 A.M. today, this Bill was supplied to us. Yesterday night we were preparing for General Demands and today the Indian Post Office Bill has been presented here. You have written that :

[English]

"Consideration of any item of Government business entered in the Revised List of Business on 13th November, 1986 and not concluded on that day."

[Translation]

Mr. Chairman, Sir, if due care is not taken in the matter of Bills, we shall not be in a position to do justice to them. This item was not included in yesterday's agenda and today, all of a sudden, at 8.30 A.M. we are informed that this Bill will be brought. Yesterday night, we were preparing for General Demands and now the India Post Office (Amendment) Bill is going to be discussed. Mr. Chairman, Sir, I want your ruling on it so that in future such mistakes are not committed again and due attention is paid to this aspect.

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF FOOD AND CIVIL SUPPLIES (SHRI H.K.L. BHAGAT) : Sir, I want to tell the hon. Member, Shri Mool Chand Daga that the Bill is already listed in the week's business. It is already in the list of business for this week. It is carried over. If there is no time you do not take it. This is the Bill which is there in the week's business. The idea is not to rush through any important thing. The time is always fixed for that purpose. (Interruptions) So, it can be included. That is the answer. I can include it. If there were time, today, I would have insisted to be taken up. But if there is no time, today, we don't mind. We get it after some time. Sometime we change the list

of business. We go by the consensus of the House. We have high regard for Dagaji's opinion. But if he says, we cannot add any item from the week's business. there is no point in making week's business.

MR. CHAIRMAN : There is no point of order. The Government has got the privilege to change the order of items. Only the order has been changed. And it is the prerogative of the Government to change it. I rule out the point of order.

Shri Sontosh Mohan Dev.

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI SONTOSH MOHAN DEV) : I beg to move\* :

"That the Bill further to amend the Indian Post Office Act, 1898, be taken into consideration."

While moving the Bill to further amend the Indian Post Office Act for consideration and passing of it by the House, I wish to make the following opening remarks :—

The Indian Post Office Act, 1898 was one of the earliest legislations conceived in the 19th Century for regulating the working of the post offices in the then prevailing circumstances. In recent times, thanks to the excellent climate prevailing for rapid industrialisation of the country, there has been a phenomenal increase in commercial traffic of mail and consequent changes in the pattern of mail flow warranting modifications in the provision of the original Act.

Section 26 of the original Act, which deals with power to intercept postal articles for public good was conceived when India was a British colony. In accordance with the assurance given on the floor of the Parliament, by one of my predecessors, we have reworded this section to bring it wholly in conformity with the provisions contained in Article 19 (2) of the Constitution. Another change made in this Section is to delete Sub-Section (2) of Section 26 of the Act making it possible for an order passed under this Section open for judicial review and curb arbitrary exercise

\*Moved with the recommendation of the president.

of the power under this Section. In this connection, it is stated that the Sub-Section (2) of the Act which is now sought to be deleted provided for a certificate given by the competent authority exercising the power as final and conclusive proof about the occurrence of public emergency etc. With the deletion of this Sub-Section, courts of law will be free to review orders for interception, under Section 26, thus making such orders justiciable.

With regard to the monopoly of the Indian Post Office Act with reference to conveyance of letters, the present Bill seeks to impose stricter penalties for violation and also provides for search and seizure of letters illegally conveyed by private couriers.

The Bill also seeks to provide changes in the provision of the original Act so as to take into account the present high volume of commercial traffic and also to provide better and decentralised facilities to the common man. It also seeks to regulate mode of delivery of articles to residents of multi-storeyed buildings etc. which situation was not envisaged at the time the original Act was framed in 1898. I, therefore, commend the Bill to the hon. Members of this House for the passing of it.

MR. CHAIRMAN : Motion moved :

"That the Bill further to amend the Indian Post Office Act, 1898. be taken into consideration."

[Translation]

SHRI V. TULSIRAM (Nagarkurnool) : Mr. Chairman, Sir, I totally oppose this Bill. If the new section 16 (old section 26) is deleted from this Bill, I will support it because this section is very dangerous. Under this section, an officer can open, read, throw away, burn or even sell a letter. I have used the word 'sell'. Suppose there is a court case and the lawyer sends some details of the case to his client through a letter. The official can sell such a letter to the other party. It means that you have opened the way for one person, for earning money unauthorisedly whereas you have marred the future of the other person. If my wife writes about some confidential domestic affairs, they can read it.

SHRI GIRDHARI LAL VYAS (Bhilwara) : Does she write love letters ?

SHRI V. TULSIRAM : It is a matter of satisfaction if Shri Vyas still receives love letters. It appears that he is still fond of it. If you do not receive love letters, people like me receive. Day before yesterday also I had told the Minister that whenever I dialled a certain number, the voice of a lady was heard from the other side. When it happened Twice or thrice, she abused me. The Minister had replied that he was sorry if the number was connected by mistake but if there was some other matter, he could not do anything. If the matter was different, I would have dealt it myself and would not have brought it here.

I want to say that this section is very dangerous and if it is deleted we shall have no objection to the Bill. After that we shall fully support it. It is clear that the people in power will be able to do anything. That is why this Bill has been brought and such provision has been included in it. We belong to an Opposition Party and suppose our leader writes a letter to us which goes against you, you will not deliver that letter and will tear or burn that. Today you are in power, tomorrow some one else will be there. Whosoever is in power, will be using this provision for his benefit. It goes against the Fundamental Rights. Law Commission has given some suggestions. I would request the hon. Minister to tell us as to what are the recommendations of the Law Commission. Have you accepted them in toto or only those recommendations which suited you and those which did not suit you have been rejected, the way letters will be torn and thrown away. If you do like this, how will it do good to the country. You should think about the welfare of all the people and you should not accept only those recommendations which may save your chair. It is not a good thing. India is a free country and you should let everyone enjoy freedom. Then you can tell them that such and such things are not good and require to be abolished. You should convince the people. This provision existed earlier also during the British rule. After independence, you should have deleted or amended it, but you did not do so. Now when you are amending it, you are amending it to suit your own

interest. It is quite a wrong practice and you should not do like this. The hon. Minister should think over it. You will only tell us that we can have your say and you consider it. I have already said that you do everything for your own benefit. Had you tried to improve this Bill with good intention no opposition Member would have any objection to it. We are prepared to support your Bill fully but you should reconsider it. You are going to reduce the number of Post Offices in the country, particularly in the rural areas. Day before yesterday, I had mentioned here that the Prime Minister's letter from Delhi took 25 days to reach Shantiniketan, Calcutta. If this is the fate of the Prime Minister's letter, what will happen to people like us and to the rural people, where you propose to stop opening of new post offices. How will they receive their mail? On top of it, you are going to start interception of letters. This will delay the delivery of post by months. This is not proper. You must give serious consideration to this matter.

If Section 16 is deleted, then we will support the Bill and not oppose it. If more Post Offices are opened in the rural areas, then the postal delays can be checked, and the people can be benefited from the improvement in the situation. If you are thinking of the expenses, then it can be said that nothing can be done without it. I want to request you that for the good of the nation, and for the benefit of the poor, letters must be delivered in time. Whenever our unity or integrity is threatened, or our country is faced with any danger, we, who belong to the Opposition, always support you, and for such good measures we will continue to support you.

**SHRI VIRDHI CHANDER JAIN** (Bawmer) : Mr. Chairman, Sir, I support the Indian Post Office (Amendment) Bill, 1986 introduced by the hon. Minister. This Bill has been based on the recommendations of the 38th Report of the Law Commission and the amendment of Section 26 in the Bill has been objected to by the Members of the Opposition, who want the said amendment to be deleted. I am in favour of this amendment. First I want to state that though the Congress Party has continuously been in power in this country, yet there was a time when the Janata Party was ruling

the country. It was a coalition of several parties. I want to ask why did they not amend the laws during that time? Had these amendments been made during the Janata Party's regime, we could have understood your feelings. But it seems that you forget your responsibilities when you are in power and when you are in the Opposition you accuse the Government of being irresponsible. This is not proper. It is true that the amendments which we are going to make were long overdue. The present law was enacted in 1898, while there was British rule in our country, and it is for this reason that terms like 'United Kingdom' and 'His Majesty' were present in it. Such words, if they occur in other statutes, must be appropriately amended. The language of the legislations must not be such as to connote that we are still under the British rule. On reading those laws, it does not appear that we are an independent nation. The fact that we are going to amend these laws after so many years of independence, is a sign of our weakness. We ought to have brought the said amendments much earlier. If amendments are brought to delete such words in the other legislations, we shall welcome such amendments. We are not governed by United Kingdom any more. Therefore, words like 'His Majesty' cannot be used. I would suggest that you should examine all the laws, and wherever such amendments are required, the needful should be done. The present amendment was already long overdue and this system of functioning is not proper. None of our laws should smack of the British Raj, which may imply that we are still being Governed by the British Government.

My second submission is in regard to section 26. I wholeheartedly support the intention with which you are going to amend section 26 under the present Bill and I think it is very essential to do so. In fact, it is an essential step for any democratic Government. It has been clearly mentioned in this section that :

[English]

"The Central Government or the State Government or any officer specially authorised in this behalf by the Central or the State Government, may, if satisfied that it is necessary or expedient

so to do in the interest of public safety or tranquility, the sovereignty and integrity of India, the security of the State, friendly relations with foreign States or public order or for preventing incitement to the commission of any offence, or on the occurrence of any public emergency, by order in writing, direct that any postal articles or class or description of Postal articles in the course of transmission by post, shall be intercepted or detained or shall be disposed of in such a manner as the authority issuing the order may direct".

[Translation]

If there is any correspondence, which is anti-national and which incites people, then it becomes our duty to intercept such correspondence and frame necessary laws in that regard. If we do not intercept such letters, and take the required action against them, do not watch anti-national activities, these things can prove dangerous for us later on. If Pakistan indulges in activities which are dangerous for us, or if there is correspondence of such kind, then it is essential to intercept, check and keep a watch on such correspondence for security purposes and also seize it, when required. Hence, the steps taken in this regard, and the provisions made for it, are correct. Though equal rights have been granted to all in our Constitution, yet there are provisions for preventive Detention and our Government as well as the Janata Party Government have made use of it. What I want to say is that such provisions have to be made for the security of the country and because we want to maintain peace and democracy in the country, it is, therefore, essential to frame such laws. Hence, the legislation made in this connection is proper. However, the provisions relating to punishment must be made more stringent. In regard to mail theft, provision is there for 10 years punishment but I want that this punishment should be made even more stringent, as it is an essential service. Hence, whatever steps are taken for the protection of this service, are justified, but our people in the rural areas should also get the benefit of it.

Sir, an example was given here just now that the letter which was sent by

the Prime Minister was delayed considerably. The reason for this delay was that the address was wrongly written. Nowadays, in the rural areas, it takes 4 to 5 days or even a week for a letter to reach the rural areas. Therefore, I would request you to make such arrangements that the letters reach the rural areas in time and early. If air service is required for the purpose, it may be utilised. Similarly, if public road transport is available, the same may also be used. Where both these means are not available and private transport is available then the same may be utilised accordingly so that letters may reach the far-flung rural areas in time and fast.

Sir, I would like to make another submission in this connection. Earlier, mail sorting used to be done in the train itself but now these sorters have been removed, and this system done away with. Due to this, the sorting of mail is being delayed by one day and consequently, the delivery of letters is also delayed accordingly. I would like to ask you as to why was it essential to put an end to the sorting system?

Sir, our Postal services must never be delayed. The population of our desert areas is also increasing now-a-days. In view of this, the expansion these services has become essential because we are marching towards progress. The Central Government has put a ban on the opening of any new post office branch and it will create hindrance in the development of our region. Our rural economy is making good progress today. The rural areas have made considerable progress and there is a wave of awareness among the people on account of the Integrated Rural Development Programme and the nationalisation of the banks. But the Postal Department and the Ministry of Communications are still lagging behind. I would, therefore, request, not to impose any ban in respect of such services. Of course, ban should be imposed on the non-essential expenditure but if some expenditure is to be incurred for the development of the rural areas, it must not be restricted. If this is done, we shall not tolerate it. Although villages with Panchayat headquarters have become quite populous today, new Post Office branches are not being opened. In such a situation how can there be any development? If we do not

make progress and undertake development works, how can we keep pace with the modern world and enter the 21st century.

15.00 hrs.

Sir, in my Constituency of Jaisalmer district there is no office of the Superintendent of Post Offices. This is the largest district in Rajasthan and its population is also increasing. The Indra Gandhi Canal has also reached there. But as the population there is short by 0.2 per cent of the prescribed norms, they are not opening the office. They say that they cannot change the norms for it.

Can you not change the norms? The people of Jaisalmer have to come to Jodhpur to avail of this facility. These facilities are not available even in the District headquarters. These facilities should be provided there.

Therefore, what is required today is to up grade the Post Offices, where necessary. The Government should take necessary steps in this direction and also take active interest in the development of the Post Offices and render assistance in every possible manner.

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : Sir, I approach the Bill with some mixed feelings. There are parts of the Bill which are purely technical and in a sense which update the existing law on the subject and we cannot possibly have any objection to updating the enactment.

But there is an aspect or two which I would like to place before the House and the first question that arises in my mind is this very concept of exclusiveness. We find that in many advanced countries today, the conveyance or carriage of letters or documents is being liberalised perhaps because only the government machinery cannot cope with the growing burden. Therefore, there is a tendency to allow a certain degree of privatisation of these facilities. I am sure that the hon. Minister is fully aware of the details of such facilities that are available in many European countries. And I do not see any reason why with a growing economy and with the established fact that the Postal Department is not in a position today to provide the neces-

sary services and meet the full requirements thereof, we insist on this concept of exclusiveness. That is a very basic point that I want to place before the House when we approach this Bill.

We must try to review the position. Why is it necessary; is it laid down by the heavens above; has it come down from a holy book that only the Government machinery must carry the postal articles? It is not. It is a service and there was a time when the Government and Administration alone could provide that service. Now a time has come when many private organisations—undoubtedly to be regulated strictly by the Government—are in a position to provide this service. Then why should we not open the doors?

I come from a rural constituency and if I may say this, this is my first contact with the rural India. Among the very few things that the rural folk ask for are postal facilities. They say, "You cannot do very much for us Mr. M.P.; please get us a post office." And I go on writing letters. For the last one year I have been writing to the Department, to the Minister and even at the lower levels. There is absolutely no positive response. There is a stereotyped answer that I receive, which says, "There is a ban". And that is that! Even the norms that have been laid down by the Government have not been fulfilled and are not being fulfilled with regard to rural areas. The norms have never been implemented with regard to scarcely populated regions. I now receive letters from many States other than Bihar that even the established post offices are being closed down and these include sub-post offices or whatever other categories that you may be having. All these are being closed down. May be, the Department is working on some sort of a 'super plan' of rationalisation. We have not been taken into confidence about this. So, I do not know anything about this super plan. But the fact is that some Panchayats, with a population of 10,000 have no other means of communication with the rest of the country. You are not giving them telephones. Telegrams, in any case, reach nowhere. In any case, they have to be communicated only through the postal system. So, in that case, the only means of communication available to them is the



postal system and the postal facility is being denied to such large units as Gram Panchayats with 10,000 population. I wrote a letter to find out the number of Panchayats in my constituency alone which did not have a postal facility. I thought that may be the list will run into a few lines, but Mr. Chairman, the reply listing the names of the Gram Panchayats alone covered the whole page. 1/3rd of the Panchayats simply do not have postal facility. In my view, they come fully within the purview of the existing norms, but while we have money to waste for *Tamashas*, while even the Prime Minister is supposed to take note of non-essential expenditure and give a direction to the Government, to the other Departments, to our colleagues, to cut down non-essential expenditure, but postal facilities cannot be provided because there is a ban! I cannot understand this logic. All right, if you cannot provide the facility, why do you want to keep this exclusive right to yourself? If you cannot do it, then allow others to do it.

So, Mr. Chairman, this is my first basic point.

The second basic point that I want to make is, with regard to this Clause 16, which substitutes a new Section for Section 26.

Once upon a time, when I was learning English, I was told that there are two kinds of verbs—one which require an object to have its full meaning and the other which does not require an object. Here, this Clause uses a phrase—a substantial phrase—that in certain circumstances, the Government may "direct". It does not say "direct whom". Who is to carry out the directions? It is an absurdity. I simply cannot understand it. Unless the Government have deliberately obscured this point I do not know what their intention are? In such a situation, are they going to direct the police authorities, or are they going to direct the army authorities or are they going to direct the postal authorities? I would suggest that the hon. Minister should make it very clear what is the urgency of interceptions. I know this, it is, happening all over the country, that even in times of peace, the police officer goes to the sorting office, stops the sorting work and takes away whatever he likes. I allege that this is

happening all over the country. You are going to regularise it; You are going to legalise it by keeping this point obscure. Let that point be made absolutely clear that the direction in such circumstances shall be given or shall be a dressed only to postal authorities and to non else. I hope and I can feel the winds of fascism that is slowly blowing acrosss our land and I also do hope that we have not yet come to the point where this sort of interception can be done by the police forces or the paramilitary forces or the army. Now what can be intercepted by the police authorities. What have you said there? Any postal article can be intercepted or any class or description of postal articles can be intercepted and there are no guidelines as to what constitutes a class.

SHRI ATAUR REHMAN (Barpeta) :  
Except love letters.

SHRI SYED SHAHABUDDIN :  
Exactly. I do not know. May be tomorrow, you may say that all letters addressed to the Janata Party can be intercepted, we know, you may do it tomorrow.

AN HON. MEMBER : Love letters can be confiscated.

SHRI SYED SHAHABUDDIN :  
Obviously. How do you do that? This is an absurd thing. This proposition is far too general, far too overwhelming in its connotation and I am not imputing any motive at this stage to the Government, but it remains to be seen what they do in practice. All I am pointed out, Mr. Chairman, is that the loose phraseology of this section, leaves the field wide open for misuse, for an excessive use of the authority which is going to be vested by the Parliament in the postal system. Therefore, they must make it very clear, that this clause will not mean a social group, this clause will not mean a particular institution, but this will mean only a person or an individual. And it cannot possibly mean that all members of a definable group shall come under its purview. By one stick you should not beat all of them. It should be made very clear; but this power, I am afraid, is likely to be misused one time or the other, and used against the democratic rights of our people, and it is going to be yet another



step towards an authoritarian regime which, as I said, I see creeping on our land.

I have no other important points to make. I thank you, Sir, for the opportunity given to me to speak out of turn.

[Translation]

SHRI GIRDHARI LAL VYAS (Bhilwara): Mr. Chairman Sir. I support the Indian Post Office (Amendment) Bill introduced by the hon. Minister. The Bill is based on the Report of the Law Commission. Certain new sections have been incorporated in it. Just now an hon. Member, Shri Shahabuddin expressed his views. I think his criticism of this Bill is not justified because the provisions will be used against those persons and articles which endanger the security and tranquility of the country. This provision is to deal with such persons who send such articles from one place to another. This type of provision is especially needed in a state of emergency in the country. Presently such a situation does not exist and the Government has no intention to open the letters and parcels indiscriminately. Shri Shahabuddin should not sense any danger, nor the Janata Party people are so dangerous as to attract this provision. This provision has been made for the terrorists, secessionists and such other people who endanger the unity and integrity of the country and I find it quite justified.

I also want to repeat one point made by Shri Shahabuddin. Many officers bear personal enmity and they can misuse this power. Therefore, some provision should be made to prevent its misuse. It will be good if some provision is incorporated whereby the intention of the Government is accomplished and at the same time public is also saved from any harassment and the common man also does not sense any danger.

Shri Tulsi Ram has objected to Section 16-A and has stated that he is ready to support the Bill if this section is withdrawn but this section is very essential. It will not be correct to condemn every law framed by the British Government only because it was framed by them. The British Government was also a Government and it had enacted this law to be applied in a state of emergency. It applies to every nation and not to the

British Government alone. It is possible that a situation may arise in our country which may warrant such type of law. There should, therefore, be no objection to the enactment of this law. At the same time it is also necessary to use it properly. If the law is used properly I think no one will have any objection to it.

A provision relating to revenue has also been included in the Bill. There are many companies which make advance deposits with the Post Offices or the Department annually and then they use the franking machine for one year. But there can be people in the Department who misuse that franking machine and which can result in loss of revenue to the Department. There should, therefore, be full arrangements to prevent such a thing. Inspectors should be there to prevent this type of misuse of authority or leakage of revenue.

As regards the revenue leakage, I would submit to the hon. Minister that only three years imprisonment has been provided for this offence whereas in some other provisions life imprisonment or 10 years imprisonment has been provided. I think it is a big anomaly. You have made provision for very less punishment whereas the leakage of revenue in this Department is massive and this provision will not be effective. I think that the Department people are not so vigilant and alert as to check this leakage of revenue. In this connection I would like to know from the hon. Minister as to how many cases of revenue leakage under this law have been detected and what action has been taken? If he has got this information then the hon. Minister may tell in his reply about the action taken in this connection.

Other questions are also involved. Money-orders are sent from one place to another and several of them are sent to rural areas but there the people remain unaware of them. The labourers who go to far off places to work send money through money-orders to their families but they do not receive that money. If some complaint is lodged by them, the enquiry takes two to three years. The guilty persons are not punished because the long time involved weakens the case. Therefore, there should be some provision in this law to find out whether all the money-orders and other

costly parcels reach the addressees or not? Your Department detects only a small number of such cases and action in those cases is often delayed. Most of the guilty persons are acquitted and no action is taken against them. This system, therefore, should be properly regularised.

Similarly, there is Section 26 which is as follows and about which Shri Shahabuddin also made a mention :-

[English]

"The Central Government or the State Government or any officer specially authorised in this behalf by the Central of the State Government, may, if satisfied that it is necessary or expedient so to do in the interests of public safety or tranquility, the sovereignty and integrity of India, the security of the State, friendly relations with foreign States or Public order or for preventing incitement to the commission of any public emergency, by order in writing, direct that any postal article or class or description of postal articles in the course of transmission by post, shall be intercepted or detained or shall be disposed of in such manner as the authority issuing the order, may direct..

[Translation]

This question is very serious and you will have to think seriously over it. The Post Offices on their own, will not get the concerned information and the military or the police will not supply the information to the Postal Department. A proper search of the dangerous persons receiving such articles should be made. The Postal Department does not have its own intelligence wing to find out that such articles are reaching dangerous people who can endanger the unity and integrity of the country. Therefore, the above mentioned provision is a must. Safeguards should be provided in the Bill to allay the apprehensions of this people who think that this provision will be used against those persons who have been working for the unity, integrity, safety and independence of the country. It is necessary to provide this safeguard.

In the same way I want to say that it will not be right to take any action in the matter of money-orders, payments, letters etc. coming from foreign countries unless it is felt that they are dangerous. Similarly, you have assumed power to recover an article or valuable article under the Land Revenue Act if it is delivered without receiving payment. But your employees and officers should also be careful that the article is delivered against the payment due and if it is not done then the person who has not acted according to the law is punished. Such employees need to be supervised. You should make provisions in this connection also so that such mistakes are not repeated continuously.

I want to say one more thing. Just now an hon. Member said that you have closed down the R.M.S. Department. Previously sorting was done in the train itself but now it is not so. Now as a result of the sorting at different places it takes more time and delivery of the dak is also delayed. This step has rendered many persons unemployed. Why do you not continue the old system so that efficiency is also not affected. The previous system made letters and parcels available in time and no problem was there. The Government should, therefore, certainly reconsider this matter.

I would like to speak about the small Post Offices, started in the villages. The persons working there are not given even minimum wages by you. You give them only Rs. 130 to Rs. 135 a month whereas the minimum wage is Rs. 11 per day. If such a situation prevails in a Government Department, then others also get encouragement that when even the Government is not paying minimum wages to its employees who work for 24 hours, we should also adopt the same practice. If you go to a village, you will find that employees of the Post Office work from morning till late in the evening but get very meagre salary. Therefore, there should be some definite arrangement in this connection.

There are a number of agencies which deliver documents, bills of exchange and valuable articles from one place to another although legally they cannot do it. In spite of it, a number of transport companies carry

bills of exchange from one place to another, thereby causing loss of revenue to your Department. You have not made any provision to check the leakage so that your Department may get more revenue. I hope that the hon. Minister would give a thought to it to get the leakage plugged so that the Department may get more revenue.

There are several big villages which do not have Post Offices. Post Offices in almost all the Panchayat Headquarters have been opened but there are villages under a Panchayat which have a population of more than 2 to 3 thousand. As per your rules, you open a Post Office for a population of 2,000. There is, therefore, need to open Post Offices in big villages under a Panchayat besides the Post Office at the Headquarters. I hope you would give attention to it and provide better services to the people by regulating postal services. You should take such steps as may increase the efficiency of the postal services. To my mind, the reputation of the postal service in India has been deteriorating day by day. This is because of lack of monitoring due to which people indulge in bungling and take undue advantage of it. We should endeavour to restore the same efficiency in the postal services which was there in the past. The Postal Department is the biggest public utility organisation in the country and it should be streamlined so that it may serve the nation in a better way.

With these words, I support the Bill.

SHRI KAMMODILAL JATAV (Morena): Mr. Chairman, Sir, I support the Indian Post Office (Amendment) Bill, presented by the hon. Minister of Communications.

Shri Vyas has already spoken a lot on the amending Bill. He is a good orator and there is not much left to say about it. I want to give two or three suggestions. The Postmen used to get uniforms in the past but at present they do not get any uniforms. Therefore, I suggest that the employees who deliver letters should at least be given uniforms so that one can know that they are the employees of the Post Office.

Secondly, I have seen that the Post Offices situated in the rural areas are housed in rented buildings and the owners

of those buildings try to get them vacated after one or two years. I suggest that the hon. Minister of Communications should get the Post Offices housed in their own buildings.

I also request that the letters should reach the people in time. This is my suggestion.

With these words, I support this Bill.

[English]

MR. CHAIRMAN: Now we will go to the 'Private Members' Business. Shri Piyus Tiraky.

15:30 hrs.

#### COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

##### Twenty-Fifth Report

[English]

SHRI PIYUS TIRAKY (Alipurduara): Sir, I beg to move:

"That this House do agree with the Twenty-fifth Report of the Committee on 'Private Members' Bills and Resolutions presented to the House on the 12th November 1986."

MR. CHAIRMAN: The question is: "That this House do agree with the Twenty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 12th November, 1986."

*The motion was adopted*

15:31 hrs.

#### RESOLUTION RE-GROWTH OF RURAL ECONOMY—CONTD.

[English]

MR. CHAIRMAN: The House will now take up further discussion of the

following Resolution moved by Shri D. N. Reddy on the 25th July, 1986 :—

“In view of the growing disparity between rural and urban incomes, resulting in overcrowding of suburbs of towns and cities, and lack of incentives and opportunities for growth of self-generating rural economy through rural industries, crafts and arts, this House urges upon the Government to allocate rupees ten thousand crores for the growth of rural economy during the Seventh Five Year Plan.”

Shri Mool Chand Daga to continue his speech.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Chairman, Sir, Shri Reddy has presented a very important Resolution. It is very unfortunate that members of the ruling party, affluent people and leaders of the opposition sometimes become so complacent that they fail to see the writing on the wall. That is why this Resolution has been presented.

The villages represent the true India. Mahatma Gandhi had said that India lives in the villages. He had dreamt of an India in which the poor would feel that they are enjoying the same facilities as are available to a king and one day a Harijan girl would become the President of India. This was the feeling of Mahatma Gandhi. Today what do we find in Delhi? Not only in Delhi but also in Bombay, Calcutta or in about 216 big cities which have a population of 1 lakh and above, the population has increased two fold than what it was in 1901. Mr. Chairman, Sir, you live in Bombay which has a population of 16.5 million. In Calcutta there are 17.9 million people... (Interruptions)

SHRI RAM SINGH YADAV : It comes to more than 1000 million..... (Interruptions)

SHRI MOOL CHAND DAGA : If there is any mistake, I may be excused for that. I have facts with me which tell as to which are the cities whose population is increasing. The reason for this has been

mentioned as migration. If I speak anything wrong about the question raised by my friend, then it would be injustice to him. He has more experience and knowledge than I. Recently, there was an article, 'Migration and Development' published in the Financial Express dated 4 October, 1986. I read it for you.

[English]

“In India, the percentage of the urban population in the total has more than doubled between 1901 and 1981. It is currently increasing at a rate of four per cent, as a result of a national increase of population at about two per cent and migration from rural areas at two per cent.

According to World Bank projections, the proportion of urban dwellers in India would be 35.5 per cent by 2000 A.D. By that time, among the largest cities of the World, Greater Bombay with a population of about 17.1 million would rank eighth and closely followed by Calcutta with about 16.7 million as ninth.”

[Translation]

All the facts are given in this Article. The reasons too are given in it as to why the population is increasing?

Thousands of people come from the villages to Delhi and Bombay. They live on pavements in the scorching heat with insufficient clothes on their bodies. They construct their jhuggis which are demolished by the D.D.A. men. On the one hand they are living in the scorching sun with their bare bodies and on the other hand, we are living in airconditioned houses. Such is the situation. The hon. Member who has moved this Resolution has told me that some corrupt officers and political leaders are taking advantage of it and they have established their kingdoms. He has also told me the reason for people's migration from villages to the cities. According to him the laws made by us are not properly implemented. Shri Janardhana Poojary goes to the villages and comes back after saying to the officials that the work of uplifting the poor above the poverty line should be

completed. He should visit Rajasthan and see that whereas loan melas are being organised here, people are reeling under drought there. Though our Government has launched a number of programmes like I.R.D.P., N.R.E.P., R.L.E.G.P., D.P.A. etc. but no one monitors whether the poor are getting benefit from them or not. Some corrupt bank managers, Tehsildars and B.D.O.'s do not let its benefits reach the people. But you say that you have lifted lakhs of people above the poverty line. The Hon. Minister usually makes statements to this effect but he does not go to the villages to see whether these schemes are being implemented or not.

Mr. Chairman, Sir, you are an experienced person. It is possible that this problem is not there in Maharashtra but when this law was enacted it was stated that the land would belong to the tiller. But today one person tills the land and the other reaps its benefit. It is also not a secret who enjoys the luxuries of life sitting in palaces. We struggled hard but the poor could not get the land.

Mr. Chairman, Sir, I have just started and have not even completed one point and you have rung the bell. Today is the 14th of November, the birthday of Shri Nehru and he always used to stress the village-oriented development. Our Minister for Planning is epitome of tolerance. True to his name he tries to provide succour to everybody. I request him to listen to me patiently.

If you try to know as to why people migrate from villages to the cities, you will find many reasons for it. They do not get full work in the villages and their economic situations is very bad. The poor in the villages do not possess land. Nobody has work; famine like situation prevails everywhere. That is why from farm labourers to the farmers, everybody is migrating to the cities. Even after coming here there is no solution to their problems. Hon. Minister of Planning, I am going to quote certain figures which have been taken from a book published by the Planning Commission and which have been provided by your Ministry. I am reading out these figures from your journal 'Yojna' dated 31st May :—

[English]

"Poor are where they were.

The study shows that the poor constitute 75 per cent of the total households of the village, with 50 per cent living below the poverty line. They are mainly agriculturists owning 1 acre or less of land and a few of them are artisans. The survey revealed that the fruits of development flow more towards the richer sections and non-agricultural sectors."

[Translation]

All these figures have been published by the Planning Commission and have been quoted from the journal 'Yojna'. These have been provided by the officers of the Planning Commission. Do not think that Shri Mool Chand Daga has quoted it on his own. Since the hon. Minister is preoccupied and extends help to all, I thought that I should also assist him. That is why I have quoted figures from the 'Yojna' published from Yojna Bhawan.

SHRI GIRDHARI LAL VYAS (Bhilwara) : Kindly tell the hon. Minister that there is no Railway facility in Rajasthan.

SHRI MOOL CHAND DAGA : Some points should be left for you to raise. I would like to say that some arrangement should be made to distribute the remaining land on the basis of poverty. Now the question arises as to how to define poverty? Poverty is of different kinds like food poverty, health poverty, educational poverty etc.

[English]

It is stated in an article on *the poverty problem*

"Dr A.M. Khusro, Member Planning Commission proposes a distinction between what he calls 'food poverty' and what he calls health poverty, educational poverty and poverty in respect of the consumption of industrial goods."

[Translation]

Sir, you want that there should be discipline in the House but this is lacking in everything. Health facilities are lacking. The Yojna Bhawan is ignoring villages to a great extent. People say that we live in ivory towers and democracy is a luxury. They say that in democracy intellectuals work less and talk more and talk of revolution. There are a lot of things to say. Kindly give me five minutes more. I shall be highly obliged to you. I shall not go in detail. Today is the 14th of November. It is the day when Nehruji shaped the destiny of India. Therefore, at least allow me to speak today. As I was saying, poverty is of different kinds. Poverty is not of one type only. The Reserve Bank of India has stated that the people of India have gone so much below the poverty line that they will become poorer in the days to come. It has given facts to substantiate its contention. I would like to place these facts before you. All right, if you are not giving me time to speak, I shall not place them before you. The Reserve Bank has said in its Report that there has been no development of villages in India. You are not allowing me to quote facts and figures but I apologise for saying this that the Prime Minister of India Shri Rajiv Gandhi had put forward a new 20-Point Programme in August 1986 in which he had said :—

[English]

“Eradicating poverty, first item. Raising productivity. Reducing income inequality. Then removing socio-economic disparity; improving the quality of life.

[Translation]

He has said all these things in the 20-Point Programme. Today is the birth anniversary of Pt. Jawahar Lal Nehru and our Prime Minister is saying :—

[English]

Attack on rural poverty. Strategy for agriculture. Better use of irrigation and power.

[Translation]

He has said all these things. Who construct these dams? The engineers construct these dams and all the credit goes to them. Therefore, Sir, I have said all these things. In the Report it has been stated that the rural rich corner the benefit of the subsidy. Two classes have come into existence in the villages—one is rural rich and the other is the poor. The poor are gaining nothing. Only the rural rich and a handful of people of the country have concentrated all the wealth in their hands. They are given maximum coverage on T.V. and in the Press. Only they are happy. There is no use submitting figures till there is unemployment in the villages. The poverty will remain there and it will not be eradicated. The advent of Bata in the market has rendered the cobbler unemployed in the villages. The oilman is unemployed. Where is the “Gram Swaraj” of Mahatma Gandhi. Unless money flows to the villages, the Gram Swaraj of Mahatma Gandhi will not materialise. I have not been able to do justice to the Resolution because you are not giving me time to speak. Mr. Chairman, Sir, I have got full facts with me but you are not giving me time to speak. That is why I am not able to do justice to the Resolution.

Sir, the facts available with me show to what extent we are lagging behind. No development of villages has taken place because we have never visited villages. If resolution takes place in the near future, it will start from the villages and only time will tell as to who will bear the consequences.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh) : Sir, I thank you for giving me this opportunity to speak on this important resolution which is being discussed on a memorable day like the 14th November, the birthday of the founder and architect of modern India, Pandit Jawaharlal Nehru.

I pay rich tributes to the sacred memory of Panditji. As you know, his dream of India will be fulfilled when all sections of population prosper and all areas prosper.

We have, over the years, made a lot of stride in the field of development. In the field of industrial development the country which was not capable of producing even a pin at the time of achievement of independence, is now one of the front-ranking advanced countries of the world, industrially. So, we have gone that far but, at the same time, many of our areas, particularly the rural areas, have not developed to the extent we expected or to the extent desired.

Our per capita income is increasing and we are marching forward in the field of development. But, at the same time, in many areas people are living below poverty line. This is a contradiction and irony of fate. This kind of disparity is growing in our country and it is a matter of grave concern for us. Planning should be done and our development should be taken up in such a fashion that the benefits thereof reach uniformly and rationally all sections and all areas. That is what is wanted or is wanting and adequate attention should be paid to this aspect.

I need not repeat how India lives in villages. Gandhiji rightly said "India lives in villages" and it is a very popular saying. It is true that today also more than 80% of population lives in the villages. In States like Orissa, it is as high as 91%. Even after 40 years of independence, basic facilities like drinking water are not provided in quite a number of villages. The per capita income is about Rs. 1200/- in the urban areas and it is as low as Rs. 500 in the rural areas. On the health side also, there is a difference in respect of longevity. A situation has arisen when the people of the rural areas feel that they are neglected and as if they are the second class citizens of this country. This is a dangerous trend developing in the country. So, we have to take serious note of it and we have to take remedial steps and corrective measures.

About corrective measures, I would say that just setting apart Rs. 10,000 crores, as demanded in the resolution, for the purpose of rural development, is not enough. Are we not having money? It is stated in the resolution that taking note of growing disparity between the rural and urban areas in respect of development, lot of money should be spent for rural development. But is it

enough? Are we not spending much more than this amount? If you look at the Budget of different Departments and Ministries, the amount kept apart for rural areas in respect of different developmental schemes, jointly taken together, will be more than this amount in Seventh Plan. But that is not the proper thing. In fact when our leaders like Smt. Indira Gandhi felt that the benefits were not reaching the lower strata of the population, the Harijans, the Adivasis, landless labourers, then certain specific programmes under different schemes like the Poverty Alleviation Programme, were thought of. Such programmes have been introduced. Under Poverty Alleviation programme, a lot of money has been provided. This year's allotment has also recorded an increase of 65 per cent over the last year's allotment under the Poverty Alleviation Programme. What is the problem? The question is that the entire amount is not being properly spent. The middle-men and the via-media agencies are being benefited largely out of these programmes. So, proper monitoring has to be ensured. Whosoever is found accused of misappropriation or of faulty implementation, they should be taken to task very seriously and mercilessly.

Again about this, I would say that when we come to the development of rural areas, primarily agricultural sector has to be developed. Agriculture cannot develop without land-reforms. I am pained to say that since 1977 things have not changed in India and seriousness has not been attached. No importance is being given to the implementation of progressive land-reforms in this country. Without land-reforms, without the provision of irrigation, the picture in the rural areas can never change.

I would like to mention another important thing. We have to organise the landless and the agricultural labourers who are unorganised and who do not get payment and other legitimate dues from their owners, landlords. They have to be organised.

Regarding agro-based industries, with anguish, I would like to bring to your notice and to the notice of the Government through you that a lot of industries are coming in some rural areas. But what is happening? When an industry comes in a particular



area, that particular area is developed. It bears a new look with pucca roads, with buildings—sometimes multi-storey buildings. But what happens to the prosperity and the conditions of the original residents of that particular area? They are not benefited by and large in many places. So, in that way development also gets defeated. The purpose of development, is defeated in that way. When a new project comes into being in a rural areas naturally people from other areas come and they get the benefits. Even in respect of some small posts, people are coming to get such jobs. So, we have to see that the areas develops along with the prosperity of the local people on whose sacrifice such projects come up in such areas. Agro-based industries and cottage industries should be encouraged. I am sorry to state here that Sambalpuri cottage industries and Sambalpuri sarees which are famous—not only in India but abroad also are now facing danger and a serious situation has arisen because of the menace of imitations. Cottage industries is also facing such dangers from different sides. That has to be seen in the proper prospective. Whenever we develop agriculture, we should have some industries also in rural areas. There should be bazars for purchases. In several cases, people have to go to towns for purchases. It is time for reforms to be brought about in the administrative system. We have to develop rural centres with administrative offices, block-offices, etc. There should be provision for treasury, banks etc. so that people are not required to come to towns for such purposes.

16.00 hrs.

Further, in many areas, good schools are not there. Hospitals are not there. Even when the people fall sick, they have to go to towns. Of course, there is a silver-lining now. It is my gratification to see that Navodaya schools are generally located in the rural areas. They are good schools and they are now being located in rural areas. Naturally some good hospitals and some medical centres also should be located in the rural areas so that the rural people will not be required to come to the town for everything, for treatment of ailments, for good education, for marketing, for making purchases, etc. So, there should be advancement of agriculture, setting up of industries,

particularly cottage industries, in rural areas and administrative complexes in central rural areas; rural development centres will have to be developed in different places; good schools and good hospitals and medical centres should be opened...

MR. CHAIRMAN : Please conclude.

SHRI SRIBALLAV PANIGRAHI : I would like to conclude with one request. We do agree that Government realise this, Government are sincere about the programme of alleviation of poverty not only from the urban areas but also from the rural areas, but much remains to be done, there is a lot of scope for improvement. The schemes are not being properly implemented. Emphasis should be given on proper implementation of the schemes like the poverty alleviation schemes. Of course, the amounts that are actually required, we are not able to provide, but whatever amounts are actually provided are also mis-spent, not properly spent. Government should read the writing on the wall. The people in the rural areas are feeling that they are being neglected, they are feeling that they are being treated as second class citizens, that the Government is not taking care of their basic facilities, etc. We have to work coordinatedly and sincerely and ensure implementation of the schemes so as to remove this sort of impression that is being created in the minds of the rural people.

With these words, I congratulate the hon. Member who has brought forward this Resolution. It is a good Resolution, it is thought-provoking, and the House is also discussing with seriousness. I urge upon the Government to realise its importance. Of course, they realise the importance, but whatever is lacking in this, they should plug those loopholes and see that things improve and the people in the rural areas also get justice.

SHRI V.S. KRISHNA IYER (Bangalore South) : Mr. Chair-person, Sir, it is really very appropriate that we are discussing this Resolution on this auspicious day, the birthday of the architect of the Modern India, Pandit Jawaharlal Nehru. I wholeheartedly welcome this Resolution moved by Dr. D.N. Reddy. It is very unfortunate that Dr. Reddy could not be present



today due to some domestic inconvenience. However, I do support this Resolution which has been moved by him. Of course, what is important is not the wording of the Resolution, not the figures mentioned in the Resolution, but it is the spirit of the Resolution which is very important. As Mr. Sriballav Panigrahi has said just now, regarding Rs. 10,000 crores, I am sure Shri Janardhana Poojary, a clever Minister that he is, will certainly prove to us that he has provided much more than what has been recommended by the Resolution. So, the figure mentioned is not important. What is important is how we should build an orderly and prosperous India. It is now 40 years since we achieved independence. We got political independence, but we have not yet got the independence which Mahatma Gandhi dreamt of, that is, Ramaraj or Swaraj. Many of the hon. Members who have spoken today and also on the previous occasions have depicted the condition of our rural India. So, I am not going to repeat what all they have said. I only want to say this. Everybody knows what are the conditions in our rural parts. The conditions in our rural parts are very heart-rending. Everybody knows about it. We have had the Sixth Five-Year Plan and we have spent lakhs of crores of rupees, not thousands, but lakhs of crores of rupees. But what is the state of our villages. Even today we find that 50 per cent of the population are living below the poverty line.

Even today we find that villagers are migrating to urban areas. We should ponder over as to why they go to urban areas. It is because the economic condition of a villager cannot be improved if he remains in the village. Even the village agriculturists who own small holdings of three or four acres of land—marginal land owners—also want to go to urban areas because they find that agricultural operation is not remunerative. They know that even a *Chaprasi* in an urban area is getting Rs. 1000 per month whereas with all the sweat and toil for the whole year they do not get Rs. 1000/- That is the condition of India. What is the answer for this?

I don't say that Government have not done anything for the last 40 years. Government have done, in the First Five Year Plan they introduced the Community Develop-

ment Schemes with the idea of improving our villagers. We have a number of schemes subsequently introduced by Smt. Indira Gandhi like IRDP, NREP, RLEGP, Tribal Plan and many special schemes for SC and STs. Still the rural poverty remains what it was when we became independent. We should find out the cause for this. We know that we have spent crores of rupees; but where have all the money gone? I don't say that somebody has swallowed it. Unfortunately that has not reached the villagers to whom it was meant. So, I would suggest that merely providing some funds like Rs. 10 crores or even Rs. 20 crores will not solve the problem, the entire political system must change.

We should see that a villager who has to be benefited should be given the power. That is what Gandhiji also wanted by way of decentralisation of power. Now everything is centralised. We sit in our State capitals or in Delhi and formulate plans. We don't want the villager to have any say in the plan. He does not know anything. Actually only a villager can know what priority is required for him. Give power to the people that is Gram Swaraj.

I know that many States in our country have already introduced this, they have given powers to the Gram Panchayat, I am happy to mention here that Karnataka State also has recently enacted a law by which Mandal Panchayat and Zilla Parishad will be constituted and given not merely money, but also full powers. Unless you provide funds they cannot prosper.

I am also very happy to know that recently the Prime Minister has issued circulars to all the State Chief Ministers and Congress Committees that Panchayat elections shall be held immediately and they should be given powers. It must be left to the villagers to chalk out whatever is important for them. I earnestly hope and strongly urge that it is high time that Government of India took initiative to see that in all the States Gram Panchayats are given sufficient powers and also Zilla Parishads are constituted with powers. They should not be made to come to the State Capitals or to Delhi for everything. Villagers themselves must decide what is required for them. I am sure the Government of India will take

appropriate steps to implement the spirit of the Resolution.

As the matter stands today, everyone wants to have power for himself. If that becomes the case, our villagers can never prosper. Another point that I would like to mention in this connection is that even now we do have Panchayats. But they are there only for the name sake. But they don't have absolutely any power, nor do they have any funds. They don't have money even to pay the electricity or water charges. Such is the financial condition of our Panchayats. That should not be so. Therefore, I would suggest that the real power should be given to the Gram Panchayats. They should be provided with sufficient funds. Unless our villages prosper our country cannot prosper. I am sure Mr. Poojary will take note of it and inform the Prime Minister that in our country we should have uniform laws and Panchayats should become real instruments of activity in the villages. Sir, with these words I support the Resolution moved by Shri Reddy. I also urge that Government should accept the Resolution moved by Mr. Reddy. thank you.

KUMARI MAMATA BANERJEE (Jadavpur) : Sir, I would like to support the spirit of the Resolution but I am not supporting the whole text of the Resolution because in this Resolution Shri Reddy has stated and urged upon the Government to allocate Rs. 10,000 crores for the growth of the rural economy during the seventh Five Year Plan. I think it is not proper time to bring forward this Resolution.

At the outset I would like to quote what Panditji had said :

"Unless there is growth in rural economy there cannot be growth of the Indian economy."

It is a fact that after Independence under the leadership of Panditji, Smt. Indira Gandhi, Shri Lal Bahadur Shastri and our leader Shri Rajiv Gandhi we are making progress day by day. There may be some lacunae, Maybe there is some communication gap or differences between implementation and monitoring? Maybe there is some lacunae between honesty and sincerity and

some bureaucrats are also involved in corruption? They are not interested to build up this country in such a manner as Smt. Indira Gandhi had stated that I cannot understand how anyone can be Indian and not be proud. What I would like to say is that Smt. Indira Gandhi was a tireless campaigner for the upliftment of the weaker sections of the society. She initiated 20-point programme in 1975 which was put into action in 1982: Manifestation of her anguish for the cause of the poor was demonstrated in the Resolution for the economic and industrial development of the third world adopted by the Seventh NAM in 1983. It was attended by 103 nations.

We know Government has already provided irrigation, fertilisers, electricity, education, IRDP, NREP, RLEGP and other self-employment programmes but what do we find in the practical field. We have seen in the Sixth Five Year Plan so many States could not utilise the whole fund which was allocated by the Centre. Even my state in the Sixth Five Year Plan returned Rs. 1200 crores because my State Government failed to use this money. We have seen that our Prime Minister whenever any State desires any money or help he is willing to give help but as I have already stated maybe there is some lacunae. Under the IRDP programme 20 projects were set-up in the Sixth Five Year Plan. The number of such projects will be increased to 100 by the end of the Seventh Plan.

What I would like to say is that in the Seventh Five Year Plan, we are having about Rs. 10,000 crores. But that itself is not enough, until and unless we consider that development of rural economy is in our own interest. We should be convinced about this and we have to implement this programme heartily and with sincerity. Then only we can achieve our target. The economic transformation of the poorer sections of our people cannot be achieved without social transformation involving structural changes, educational development, growth in awareness and change in outlook, motivation and attitudes.

In our Seventh Five Year Plan, our Government has already allocated money for several developmental programmes. For IRDP we have Rs. 3473.99 crores; for

National Rural Employment Programme we have Rs. 2487.47 crores ; For Community Development and Panchayat Raj Institutions Rs. 416.15 crores ; for Special Employment Programmes Rs. 509.24 crores ; for RLEGP Rs. 1743.78 crores ; for Land Reforms Rs. 395.83 crores and for Integrated Rural Energy Programme we have Rs. 47.76 crores. So, our Government has already allocated this money in the Seventh Five Year Plan.

It is also a fact that our Central Government is willing to provide to so many villages in the country, facilities such as fertilizers, schools and colleges for education and centres for health and so on. IRDP, RLEGP, NREP, etc., are formulated only for this purpose. But in reality, what is happening in the field? We are no doubt, looking forward to 21st Century and our attitude is changing accordingly. But there are so many people whose attitude is not changing at all. For example, what is happening in my State? There are so many programmes such as IRDP, RLEGP, self-employment programmes and so on. But the really needy are not getting these benefits. Moreover, these poor people are being harassed like anything. Only those people who belong to a particular political party, get all the advantages of these scheme and the common people are not getting any benefit.

I am very thankful to Shri Janardhana Poojary because he is organising the 'Credit Camps' and 'Loan Melas' for the benefit of poor people. You will be surprised to know that in my State when Shri Janardhana Poojary came to inaugurate the Credit Camp function, our Chief Minister opposed this programme and he even said that if Shri Poojary comes there, they would beat him up. But I am really grateful to Shri Poojary for these credit camps because so many poor people are benefited because of these credit camps.

Thousands of people, nearly 65 per cent of our population, are living in rural areas. But those who are really poor are not getting the benefits of IRDP, NREP, etc. schemes. Only certain party people are cornering all the benefits. In Bengal so many poor people really benefited through the credit camps. I would, therefore, request you to

allot some more funds for these credit camps not only for Bengal but in other States also. There are many States where there are so many different parties. There are so many programmes which are being sponsored by the various State Governments. The Central Government also should sponsor some schemes directly, so that poor people can get the benefit. I say this because there are some allegations that people who belong to certain parties only get the benefit of these programmes. If the Centre sponsors directly such programmes, then there will be no scope for such allegations.

I am sorry that I was not here in the House this morning. I was busy with some rally on the occasion of Panditji's birthday celebrations. But I heard that today there was some question by Shri Hannan Mollah regarding the loans disbursed at credit camps and that he has criticised our Government like any thing. But I would like to point out here-in this august House that he is the man who organised this credit camp in his own constituency, at that time, there was no voice from the CPM side because they supported it. Whenever the Congress (I) people try to organise credit camps, then the Chief Minister the CPM people start criticising us. You will be surprised to know that I was beaten inside the Police Station mainly because of this Credit Camp which I organised in my constituency. After that instance, I thought that our Chief Minister will consider me as a lady Member and will not do anything which may harm me.

Because many Members spoke something about their own States, that was the main reason why I wanted to speak about my State.

Sir, I am a public representatives. There is no value of public representative in my State, specially from the Opposition. If you ask separately to the CPI, RSP and Forward Bloc people, they will also say that they are not happy with the State Government. They are also not getting the justice from the hands of the State Government. We are grateful to our hon. Minister because he came and inaugurated this function only for the upliftment of the weaker sections. Whatever you want to do, you have to do directly from the Central Government and

not from the State Government. The State Government totally failed to develop the economy of the West Bengal. Thousands and thousands of workers are roads because of the closure of industries. The State Government always criticise the Central Government, but they are not doing anything for the poor people. I want to say here that, at least the State Government must do something for the poor people.

You will be surprised to know that there are some rumours which are floating there that industries are going to become sick, and are going to be closed. This is how the CPM people are managing the affair of West Bengal. They are instructing them to give some lumpsum money for their Party fund and unless and until they do this, they will disturb the management to close the industries. So, I request that justice should be done to the workers of West Bengal.

I would also like to the hon. Minister that unemployed youths are increasing day by day and he should do something for them also.

We are very much concerned about this problem from this side as well as from the other side. I glad if Mr. D.N. Reddy brings his resolution to allocate more funds for the unemployed youth because the recruitment in the Central Government is now banned and they are also not getting adequate opportunities to get employment in the State.

Now, I request that ban on recruitment should be removed because as I already mentioned, unemployment amongs the youths are increasing day by day. This situation is very horrible in my State. So, the Central Government must intervene in this matter and do something to save the situation in West Bengal.

Due to very high fees for the postal order the talented and educated youth could not apply for new jobs. Generally they apply for four to five jobs simultaneously, because of this very high fee, how is it possible for them to apply for such types of job? So, the Government must first put an end to this postal order system. I think our Prime Minister only can consider all these things and if our Government is willing to do it,

I think the whole House and the unemployed youths will be very grateful to them. We are grateful to our Prime Minister, because Government has sanctioned the title deeds to our refugees. They are very happy about it. This was done by our Prime Minister only a couple of days ago (*Interruptions*) but already the Chief Minister of West Bengal Mr. Jyoti Basu has started the distribution of these title deeds. This is an achievement of our Prime Minister Rajiv Gandhi, and it is also my achievement—not that of CPI (M) people. But in order to get votes, they are distributing these title deeds so quickly. People know this very well.

What is the condition of my State? The CPI (M) people here are shouting very much, and speaking about democracy. (*Interruptions*) We are a democratic people. We believe in elections, and that is why we are here. Otherwise, how can we be here?

Regarding unemployed youth, Government must consider the suggestions that I have given.

No doubt this discussion is related to the growth of rural economy; but I want to speak about Peerless Finance & Investment Company because it is now in danger. So many field workers and officials are now staying in rural areas. They came from rural areas. They have built themselves up in their own rural areas. Moreover, Rs. 800 crores of public money are also deposited in this company. What has happened to it now? A new management has come. It is trying to withdraw all this money. Government must intervene in this matter and protect the interests of the Peerless employees, field workers and the depositors. This matter is also related to rural economy. We are not trying to do much for the unemployed youth. But if we cannot do anything for the Peerless Finance & Investment Co. to protect workers, this company will be closed. There are 4,000 workers and 4 lakh field workers, as also Rs. 800 crores of depositors' money—all these are in danger. So, Government must intervene and lock into this matter.

I must oppose this Resolution: Rs. 10,000 is not a big amount. The main thing is implementation of the 7th Plan

schemes with honesty and sincerely, and to be above politics. Rising above politics, we must do something for the weaker sections of our society, not just to catch votes. But we should serve our country in such a manner that if our citizens go anywhere, they can take with them a new ideology and a new thought.

**SHRI T. BASHEER (Chirayinkil) :** With great pleasure, I rise to participate in the discussion on Mr. B. N. Reddy's Resolution. This Resolution has great relevance in the context of the economic situation in our country. So, it is an important subject. I express my gratitude to you, Sir, for giving me this opportunity to participate in this discussion.

As many friends have put it, Gandhi Ji had laid great stress on the development of rural India. Since 76% of India's population lived in rural India, Gandhiji said that India lived in its villages.

So, the development of our villages is the most important aspect of the development of our country. That is why I said, Mr. Reddy's resolution has great importance in this context. The number of people living below the poverty line was estimated at 216 millions at the beginning of 1985-86. All along the rural population continues to grow at an alarming rate and large segment is pushed below the poverty line. Even by 2000 AD, over 70 per cent of the expected population will continue to live in our 3.75 lakh villages. In our village, it is the agriculture which is the main stay of our rural economy. The pressure of population is high in the rural area and is increasing. The pressure on land is very much high. So, it is quite naturally that this results in migration of rural population from the rural area to the towns and cities. This migration leads to over crowding of towns and cities and thereby it will have a serious repercussion on the life in towns and cities. At the same time, in the rural area, we could not afford to utilise this man power of the rural folk for the development of our economy of the country. So, the pressure is in two ways. The development of the rural economy and the rural growth is very important in our planning process of national development.

I am happy to say that the development of industry in the rural area has been an important feature of our industrial policy of our national policy. This approach was followed in five year plans. But I would like to say that still our country is far away from our goal. So, this is the time to think how can we go forward in this direction? How can we speed up matters and how can we develop our rural economy?

Rural industry is complementary industry to our agricultural sector. Of course, our agricultural sector is now deteriorating like anything, our agricultural economy, our rural economy is deteriorating like anything. I have cited so many examples of my State. Farmers are suffering; they are not getting remunerative prices.

The wage of the workers had gone up and the prices of fertilizers and all have gone up during these years. So, the agricultural farmers are in many difficulties, to find livelihood through agriculture. So, if you could not start agriculture-based industries, the rural economy will not develop, will not prosper. The Government should come forward taking these aspects into consideration and to plan in such a manner that our agricultural economy, and agricultural farmers should be helped with agriculture-based industries.

Gandhiji said :

"The quality of life in the villages should be the same if not better than that of urban habitation. The village people should not only be self-sufficient and self-reliant, but also participate in matters of their own development."

So, it is high time that the Government considers formulating policies and programmes for the development of our villages.

Many Members have here talked about our poverty alleviation programmes. I do not agree with Shri Mool Chand Daga, who said that by these programmes nobody gets any thing, that no poor man had gained by this programme. I do not agree.

**AN HON. MEMBER :** It is a fact.

SHRI T. BASHEER: It is not a fact. You are shutting your eyes. You are closing your eyes. Actually these programmes have made an impact on our rural economy and our rural people. But the people who gained by those programmes are there. No doubt about it and of course, Kumari Mamata Banerjee said about Loan Melas. It is true. I know, in my State also, Shri Poojari came. There some loan melas were held. It attracted crowds. And it was successful. In fact, many people who deserved these loans have got them and for many areas it was only due to these loan melas that they got the IRDP loans. Of course they had advantage of NREP and RLEGP schemes also.

We should not say that nothing has happened. In our villages the infrastructure was created, and actually it made a lot of achievement, in generation of mandays, and developing the infrastructure in the villages. But it is also true that some middlemen took advantage of it. The money which was intended for the upliftment of the poor people has not gone directly to the people. That is true. That difficulty should be removed. No doubt about it. But is it not correct to say that they are all useless programmes. When we talk about rural industries, Government must keep in mind that these rural industries will definitely provide employment opportunities, more production in the country and also improve the economic conditions of our people in rural areas. We should not take up big mechanised industries. Our industries should be labour intensive as in big mechanised industries the employment scope is very limited. We know that in our country the greatest problem is of unemployment. And day by day it is increasing in an alarming manner. So when we plan our developmental activities, specially industries, we should keep in mind that we should plan for those industries which are employment oriented. And that is the importance of rural industries as these industries will always be more employment oriented. So, setting up of rural industries is the best thing is tackling unemployment problem. Of course, we cannot put an end to the unemployment problem immediately. But these rural industries can contribute a lot in mitigating this problem.

I would urge upon the Government to take some steps in this regard.

Mr. Reddy's Resolution urges the Government to allocate Rs. 10,000 crores for the growth of rural economy during the Seventh Five Year Plan. As many colleagues here correctly put it, we should not bother about the quantum of the amount. But what I would like to say is that considering the terrible unemployment situation in the country, Government must take steps to start at least one small scale industry in each block. That will help in easing the unemployment situation in the country. For that purpose, I would like to say that our country is full of resources. Government must find out and exploit those resources for starting such industries in rural areas. So, Government should take steps for utilisation of local resources by establishing industries in villages. I know that this is not an easy thing to do. For this purpose, Government must strengthen their data base and monitoring arrangements. If it is done, then only this is possible.

So far as rural economy is concerned, our traditional industries are of great importance. We talk about starting more and more employment oriented industries in rural areas. But at the same time, the pity of it is that our traditional industries are facing acute crisis. In Kerala, as you know, thousands of people are engaged in the traditional industries, like coir industry, brick-making industry, bidi industry, etc. I know about the coir industry. Thousands of people find their livelihood only by working in this industry, especially the women in the rural areas...

(Interruptions)

AN HON. MEMBER : Coconut also.

SHRI T. BASHEER : Yes coconut husk also. So, Sir, the Government must formulate schemes for revamping the traditional industries. This will provide employment to thousands of people. This is actually a field where thousands of people are working. If these industries will perish, then thousands of people are going to suffer. So, the Government must formulate schemes for revamping this industry. The State



Government of Kerala has actually submitted schemes for revamping the traditional industries like coir and all that and these schemes are lying with the Central Government. I hope, the Central Government will take steps to allot enough money for this industry.

Another very disappointing feature is that these traditional industries like cashew industry and coir industry are migrating from Kerala to the nearby States because of the low wages existing there. The wages existing in other States are very low. So, these traditional industries are migrating to other States. We have actually been demanding for a regional minimum wage for this industry. A national minimum wage is not possible, so there should be a regional minimum wage to save these industries.

I will not take much time. What I would like to say is that the Government must take steps to develop our rural economy and to establish more and more rural-based industries to provide employment and to get more production. With these words I appreciate the spirit of the resolution moved by Shri D.N. Reddy.

[*Translation*]

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Chairman, Sir, I support this Resolution. I would like to tell for the information of the hon. Member who was talking of the development of the rural areas that after the independence the Government had adopted capitalist system of development. Therefore, all the evils of capitalism are present in it. Unless socialistic system of development is adopted there cannot be all round development of the country. Similar views were expressed by our Prime Minister in the meeting on the Chairman of Public Account Committees on 10th of September. He had said that we are spending large sums of money on the 20 Point Programme but its benefit is not percolating to the poor. He had also said that the persons responsible for implementing the 20 Point Programme have not been successful in finding out two things. What are those two things? The first thing is that the benefit of what we are spending under this programme, is not reaching the

poor. Why is it so? Surely, there must be some loopholes which we are unable to identify. I am not saying this just to criticise the Government. There is no need to feel offended. This is what the Hon. Prime Minister himself had stated. So I would like to ask the hon. Planning Minister that when you are spending so much money, why are the poor not being benefitted from it? You will have to explain it. Ours is a poor country and we are short of resources. People who represent India in the World Bank or other International Development Organisations struggle hard to get maximum loans from them for the development of the country. But it is unfortunate that out of the loans sanctioned, six hundred crores dollars were drawn but were not utilised, resulting in interest at the rate of 0.75 per cent on it. In this way you will have to pay 41 crore dollars as interest. You are going to pay interest on it.

Ours is a poor country which is being run by big politicians who say that only they can manage the affairs of the country. Who is responsible then to save the country from such a situations? Had we invested this money in the country, it would have been possible to lift the people above the poverty line but you did not do this resulting in such a situation.

Secondly, you are giving much attention towards the beautification of the urban areas and you have spent considerable sums thereon. As a result thereof, people are migrating to urban areas and the rural areas are getting deserted. If you belong to a rural area you will have to tell honestly as to what is the condition of villages at present? The people from villages are migrating to Punjab and Haryana and even the killings in Punjab are not preventing them for going there. On being asked, their answer is that they have nothing to fear. They are migrating to Haryana, Madras, Delhi etc. They have to support themselves in Delhi, with a meagre amount of Rs 300 to Rs. 400. Will they have any faith in this country? This is causing maximum harm to the internal situation in the country. When there is danger to the country from within, it provides ample chances to the enemies outside. The reason behind all these internal problems is that the country has not made all round progress. There has been lopsided development. We

do not have much cultivable land. The poor in the rural areas possess only one bigha or two bighas of land. You have not even made arrangements for irrigation because of which they can neither go in for advanced farming nor can make both ends meet.

The farmers do not derive benefit commensurate with the expenditure incurred by them. You might have seen what has happened in Bihar this year. Money has been lavishly spent on 'Wiscoman' It arranges for fertilizers. The managers of 'Wiscoman' distributed the entire quantity of fertilizers to the small shopkeepers who were the licence holders, from the shops of 'Wiscoman'. As a result, the farmers had to purchase the fertilizers for Rs. 125 to Rs. 130 instead of Rs. 95. Just think when he gets a return less than what he has invested, what for then should he make any investment? Of course, he will not be interested. You will have to think about it. A number of leaders have discussed a lot in this regard but there is no improvement to be seen. Only after improving his situation can we talk of saving the country. You always say for your own benefit that the nation is facing a danger from outside but in fact the danger is from within. Grant is given in the name of imparting education to the Harijan children but ask any of the State Government to tell you honestly whether the grant is given to them in time? Had they got this grant in time they would have shown very good results in education. In fact, the money is received after two years and then it is spent on household requirements. You do not provide this grant in time for the intended purpose, with the result that it does not benefit them. In my constituency a sum of Rs. 5 lakhs was granted for the poor Harijan; scheduled caste and scheduled tribe children but it was spent on the maintenance of law and order. They have not received this money so far. You claim to be the only supporters of the poor and are engaged in the welfare of the Harijans. But actually you have misguided them and they are realising this thing gradually. It is beyond doubt that you will have to face its consequences.

You must be reading daily in the newspapers about Jahanabad. You will have to find out as to why Jahanabad has become so sensitive an area. One of the reasons is

that developmental work has not been done there to the desired extent. The developmental work has been totally missing in the villages situated in the backward areas. Even the drinking water has not been arranged so far in these villages. I often tour villages. I saw in a village—it is no use mentioning its name—that the people drink river water by using a piece cut from the cool-tar tin as sieve. In many villages, the people have been drinking water from the ditches and here we and our children enjoy all the facilities of life. Looking at this disparity they must have developed a feeling of desperation. Therefore, we shall have to do something for them also. Mere discussions will not deliver the goods. You should get the developmental works done for the country. Things should be done as has been said by the Hon. Prime Minister. You should go to villages and find out how the funds have been utilised. It has rightly been said that the entire money is being misappropriated by some corrupt politicians, bank managers and Block Development Officers.

17.00 hrs.

It is a fact that people are running after petty jobs. At present, a peon does not get much pay but he is able to earn sufficient income through unfair means, which provides him the comfort which cannot be enjoyed even by a farmer having 10 bighas of land. That is why people try to secure a job even by paying bribe. Now there will not be good and able engineers and overseers. The college drop outs manage to get admission for the overseers examination by paying Rs. 30,000. They are given an assurance, which is fulfilled. How then such overseers would plan for this country? You are out to destroy this country. If the country is destroyed then you and I also cannot survive because we are not above the country. Therefore, if you really want to save this country then you should make a confidential enquiry into how people are becoming millionaires. It is only because of such things that killings are taking place in the villages. Jahanabad was made a District on 1st August but between that date and October, the number of persons that were killed reached 88. When it was in Gaya District, 100 persons were killed between 1st January and 31st July but with its formation as a district, 44 persons are being



killed every month. When it was not a district then only 14 persons used to be killed in a month but with its formation as a new district, number of incidents of killings has increased manifold. You are enacting new laws to suppress the workers. There has been a project which will help in getting rid of famine and drought in this area and which will cover seven Blocks. This project is called Punpun Dardha Irrigation Project. It is laying pending for the last six years with C.W.C. I would request that this scheme be cleared and also allocations be made for it separately. Vocational education should be imported to bring the misguided youth on the right path.

With these words, I conclude.

**\*DR. PHULRENU GUHA (Contain) :**  
Mr. Chairman, Sir, we are today discussing a special subject on a special day. We surely cannot say that there has been no development in our country or that our country has not progressed. In our country in 1947 not even a needle was produced. But today we are producing all the sophisticated goods produced anywhere else in the world. But side by side I will also say that the wealth produced in our country is not being equally distributed. Today the amount of development that is taking place in the cities, the better and better standard of life that the people in the cities are enjoying is not percolating to the rural areas. The rural folk are not getting anything in comparison. We have to admit with regret that even today there are many such villages in our country where there are no road, where no cycles or bullock carts can ply. People have to travel only on foot and that too over the embankments. Not only that Sir, I will say with sorrow and shame that even now there are many such villages where even drinking water is not available. That is why this discussion today is of great importance. For want of water, cultivation cannot be done at many places. What to speak of two crops even one crop cannot be raised. The village people exist on agriculture and agriculture is their only means of livelihood. But since they do not get water or fertilizer as required, they cannot produce good crops. As they cannot produce good

crops, far from selling their produce to earn money; they cannot get enough for their own consumption throughout the year. In many villages, the schools exist in name only. If you look at the houses where these schools are located, tears will roll down your eyes. They are all delapidated structures—there is hardly any space where students can sit. After the primary level, there is no facility for the rural students to pursue their studies. The situation is particularly difficult for the girls for whom we have no facility for vocational education. We must all confess that still today we do not want to send our girls to unknown places and as a result the girls do not get any vocational education and they have nothing but a bleak future. As a result of these difficulties, we find that hundreds of people are migrating from villages to the towns. Some of them get employment while others do not get any. Even those, who get employment lead a miserable life. For years they remain separated from their family. They have no social life. We have to consider the mental state of such person because in such circumstances many problems—social and otherwise—crop up and it is now time that we should consider them. Any delay to grapple with the situation will lead us all to a very difficult situation. We talk of delinquent children we talk of other social evils but if we go at the root of the problem then we will find that we can not eradicate these evils unless we are able to improve the economic condition of our villages. Not only this. We generally find that the people of the villages have many good qualities, but because of the total lack of facilities for cultural development all these qualities gradually get smothered and they eventually die a natural death. In villages we have different crafts but we have no facility for their marketing. Thus, much of the handicrafts made in villages are not sold. All these we have to ponder seriously and find a way out. We have no hospitals in villages. When a child falls seriously ill or when an expectant mother needs medical aid they have to be taken to far off places and in many cases the patients die on their way to the hospital. We cannot any longer keep ignoring such vital issues. Sir, the resolution mentions about the allocation of funds but I would like to say that mere allocation of funds will not take us anywhere. It is not enough that we should

\*The speech was Originally delivered in Bengali.

allocate more funds but we must also ensure that the funds allocated are really used for the purpose for which they have been allocated. The Planning Commission has already made allocations for the economic programmes for the villages. I will demand that the Commission should make more allocations for this purpose but along with this I will urge upon the Planning Commission to ensure that moneys allocated are being properly utilised. Sir, with great regret I would like to draw the attention of the House to one news item. On 1.11.1986, to a newspaper called "*Chetana*" which is published from Contai, which is the worst affected area of the recent floods in our State has stated that a sum of Re. 1 crore has been disbursed by Midnapore Zila Parishad for irrigation and other work. Certificates have been obtained from the Gram Panchayats that work worth Re. 1 crores has been done when the work really done is not of that worth as says the press report. It has also been stated that out of the allocation of Rs. one crore a sum of Rs. 10 lakh has been given to the CPM party fund by contractors. This as I said is what has appeared in the press and I would request that a full inquiry should be made in this regard.

I would conclude by stressing the allocations of funds should be made to achieve an all round development of the village and not for a particular aspect of the village economy. We no doubt need more money because we should have more and better roads for the villages; we should have more hospitals, more schools particularly vocational schools for village boys and girls. We have to create a situation in the villages where a villager can earn his own living being in the village and he has not to migrate to towns as such migrations give birth to many social evils. With a sense of regret I would stress once again that the Planning Commission will have to keep a strict vigil to ensure that the funds allocated are used properly and for the purpose for which they have sanctioned in a much better way than what is being done now. With this I end my speech.

**SHRI RAM PYARE PANIKA** (Robertsganj) : Mr. Chairman, Sir, first of all I wish to thank my colleague Shri D.N. Reddy for drawing the attention of the House and of the country, through this

House towards an important issue. The urban population is on the increase. The reason being the elimination of the self generating economy of our rural areas. Therefore, the migration of the people from rural areas to the urban areas is quite natural.

But I could not understand the objective behind the demand of Rs. 10,000 crores for the rural economy because adequate funds have been provided under our Seventh Five Year Plan for improving the rural economy, which are much more than Rs. 10,000 crores.

Mr. Chairman, Sir, you should also see the advancement made by other countries as compared to in our country field of agriculture. The speed with which our country has made the progress in agriculture is unparalleled. No other country has achieved self-reliance the way we have achieved. Today we have a buffer stock of 15 crore tonnes of sugar-cane. This is in spite of all the floods and drought. Even after these calamities, our agricultural production is not going to be affected. We have maintained this level and are going to achieve a higher production.

Not only this, in the field of Science, ours is the sixth place in the world today. Our country has achieved 10th place in the world in the field of Industrial production. It is all as a result of the development work done by the Government ruled by the Congress Party. If you look at the achievements of the Government, these are not less. But if we look at these achievements from the point of view of development of villages, the, of course, we find that the Government's objectives have not been fulfilled. Our Prime Minister Shri Rajiv Gandhi and the late Shrimati Indira Gandhi have always been stressing that the benefit of the development should reach the distant villages also.

Mr. Chairman, Sir, recently, I visited a tribal district of Bihar where poverty eradication programmes are being run. In my constituency also, these programmes are being run for the tribals. Sir, these programmes are not being implemented according to the instructions of the Planning Commission and the Government. The

reason behind it is that these programmes have been confined only to the villages which are close to the cities or which are already developed or which have bank facilities. As Shri Daga has stated, some officers, big wigs of the society and social organisations are also not letting these programmes be implemented. Some corrupt leaders are also responsible for it. You have got the poverty eradication programme evaluated. You will have to find out as to how Mirzapur District has been adjudged first in implementing the 20 Point Programme. There are a lot of distant villages in that district which have not been developed. You have decided to uplift 600 families in one Block each above the poverty line, You should provide financial aid to the six hundred families of a conglomeration of villages so that all the villages can be developed. But the poor are not getting the help as it is not reaching the villages. Therefore, mere evaluation by the Planning Commission will not be sufficient. You will have to care for the quality as well and will have to follow the hon. Prime Minister's directions on development programmes. Only then development of villages can be done. Therefore, I suggest that the programme should be strictly implemented as only one year of the Seventh Five Year Plan so far has elapsed.

*(Interruptions)*

Besides, the Planning Commission has recognised backward districts as the basis for establishing industries in villages. There has been discussion for the last 7 to 8 years to recognise Block as the basis for backwardness. Shivaraman Committee and some other committees were appointed but the Note for the Cabinet has not so far been prepared. I demand that instead of taking district as a unit, you should think of developing the tribal Blocks, Harijan Blocks i.e. 6 types of areas, like hill areas, desert areas, cyclone hit areas, tribal areas, flood hit areas and drought hit areas which have been recognised by the Planning Commission as the basis of backwardness and for this Block should be taken as a unit. It has been clearly indicated in the 20 Point Programme also that special efforts will be made to increase the production in the areas where cultivation depends on rains. But you have not paid any attention to the

programmes for the backward areas. The Planning Commission has identified the areas but their programmes have not been implemented. They required attention. I suggest that for the future implementation of programmes, Block should be taken as a unit for determining backwardness. Then only the things will move.

So far as our Planning is concerned we have formulated many plans. Today we should resolve to derive full results from the projects we have completed. If we increase the capacity utilisation of electricity by 5 per cent, we can certainly save crores of rupees and can provide more electricity. There will be a gap of 10 thousand MW by the end of the Seventh Five Year Plan. We should ensure maximum utilisation of our capacity through the Lignite Corporation, N.T.P.C. etc. When the electricity generation in the private power houses can go upto 103 to 105 per cent, why the output of our Electricity Boards cannot be increased? There also the level factor can be upto 60 to 75 per cent but we are not paying attention to improve the situation. There are 90 thousand sick mills in the country today. Why? Labour trouble is not the cause. In 52 per cent cases, mills have been closed down due to mismanagement. Today we should think of recommissioning them and modernising them. It is quite surprising that two factories of a capitalist are running in profit while his two other factories are incurring losses. This is because he has transferred the capital of the loss-incurring factories to the profit earning factories. The Planning Commission needs to take some strong steps today. There is no dearth of developmental programmes. What is lacking is the proper implementation. It should be done with honesty and dedication. We should have less faith in paper work and the Planning Minister should make it a point to keep these things in mind.

The evaluation work is going on and we have received the report. We have noticed that private agencies have been involved in this work. If some district or Block stands first it is not necessary that the benefits of development have percolated to the levels of village panchayats and gram-sabhas also. The results will have to be measured keeping in view the work done at this level. If the State Governments do not perform this work

then we should appoint some agency on behalf of the Planning Commission to oversee the utilization of money because we are providing it.

17.20 hrs.

[SHRI SOMNATH RATH *in the Chair*]

You want me to resume my seat. I am a disciplined soldier. I conclude by requesting Shri Reddy to withdraw his Resolution and urge the Government to pay attention to my suggestions. I thank you for giving me time to speak.

[*English*]

MR. CHAIRMAN: I think the House will extend the time for this Resolution by one hour.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT): I am assuming that we will close today by 6 O'clock.

MR. CHAIRMAN: We will sit upto 6 O'clock today. The time for this Resolution has been extended by one more hour. Now Mr. Sultanpuri will speak.

[*Translation*]

SHRI K.D. SULTANPURI (Simla): Mr. Chairman, Sir, our Government took a commendable step by formulating the Plans and through them, developing the country. Panditji became the first Prime Minister and resolved to take the country forward. All these programmes could be possible only because of Panditji was the Prime Minister. Shri Lal Bahadur Shastri assumed the leadership of the country to take these plans further. He tried to take the country ahead. After him, Prime Minister, Shrimati Indira Gandhi made efforts to carry this nation forward. Our country has remained in lead in the field of industry, rural and urban development. Shri Reddy has brought a very good Resolution. I think certain shortcomings remained in our National Planning and Rural Planning. All the Planning was done while sitting away from the field of action, just as the planning for Punjab was done in Simla. No one

visited the villages and same is the position in regard to planning regarding hill areas. I think all the elected representatives of this august House come from villages. When we legislate we try to provide benefit to that section which exploits us the most. I hail from Himachal Pradesh. In our area the farmers grow apples, potatoes, tomatoes and some other crops. We have to spend lakhs of rupees to transport the produce to the market. Then, we have to depend on commission agents who charge a big commission to market them and even then they do not arrange the sale properly. In this way our economic condition can never improve. A greater part of the money given to the States should be used for rural development. Formulation of policies should not be done in the rooms. Today the condition of schools is miserable. Many things are said about the education system. The sons of the villagers, labourers and farmers cannot compete. The children of big Zamindars and rich persons become I.A.S. and I.P.S. officers. The ordinary children from the villages pass in second or third division. Merit holders and first divisioners are given preference in jobs. It is said that a merit list will be prepared and you know as to who is covered in merit list. This gap between the villages and cities is increasing because we do not plan properly and later on blame them. Plans are not properly implemented in villages. If some teachers are to be transferred, the politicians start sending D.O. letters to prevent the transfers to rural areas on the plea that it will be difficult for them to go there and as such he should not be transferred to the rural areas. The standard of education of our children in villages is so low that they always fail in the examinations with the result that they cannot get the job. Who gets the jobs? Most of them are\*\*. Children of Zamindars are also among them. The way Rajputs and Brahmins quarrel among themselves, they can never go ahead and same is the position of the Harijans. We find that people from rural areas do not get employment and our Plans are to be blamed for this. We have formulated a new education policy and the Hon. Prime Minister wants to take the country forward with its help. In the public school they do not admit boys from villages. Moreover, they do not have money

\*\*Not recorded.

to pay to them so that they may become doctors or engineers. They have only one feeling that we have to take the country forward.

[English]

MR. CHAIRMAN : Mr. Sultanpuri you have made reference to a caste and a community. That will not form part of the record.

[Translation]

SHRI K.D. SULTANPURI : I suggest that majority of the new school should be opened in villages so that the villagers may make progress. During the Sixth Five Year Plan, when our Prime Minister Shrimati Indira Gandhi was alive, she had presented 20 Point Programme to uplift the poor. They were given ownership rights of land. But what is happening today ? People in cities like Shimla, Bombay and Delhi are owning palatial buildings and there is no law to stop them to own so much wealth. If we want to eradicate poverty, a law should be enacted to nationalise the properties of the rich people so that the cultivators who are becoming landless may get land. The backward people living in rented houses for many years should be made the owners of those properties by nationalising the properties. Similarly, some facilities should also be provided to the workers. Everyday we hear about the rampant corruption in D.D.A. Shri Gouri Shankar, who is present here, has also said that the previous Minister had to go because of this. Our Government has been trying to apprehend and put corrupt people behind bars. But they engage big lawyers who get them released on bail. Now-a-days, efficient persons are those who can argue successfully. Those people come here who, instead of putting fourth people's grievance, talk about themselves. But if we want to take the country towards progress, we shall have to think about the upliftment of the rural backward whether they are Harijans or belong to any other community. So long as we do not improve the condition of our villages nothing good can be achieved. The metalled roads are not there in the villages. There is lack of roads in the hill areas. I had an opportunity to visit the constituency of the hon. Minister from Lahaul-Spiti to Khurd which took me two

days to reach there. It is a border area but there is no provision of metalled roads. From Simla, we may go to Delhi or Bombay we shall find metalled roads and railway lines but in villages, there are no roads. As a result of this, we are not in a position to bring our produce to the markets and that is why we do not make any progress. Kalka-Simla road was constructed during the British regime and since then no new road has been constructed there. The areas of Kinnaur and Rampur also do not have roads. I would request the Planning Minister who belongs to Himachal Pradesh and is sitting in the House, to increase the funds for electricity from Rs. 1400 crores to Rs. 2800 crores so that we may make progress. If you formulate the Plans sitting in Delhi, then the development of the people living in hill regions is not possible. They cannot make progress. The reason is that in plains bricks, cement, sand and other raw material are easily available. As compared to the plains the construction work costs many times more in hill areas whether they are of Garhwal, Mizoram, Arunachal, Gangtok, Kashmir or Himachal Pradesh. Therefore, I want that you should chalk out a programme in a planned manner and make provision of more funds for the development of hill areas in the Seventh Five Year Plan. Our hill area is a border area. We have common border with Punjab State and on the upper side we have China's border. The incidents taking place in adjoining areas affect Himachal Pradesh also and that is why we could not make much progress. The people of Kashmir are wise people. The National Conference joined hands with the Congress Party. If they adopt the same policy in future also, the State will definitely progress and all the people will be benefited. I want that you should make special provision for the hill areas of Himachal Pradesh because large scale soil erosion is going on there and as a result there of, entire soil is flowing down. The problem is the same whether it is in Uttar Pradesh or in Himachal Pradesh. Recently, the Kangra Valley experienced an earthquake and we demanded aid from the Central Government. The Hon. Prime Minister, first of all told me that earthquake has caused heavy loss in Kangra Valley and an aid of Rs. 4 crores was sanctioned to us therefor. In addition to it, Rs. 13 crores were spent by the State Government also. I want that you should release the rest of

the amount at the earliest. Similarly, in West Bengal also heavy rains caused great loss but the people of urban areas did not come forward to the help of the rural areas. The rich people do not come forward to help in such eventualities. It is our Congress Government and Congress Party workers who work tirelessly day and night in the calamity stricken areas. At the time of any calamity, they work with dedication and determination. Our Prime Minister himself went there and only then the villagers could get any help. Several M.Ps from Bengal also accompanied the Prime Minister on the tour. Sometime back Andhra Pradesh also suffered a heavy loss and our Hon. Prime Minister gave full help to it also. Our Government gives full help to all the calamity stricken areas. If we want to improve the economic condition of our villages, then first of all we shall have to make permanent arrangements for transporting their produce to the markets. When they get reasonable prices of their produce only then they will be benefited. But at present if you look at the Agricultural Board or Banking Board, you will find people there who have no knowledge of the concerned field. In the Agriculture Board such Members have been included who have never handled a plough or a tractor. In the Banking Board also, such people have been included who have never lived in the hill areas. They want that someone should complain against them so that they may be transferred to some city. Just now I was talking of the third division and second division. By that I meant to say that you should make a provision in the recruitment rules that these people who are well acquainted with the problems of the hill areas, will be posted there. And if you have to nominate any person to any Board you should nominate such persons only.

Mr. Chairman, Sir, I will speak for another five minutes. I am thankful to you. You are a very liberal person. In all the Boards, including Banking Recruitment Board in hill areas, adequate representation should be given to the local people. If you appoint a person belonging to the plains in Kashmir, how will he understand the problems of that area and take a right decision? If you post someone from Delhi to Himachal Pradesh, he cannot work in Lahaul-Spiti. If you appoint a person belonging to Bengal

in Uttar Pradesh, how will he work there? You have adopted a policy under which new petrol pumps are allotted to a person who is already having 100 Petrol pumps. New Gas agencies are being given to those who are already having agencies and those people who are already having transport agencies are being given new agencies. On the other hand, rural people are not getting anythings. You are paying your entire attention towards urban areas. It is Shri Reddy who has advocated the cause of the rural people. I, therefore, congratulate him and he has taken a right step by presenting this Resolution with these words I support the Resolution.

SHRI ANANDI CHARAN DAS (Jajpur): Mr. Chairman, Sir, this Resolution has pointed out the disparities between the urban areas and the rural areas. I would like to throw light as to why these disparities have increased? Shri Reddy has demanded a sum of Rs. 10,000 crores but as per the present allocation, Rs. 18 lakh is spent on each Block. There are 5000 'Gram Panchayats' in our country. Thus you can calculate as to how much money is being circulated there on various schemes. In this way if you calculate, you will find that Rs. 10,000 crores is not too much. I do not think this disparity can be removed by this amount because as has been discussed here the actual thing is that the Plans are not properly implemented. Therefore, so long as this system is not changed and exploitation of the rural people is not stopped, the benefits of our schemes and programmes will not reach the poor. Mostly the agricultural labourers work in the villages. Our Prime Minister has given very good programmes and schemes to the country. The RELGP is one such scheme under which every rural landless family is to be provided at least hundred days work in a year. I would like to ask in this House whether a single landless family can be pointed out in this country which has been provided 50 days work in a year? The same contract system is going on everywhere.

The schemes like NREP and RLEGP are going on but under these schemes income tax is still deducted. I have asked the Orissa Government also but it did not pay any attention towards it. We all want to have a society free from exploitation but



how will it be possible because you are encouraging capitalistic economy. How all will get equal rights then? If you go on encouraging capitalism, then the backward classes, Adivasis, Harijans and farmers will not get any benefits from these Plans. Therefore, I would request you to eliminate exploitation. The black money is increasing constantly but no-body is bothering about it. If more and more money gets accumulated in few hands, then the condition of villagers will definitely deteriorate.

Who comes to the cities? The educated people of the villages come to the cities. They become BDOs, Engineers and officers and settle in cities. They do not live in villages. They construct their houses in the cities, and let them out on rent. They also earn from their agricultural land in villages and in this way they earn money from both sides and become capitalists. But those who live in villages, do not get even minimum wages of Rs. 7 or 10 or 20 as fixed by you. You should pay attention toward this also.

Our Government has provided various facilities in every Block. The facilities of cinema, schools and hospitals have been provided there but even then people are migrating to the cities. Why? What are the reasons of their migration from rural areas to urban areas? A villager comes here for stealing because here nobody checks him and nobody knows him. That is why he comes to the city. He is totally a stranger there and that is why stealing is more easy. Therefore I would say that even if you spend 100 times more than Rs. 10,000 crores nothing is going to be achieved. It is possible only when we change the present system of our country and check the exploitation. For this we shall have to fix a ceiling on the property of the individuals and the capital of companies. We do not want to become a socialist country like China and U.S.S.R., India is a big country with large population and if you continue with the present policy for a long period that will not do any good and will create troubles in future.

Therefore, you should follow the path of socialism and for this purpose, you will have to adopt the same policies as had been adopted by Shrimati Indira Gandhi. Otherwise the disparity will go on increasing.

I would like to make one suggestion. Majority of the population in villages consists of the farmers. So long as agricultural reforms are not made, irrigation facilities are not provided and more employment opportunities are not provided to the villagers, they cannot improve their production and they will not get their due and till then nothing useful can be done for them.

With these words, I would like to say that our Government has done much more than what has been asked for in the Resolution. The Resolution is not adequate to improve the condition of our rural areas. The Resolution should, therefore, be withdrawn.

DR. G. S. RAJHANS (Jhanjharpur) :  
Mr. Chairman, Sir, the problem is very serious. I have to say only this much that you have provided T.V. network throughout the country but electricity does not remain available and people watch television with the help of battery. It is a very serious matter. Whenever I go to the villages I hear the people's talk. They say that earlier they used to hear fairy tales but now they watch fairies on television. People wonder as to whether such things really happen in this country? The types of houses, motors, bungalows etc. that are shown on the television make the villagers dumb-founded.

You will definitely enter the 21st century but the exploited will also be with you who will be a hindrance, because he is now aware how he is being exploited? Whatever economic progress we may make, only urban areas are reaping the benefits and the rural areas are being left behind.

Does it look nice that even after 39 or 40 years of Independence, we have not been able to provide drinking water to the people. I would like to ask as to where the allocated funds for tubwells and hand pumps have gone? The roads appear to be of 10th century. Where that money has gone which was to be spent on these roads? Nobody dares to ask these questions. How can you exonerate yourself of your responsibility by saying that it is responsibility of the State Government and not yours? No State Government can refuse to answer as to where the money provided has been misused? A

large scale plundering is going on and all the resourceful people are involved in it. As has been pointed out by one of the hon. Member, a person is appointed B.D.O. and within three years he earns Rs. 10 lakhs and constructs a house in the city. If anyone becomes a civil Engineer, he amasses, Rs. 50 lakh in four years. He need not to deposit his money in the Banks of Switzerland; he can deposit his money in our neighbouring country, Nepal. Thus it is a very serious matter.

Much is claimed about electricity. The poles are erected but power is not supplied for years together. I have suggested umpteen times that something should be done to check the flow of the rivers originating from Nepal. We can get so much electricity from them that requirement of the entire northern India can be met from them but it is a matter of regret that nobody pays any attention towards it.

You go to any village. You will see that there is only one pond there in which cattle and men bathe together, ease themselves and also drink the same water. This is what is happening in the villages. On the other hand, a well furnished bathroom with beautiful tiles is shown on the television. For how long shall we tolerate these things? You should think over it. Are you not even prepared to see the condition of the rural areas? The situation has become very precarious. You should not release the entire allocation at once. Get the schemes implemented strictly. The funds allocated for the rural development should actually be spent for that purpose. You simply discuss here that so much funds have been allocated but in actual practice it is no use.

Now-a-days, who are the people to whom the Bank loans are granted? Only the middlemen and the resourceful people are getting loans. You should seriously think over it.

[English]

SHRI K. RAMACHANDRA REDDY (Hindupur) : It is a very good subject; that is why I congratulate Mr. D. N. Reddy for bringing this subject. It is a very good subject because it concerns millions and millions of those villagers who are living in

villages but they do not even have a morsel of food to fill their stomach; who are half-starved and half-clothed.

In the pre-independence days, there was a moving motion picture by the name "A Farmer's Son". In that picture, the plight of the villagers was depicted; the very misery of a village was depicted; how the labour in a village had been robbed and exploited. That is somewhere in 1935-36. There was a song in that picture depicting the situation in a village. The meaning of the song is like this that there is not even a road in a village. Even if we wanted to take our produce to a market place, we did not have a road; no bullock-cart went there. The ryots were suffering. Our villages were not even worth a single pie. Our agriculturists were suffering, our labourers were suffering because they were not able to get even a regular type of price for their produce. This is the song. Even though it was in the pre-independence days, even now it holds good. I think you are from the village; that is why you are able to understand it.

Even now, thousands and thousands of villages are there, but the agriculturists do not have even roads or at least *kucha* roads to take their produce to the market places. I do not know how long it will take to connect those villages with rail to market places. It may take even a century to enable the government to provide railway linkage for the villages so that they may make their produce to the market places.

Even after 40 years of independence, if we are not in a position to provide even roads for the villages, how can we talk of rural economy? Our rural economy is completely in a shambles; it is completely ruined.

Let us take the agricultural product price. Who is the man who fixes up the prices for these products? An agriculturist has no hand in it at all. This price is fixed up by those people who are sitting in Delhi far away from the medding crowd. They do not know the travails and tribulations, and the travails of the villagers. They do not know how they work in scorching Sun and they do not know the effects of rain. They do not know how the villagers live in mud houses, not protected from sun, rain



and cold. These people who stay here in air-conditioned rooms in the third, tenth or twentieth floors, these bureaucrats do not know anything about rural economy, they do not know how the villagers are living and they fix up the prices of the agricultural commodities. I do not know what is the justification. In this House 80 per cent of Members are from rural areas. Why not some Members of Parliament be associated with the Agricultural Prices Commission so that they can give the agriculturists a good price?

I will bring it to your notice how an agriculturist is being exploited. This year, day-before yesterday only the price of sugar-cane has been raised from Rs. 17 to Rs. 18 per quintal. Only one rupee is the increase. Last year itself the Andhra Pradesh Government seeing that the price of sugar-cane is very very low, they have raised it by Rs. 6/-. Now here, these bureaucrats they do not want to help the ryots. Even if the Party whether it is Congress, Telugu Desam or Communist whatever may be the Party that is in power, if those politicians want to help they have almost become prisoners in the hands of the bureaucrats. That is why the bureaucrats are ruling. Even if the Party people they want to help a little the farmer these bureaucrats do not allow. If the price of sugar is raised by half a rupee per kg., you can give Rs. 50/- per quintal to the agriculturist. But these bureaucrats, they will not allow it, because their interests will suffer. If you are able to increase the price of sugar by 50 paise per one kilogramme, the agriculturist will get Rs. 50 to 60 per quintal. Why do you not do it?

I know that there are many people who are sympathetic towards the farmer, and even at present in the Cabinet also there are people who want to help the agriculturists. But because of these people of the organised sector, people who have got vested interests with big moneyed people, they do not allow it to happen.

The prices of the essential commodities are maintained at the cost of the agriculturist who is after all the person who finds it difficult to make both ends meet in the villages. I will tell you how the villagers are exploited.

Sericulture is very much there in villages. The villagers are only exploited in this respect. The agriculturist gets the yield through sericulture. They produce silk from them. But, alas, there, are no spinning mills to either spin the thread or mill the thread. They go to the towns. From the towns the yarn is again brought to the villages. Why should their this sort of thing happen? Why should their cocoons be sent elsewhere for spinning? Can you not start a big factory to avoid those people sending their cocoons to the towns?

Again take ground nut oil. If you go and see the small towns you will see the agriculturists producing the ground nut. Poor people depend on it. If you do not give good price for it, the poor people, the agriculturists will suffer. But the short-sighted policy of the bureaucrats does not allow the agriculturists to be helped. Ground nut oil is used by a number of people, poor people and rich people. But for crushing the ground nuts there is no crushing mill. The crushing mill is some two hundred miles away from the villages. Therefore, the ground nut is taken there by the villagers. Why this anomaly, I am not able to understand. In the villages the crushing mill should be there so that right from there they can produce oil.

In this way the economy of the villages has been completely and deliberately stifled. The man there has been ruined. He has been subjected to exploitation. There are poverty alleviation programmes. Government is spending crores of rupees. But the plight of villagers has not improved much. Only one thing is true that the Government is certainly spending crores of rupees, But the plight of the villagers has not made much progress. Recently I had an occasion to go to some of the north-eastern States like Assam, Meghalaya and Arunachal Pradesh. While we were touring those areas, I wanted to see how a villager live there. I requested some of my people to go to the house of a villager to find out as to how he is living there. In Arunachal Pradesh and Assam we went and saw a village. I discussed with the people there. I asked them about IRDP, NREP programmes. They said that they had not even heard of them at all. They are still living in primitive houses, made of

bamboos with no walls. They told us that these people were not giving any school, any house site to them. The agriculturist said that they were not given any fertiliser pesticide, seed, etc. This is the way in which, these programmes are being implemented. We see lot of statistics. There is a poem in Telugu which says : "*Anke Landunde Abhi Vriddhi Charka Podugu*";. It means that the improvement in the life of the villager is shown in statistic upto the arm pit. The statistics are an ass. They do not give the true picture. They say that so much money has been spent. But I challenge this Government let us go to the house of a villager without notice. Let us see what food he takes. That food has no nourishment. It has no taste. He takes that food to keep himself alive. I think, we may even refuse to touch that food. The poor villager is exploited in every way.

Mr.D.N.Reddy has asked for Rs. 10,000 crores. This is not a big sum considering our Budget of Rs. 50,000 to Rs. 60,000 crores and considering that 70 per cent of our population is from rural India. Please take into consideration the plight of the villages as to how a person is living there. I request you to go to the village, see the plight of the villagers, talk to them. discuss with them and then come forward with some schemes so that these *Daridra Narayans* are helped to lead a better life.

18.00 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, November 17, 1986 Kartika 26, 1908 (Saka)*